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## C. P. A. Bulletin, Vol. 2, No. 3, March 1, 1923

National Association of Certified Public Accountants

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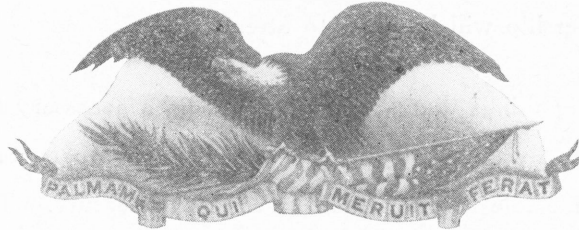
# The C. P. A. Bulletin

Copyright, 1923, National Association of Certified Public Accountants

No. 3. Vol. 2

The National Association of Certified Public Accountants  
WM. DE LAROCHE ANDERSON, Acting Editor

March 1, 1923



## National Surety Company

AND

## National Association of Certified Public Accountants Bond & Obligation

Assure Public of Integrity of Accountants Practice

Only Bond of Kind Issued

Lists To Be Filed With Banks

OF

Certified Bonded Accountants

The National Association of Certified Public Accountants has secured from the largest organization of its kind in the country, The National Surety Company a fidelity indemnity policy which, together with the practice obligation of the National Association, will assure the integrity of the practice of National Accountants to the public and insure the public against loss in their practice of Public Accountancy.

This is the greatest step forward ever made, by legislation or otherwise, in and for the Profession of Accountancy, in behalf of the business interests of the country, the protection of the public and the elevation of the Profession.

This is the National Association's reply to a condition represented by the following statement made by a prominent Banker recently to a member:

"This institution has been "stung" just fourteen times within the year by relying upon financial reports "dressed up" by C. P. As. Under your proposed plan I, and other Bankers, will give you more work than many times your membership will be able to attend to."

To be able to meet the big things that are coming it will be necessary for the National Association to increase its membership in good standing, and to do it quickly. Members services are going to be required in a great measure. We must be able to offer them in a great measure. Therefore it is the immediate present duty, and nothing is more important to them, of every member to enroll himself for bonding - a mere matter of an application containing the \$5. fee and dues addressed to Washington—and, to have such accountants as he knows who are not members of the National Association, C.P.A. or otherwise, who are in high standing and who have a clean practice record, apply immediately for membership and enrollment. Pay no heed to the false statements of competitive organizations that there is anything in court or legislation any where in the country which prevents the National Association from functioning freely and completely, in every way, as a membership corporation under its charter. Your name and the names of acceptable accountants who are not yet members should appear upon the lists of Certified Bonded Accountants which are to be filed with the Banks of the country just as soon as numbers sufficient qualify.

Your Officers have evolved this plan for YOU and have created this opportunity for members of the National Association and other qualified accountants who believe there is something better in the future than in the past for the Public Accountant—It is for the individual now to do his part for himself through the medium of his association and to grasp, by doing this part, his opportunity-now-to definitely and certainly fix his professional status on something, infinitely more generally acceptable than any title he may ever possess and which will mean to him **Employment, Remuneration, Standing**, not only in one state but **Everywhere**.

## Change of Address.

Members are requested to keep Washington Office informed as to changes of address. Members complain because they do not receive the Bulletin and other matter from Washington while headquarters has had to set up a "dead" file owing to the large amount of mail matter returned for lack of proper address. To keep necessary contact with your National headquarters attention to this matter is absolutely necessary.

What a \$10,000,000. organization thinks of the National Association of Certified Public Accountants, its membership and its plan. Hang this letter on your office wall as a definite answer to any general criticism of you or your association.

COPY OF LETTER FROM



# National Surety Company

CAPITAL and SURPLUS over \$10,000,000.00

New York, February 20th, 1923

Mr. J. R. Hutchison, President,  
National Association of Certified Public Accountants,  
Franklin National Bank Bldg.,  
Washington, D. C.

Dear Sir:

We have recently secured, through Mr. Wm. de La Roche Anderson of this city an order to write a Schedule Bond in favor of your Association, covering thereunder various members of your Association who may be employed by various individuals, firms or corporations, throughout the Country.

We regard this arrangement as a much needed step in the right direction.

We wish to take the opportunity at this time of expressing to you our appreciation of the designation of this Company as your Official Surety, and to assure you that it will be our pleasure and privilege to extend to you the full benefit of our service.

With best wishes for the success of your Association, I remain

Yours very truly,

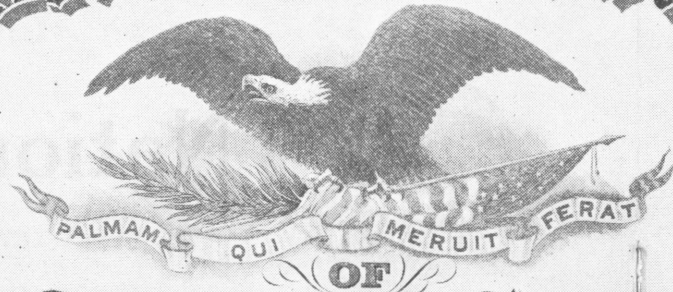
Signed Martin Lewis,

Superintendent

National Surety Company

# MEMBERSHIP OBLIGATION CERTIFICATE

## National Association



## Certified Public Accountants

To whom these presents may come: Greetings.

