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Series of letters regarding Henry A. Niles' response to proposed amendments to the Constitution and By-Laws

Henry A. Niles

American Association of Public Accountants

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New York, October 10, 1910.

John R. Loomis, Esq.,

Chairman, Special Committee on By-Laws of the Delegates
of the New York State Society of C. P. A.,

165 Broadway, New York City.

Dear Sir:

Referring to the letter of October 8th addressed to me by Mr. Wilkinson in which he states that you have been appointed chairman of the above mentioned committee and that you will be glad to receive suggestions regarding the proposed amendments to the Constitution and By-Laws of The American Association of Public Accountants, I hand you herewith a copy of a letter dated September 24th addressed by me to the secretary of the Association, which was sent to Mr. Roberts in accordance with his letter of September 16th.

This letter fully explains itself, and while it is probable that a copy of it may have been handed to you by Mr. Wilkinson, to whom, I presume, my letter was referred, I have decided to enclose a copy, so that you will be sure to have my views on Section 4 of Article VI. of the proposed By-Laws of The American Association of Public Accountants.

Yours truly,

HAN-M
1 enc.

C O P Y

New York, September 24, 1910.

T. Cullen Roberts, Esq.,

Secretary, The American Association of Public Accountants,
56 Pine Street, New York City.

Dear Sir:

Your letter of the 16th instant enclosing a copy of the report of the Committee on By-Laws, with the request that I forward to you any suggestions relative to this report, has been received.

I have not had an opportunity to go over the report in detail, but in reading it I notice that the committee has retained what seems to me to be an incorrect statement of one of the rules of conduct; that is, in Section 4 of Article VI. of the By-Laws, the word "Preparation" seems to make this rule inconsistent with the practice of all, or at least nearly all, of the accountants in the United States. What I think we wish to guard is the verification of the statements and not their preparation. Therefore, I recommend to the committee that it suggests striking out the words following "accountancy work" in line 2, "the preparation of which was not carried on", and insert "which have not been verified." The words "in detail", or similar words might also be added, but I do not think it necessary or advisable.

Section 4 of Article VI. of the By-Laws would then read, "No member shall certify to exhibits, statements, schedules, or other form of accountancy work which have not been verified entirely under the supervision of himself, a member of his firm, one of his staff, a member of this association or of a similar

T. C. R. #2.

association of good standing in foreign countries".

I called the attention of President Sterrett to this clause three or four months ago and he stated that he would submit it to the committee, but as I have not heard further from him, it may be that the committee has not taken the matter into consideration.

My attention was called to this matter by a client, who stated that a member of the American Association had refused to verify a long, detailed monthly statement of expenditures which had been prepared by the accountants of my clients corporation, saying that these statements must be written by one of his employees; otherwise it would be contrary to the by-laws of The American Association of Public Accountants.

I do not know whether there was any special reason why the accountant desired to prepare the statement, but my client stated that while he wanted a thorough investigation made of the statement, he regarded the attitude of the accountant as a request for additional work which could be done just as well by one of his clerks.

Yours truly,

(Signed) H. A. Niles.

HAN-M

New York, October 11, 1910.

John R. Loomis, Esq.,

Chairman, Special Committee on By-Laws of the Delegates
of the New York State Society of C. P. A.,

165 Broadway, New York City.

Dear Sir:

Referring to my letter to you of yesterday and the copy of my letter to the secretary of The American Association of Public Accountants regarding Section 4 of Article VI. of the proposed by-laws of that association, I hand you herewith a copy of a letter which I received this morning from President Sterrett. I am sending you this letter so that you may be fully informed regarding the matter.

You will note that the By-Law Committee of The American Association of Public Accountants will probably call attention to the change which I suggest, but, nevertheless, I trust that the Committee of the New York State Society will also take such action as it may deem best.

Yours truly,

HAN-M
1 enc.

New York, October 11, 1910.

J. E. Sterrett, Esq.,

President, The American Association of Public Accountants,
54 William Street, New York City.

Dear Mr. Sterrett,

Very many thanks for your letter of the 10th instant. I am glad to note that you feel satisfied that the committee will desire to give expression to the change suggested by me in the By-Laws of The American Association of Public Accountants.

Yours truly,

HAN-M

The American Association of Public Accountants

INCORPORATED UNDER THE LAWS OF THE STATE OF NEW YORK. 20TH OF AUGUST 1887.

EXECUTIVE COMMITTEE

PRESIDENT,
J. E. STERRETT,
 54 WILLIAM ST., N. Y. CITY, TEL. JOHN 4537.
 SECRETARY,
T. CULLEN ROBERTS,
 66 PINE ST., N. Y. CITY, TEL. JOHN 4264.
 TREASURER,
H. A. KELLER,
 HAYDEN BLDG., COLUMBUS, OHIO, TEL. BELL 163-MAIN,
HARVEY S. CHASE,
 54 STATE ST., BOSTON, MASS., TEL. MAIN 3660.
ROBT. H. MONTGOMERY,
 165 BROADWAY, N. Y. CITY, TEL. CORTLANDT 780.
E. W. SELLS,
 30 BROAD ST., N. Y. CITY, TEL. BROAD 6030.
EDWARD L. SUFFERN,
 165 BROADWAY, N. Y. CITY, TEL. CORTLANDT 5380.