Be it known that \_\_\_\_\_ in consideration of having had conferred upon him all honors, rights and privileges through the Certificate of Full Membership granted under Charter of the National Association of Certified Public Accountants, acknowledges, as a condition thereto, an **Individual Public Responsibility**

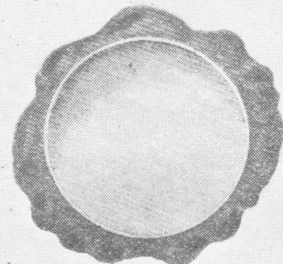
in matters pertaining to the practice of Public Accountancy, and an agreement to surrender the aforementioned Certificate, and all said rights of membership thereunder, to the Board of Governors, upon conviction by said Board, or any duly authorized Body of this Association, of having made or caused to be made, a false, misleading or grossly negligent report or accounting.

In witness whereof, This Certificate No. \_\_\_\_\_ is issued under the Seal of the Corporation at Washington, D. C., this \_\_\_\_\_ day of \_\_\_\_\_ 192

Accepted.  
Witness my signature this  
\_\_\_\_\_ day of \_\_\_\_\_, 192

Certified Member No. \_\_\_\_\_

Witness.



Board of Governors.

\_\_\_\_\_  
President.

\_\_\_\_\_  
Treasurer.

\_\_\_\_\_  
Secretary.

### FULL MEMBERSHIP

#### N. A. C. P. A.

Service	Cost
Dues	\$10.
Enrollment and Bond	5.
C. P. A. Bulletin	2.
Total, per annum,	\$17.
New Member:	
First Year, only,	
Initiation Fee, add to above	\$25.

An indication of membership, by statement, or by the exhibition of any certificate or card of this association, by a person not in good standing or declared in arrears, is pronounced a cause for prosecution.

ELMER LONG  
Treasurer, N. A. C. P. A.  
945 Penna Ave., N. W.  
Washington, D. C.

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# National Protective Accountancy

A method, **WITHOUT COST**, to secure true and unprejudiced accountings, to Banks, Credit Agencies, Income Tax Departments and other similar Institutions, through coverage under Bond, as Co-employer, by common agreement, of National Bonded Accountants.

There is nothing in the present law of the land anywhere or the present practices of finance that protects the accountant in the true public practice of the profession. There is nothing that protects the public against the "employed" Public Accountants' sole service of their employers, as paymasters only, without due regard of the public quality inherent in a service which necessarily involves in a great measure "innocent third parties", dependent upon it.

The common practice of the profession to-day is to please the client that pays the bill - if one account won't, another will - with the result that financiers, bankers, stock-holders, depositors, and all such, sit by and lose hundreds of millions of dollars, because "C. P. A. this" or Chartered Accountant that", out of the fullness of his technical knowledge, coupled with professional irresponsibility and the public habit of acceptance of things as they are, "**put one over**" for a big fee; and the profession of Accountancy, as a profession, is thereby debased by a skilful distorter, instead of having been elevated by a reporter, true to himself, to his profession, and to the public.

The National Association of Certified Public Accountants is pledged to the elevation of the **Profession** first, above all else; to accomplish this object, it has founded itself upon the principle of "Individual Responsibility in the PRACTICE of Public Accountancy" and it now has secured the means to make this principle an actual tangible value to the profession and to the community in a simple, practical, generally understandable way.

Under the National Association's plan of requiring a pledge upon which membership depends and then of bonding its members so pledged, there is now available to all elements of finance and credit and public agencies, a system of protective accountancy set up for a service which will mean much to them. The maintenance, continuance, and adequate extension of this service will be largely dependent upon the full measure of the active, not negative, support and endorsement by banks and credit and public agencies, and upon an open stand with the National Association by these elements against those who, for petty selfish reasons, will oppose it:

This support and stand is assured by the greatest of compelling motives—**Self Protection** as well as by definite statements from unquestionably reliable sources.

Under the National plan, bankers, or other such representative persons, by arrangement, may become, without cost, co-employers of all National public accountants employed by clients for the purpose of the preparation and certification of accountings which are to be presented to others than the client, when, both will be covered under the National Association pledge and the National Surety Bond of the National Accountant. Thus every influence is made to work automatically to furnish to the Public the quality of service which has long been desired of the Public Accountant and of the Profession and, to work for **RESPECT AND STANDING**, as a **Professional** in the community, to the Accountant, to a greater extent than ever has been possible before.

## New York Chapter Passes Resolution

Resolution unanimously passed by the New York State Chapter, National Association of Certified Public Accountants, at a meeting held on Wednesday Evening, February 14th, 1923, at the Engineering Building, 29 West 39th St., New York City, George H. Kingsley, President, in the chair.

WHEREAS: A pamphlet entitled "The Cost System of the U. G. I. Contracting Company" by Weston J. Hibbs, Treasurer of that Company and in charge of its Accounting and Cost Systems was submitted and read at the regular monthly meeting of the New York State Chapter of the National Association of Certified Public Accountants held at the Waldorf-Astoria, New York on Thursday evening, January 18th, 1923, and

WHEREAS: At that meeting Mr. Hibbs was requested to appear at the regular monthly meeting of this Chapter to be held at the Engineering Building, 29 West 39th Street, New York, on Wednesday Evening, February 14th, 1923 to answer questions the members of this Chapter might ask further regarding the details and operations of this Cost System, and

WHEREAS: At this meeting, Mr. Hibbs has appeared and answered all such questions satisfactorily, and

WHEREAS: The desirability of having in general use principles and methods of cost accounting designed to protect both the vendor and vendee and particularly so in a business where most of the work is done on a "cost plus" basis,

THEREFORE BE IT RESOLVED: That it is the opinion of the New York State Chapter of the National Association of Certified Public Accountants that the principles and methods of the Cost and Accounting System of The U. G. I. Contracting Company, as outlined in the pamphlet by Mr. Hibbs and further in his detailed explanation, should be and hereby are endorsed by this Chapter and are recommended for adoption by Contractors generally operating under conditions similar to those of The U. G. I. Contracting Company.

AND BE IT THEREFORE RESOLVED: That the Secretary be instructed to forward to the Treasurer of The U. G. I. Contracting Company the following resolutions.

Mr. Hibbs is president of the Philadelphia Chapter of the National Association.

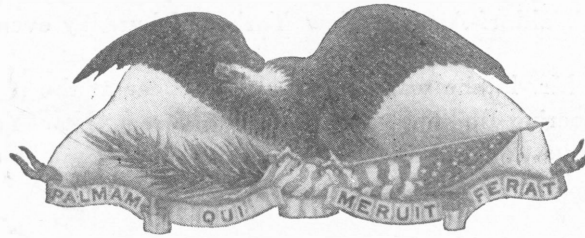
## Certified Public Accountants (D. C.)

Washington Town has now a C. P. A. law and the Town Committee is going to show all these "State" C. P. A. fellers where they get off, by heck! If they come monkeying around the departments of the National Govt. without first "letting us pass 'em or reject 'em" they'll go to jail, by gee! Seriously, the situation under the latest piece of C. P. A. legislation is going to be comic. We wonder what Senator Capper is going to tell the people of the Sovereign State of Kansas as being his reason for setting up a "Town Committee" with discretionary powers over Kansas rated accountants, between them and their Government.

We wonder what Senator Ball will tell the Income taxpayers of Delaware who send a Delaware C. P. A. to Washington on their business when they find him in jail instead of attending to their National business under his state title. The District of Columbia is not a Sovereign State. National legislation cannot be effected under the District Code. Some accountants, as legislators, are bookkeepers.

This law does not affect the National Association in any way.

**Public Accountants**  
**Universally Acceptable Practice Qualifications**  
 FOUND ONLY IN MEMBERS OF  
**National Association of Certified Public Accountants**



**Obligation**

A FALSE MISLEADING OR GROSSLY NEGLIGENT REPORT OR ACCOUNTING—FORFEITS MEMBERSHIP

**Certification — National Facilities**

BONDING BY NATIONAL SURETY COMPANY, NEW YORK.

Note: Eagle Insignia as above will appear on cards when issued.

REVERSE SIDE

President	National Association of Certified Public Accountants
	JOHN DOE, having
(Seal)	enrolled for NATIONAL PRACTICE OF PUBLIC ACCOUNTANCY is hereby CERTIFIED as a BONDED ACCOUNTANT under obligation of PROFESSIONAL INTEGRITY of PRACTICE in the minimum sum of BOND . — \$1000.00 — . No. _____
	THIS CERTIFICATION EXPIRES DECEMBER 31, 1923

Signature	THIS CARD IS VOID AFTER DECEMBER 31, 1923
	THIS CERTIFIES—That the member whose name is signed in the margin is enrolled for NATIONAL PRACTICE OF PUBLIC ACCOUNTANCY and has Offices and National Information and Service Facilities established at the National Capital, Washington, D. C. C. P. Timmons Secretary
	No. _____
	National Association of Certified Public Accountants

**Public Accountants - C. P. A. And Otherwise**

Compare the above with what other organizations of the profession do for you and then if your practice record is clean and good join the live organization of your profession, the National Association. The entrance test will be made convenient to you.

**BANKERS & CREDIT AGENCIES**

Compare the basis of dependability and responsibility of Public Accountants under any title whatsoever with the above and then insist that reports for credit purposes be accepted only from the most dependable and responsible, not in name but in fact.