OFFICE OF

President
 54 William Street

New York, October 10, 1910.

Henry A. Niles, Esq.,
 111 Broadway,
 New York City.

Dear Mr. Niles:

Mr. T. Cullen Roberts has sent me a copy of your recent letter to him relative to by-law changes, and I find by looking through my correspondence on March 30, 1910, I wrote to the Chairman of the By-Law Committee, calling attention to the change suggested by you, but I must confess that the point was missed when the Committee came to take up its work.

I am very glad that you have again called attention to it as I am satisfied that there was no difference of opinion upon the question and I believe that the Committee will desire to give expression to the change you suggest when it makes its final report to the Board of Trustees next Monday.

Yours very truly,

J. E. Sterrett
 President

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New York, October 8th, 1910.

My dear Sir:-

At a meeting of the delegates of the New York State Society of Certified Public Accountants held at the offices of the Secretary on Wednesday last, the following resolution was proposed by Mr. Sells seconded by Mr. Weiss and carried unanimously:-

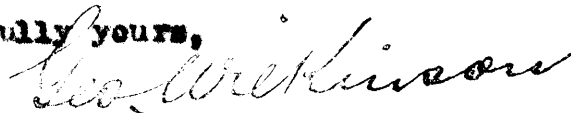
"That the Chairman of the Delegation appoint a committee thereof to consider the proposed changes in the constitution and by-Laws of the American Association of Public Accountants, such committee to report to this delegation before the next annual meeting of the American Association".

Acting in accordance with the above resolution, I have requested the undernamed delegates to serve on the committee:-

Mr. John R. Loomis,
Mr. William F. Weiss,
Mr. Leon Brummer

On behalf of the committee, Mr. Loomis will be glad to receive from the members of the society any suggestion they may wish to make regarding the proposed amendments to the Constitution and By-Laws of the American Association. As the time is very short, an early consideration of the matter is desirable.

Faithfully yours,



Chairman of the Delegation.

Charles E. Niles, Esq.,
111 Broadway,
New York City.

COMMITTEE ON BY-LAWS

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The American Association of Public Accountants

— INCORPORATED UNDER THE LAWS OF THE STATE OF NEW YORK. 20TH OF AUGUST 1887. —

EXECUTIVE COMMITTEE

PRESIDENT.

J. E. STERRETT,

84 WILLIAM ST., N. Y. CITY, TEL. JOHN 4537.

SECRETARY.

T. CULLEN ROBERTS,

66 PINE ST., N. Y. CITY, TEL. JOHN 4264.

TREASURER.

H. A. KELLER,

HAYDEN BLDG., COLUMBUS, OHIO, TEL. BELL 163-MAIN.

HARVEY S. CHASE,

84 STATE ST., BOSTON, MASS., TEL. MAIN 3660.

ROBT. H. MONTGOMERY,

165 BROADWAY, N. Y. CITY, TEL. CORTLANDT 760.

E. W. SELLS,

30 BROAD ST., N. Y. CITY, TEL. BROAD 6030.

EDWARD L. SUFFERN,

165 BROADWAY, N. Y. CITY, TEL. CORTLANDT 5380.



OFFICE OF

ADAM A. ROSS, JR., C. P. A.,

CHAIRMAN

1831 LAND TITLE BLDG.

PHILADELPHIA, PA.

11th October, 1910.

Mr. H. A. Niles,
111 Broadway,
New York.

Dear Mr. Niles:

Referring to your letter of 24th September addressed to Secretary Roberts, I would say that your suggestion regarding Section 4, Article VI, of the by-laws reached me through President Sterrett last March or April.

As I remember it, the Committee thought that the Section as it now stands was perhaps broad enough to cover the point you raise, but I will bring it up for discussion at our final meeting this week, and we will probably amend the Section in the way you suggest. I do not think that I grasped your point heretofore, which seems to be that by eliminating "preparation" and substituting "verified" we get rid of the rather far-fetched objection raised by the accountant you mention. Personally I have accepted many statements prepared by others though verified by our own people.

Very truly yours,

Adam A. Ross

New York, October 14, 1910.

Mr. Adam A. Ross, Jr.,

Chairman, Committee on By-Laws,
American Association of Public Accountants,

1831 Land Title Building, Philadelphia, Pa.

Dear Sir:

Very many thanks for your letter of the 11th instant with reference to my suggestion regarding Section 4 of Article VI. of the By-Laws of the American Association of Public Accountants.

I hope that the by-law will be revised or stricken out, as I do not think we should have a rule of conduct which is inconsistent with the practice of accountants.

Yours truly,

HAM-M