

FEDERAL AND STATE AFFAIRS COMMITTEE
April 2, 1969

The meeting was called to order by the Chairman. Rep. Patton discussed HCR 1048, dealing with the taking of the census.

Rep. Turner discussed SB 121, explaining that the bill allows cities to collect tax on A & B private clubs in cities where there are not less than 75 Class B clubs; that this in effect makes this a local bill just for Sedgwick County. He stated that many of the B clubs are becoming A clubs and that this then cuts revenue and Wichita would like to be able to collect license fees on these clubs.

Thereupon, Mr. Turner moved that SB 121 be recommended for passage. Motion was seconded by Mr. Buchele and carried unanimously.

Mr. Patton moved that HCR 1048 be recommended for adoption. Motion was seconded by Mr. Woodward and carried 12 yes to 1 no.

Senator Gaar appeared to discuss SB 260. He explained that the bill deals with licensure of CPA's, and he discussed the bill and its implications in detail. He stated that it deals with a change in education requirements, testing procedures and experience requirements. In particular this bill would permit certain accountants who work for IRS to be qualified as CPA's. Upon questioning, it was established that there now is a 3 year apprentice period; that other states have an experience requirement also.

Mr. Bill Mitchell spoke in favor of the proposal; stating that this is not necessarily a bill that the CPA's nor the IRS would prefer but that this is something of a compromise.

Mr. John Logsdon testified that 20 states around Kansas require a college degree or higher before one can be qualified as a CPA; that in Kansas they can still be qualified with a high school education if they can pass the test and other requirements; that the upgrading of the educational provisions would be steps in the right direction. Mr. Kubek spoke in favor of the experience requirement, stating that CPA's are in the business of examining financial statements and making decisions and rendering opinions; that income tax is only a part of the business and that the science can only be learned through experience.

Mr. Bill Richel, a local CPA, stated that he questions that this proposal is in the best interest of the public. Upon questioning, he stated that he could think of no way this bill could help the profession.

Mr. Turner inquired if there is any way state employees could be compared with the IRS employees and Mr. Richel stated that there were civil service classifications that could be compared, as well as the examinations taken and the educational requirement for the certain classes. Members of the Committee inquired what a private CPA would do that an IRS examiner would not, and Mr. Richel explained that he was not in position to look at the total picture, but pointed out the municipal audits for example. Mr. Buck inquired if state employees perform somewhat the same task as IRS examiners and Mr. Richel stated that it is necessary to attach the federal return to the state return.

Mr. Cutts testified that some state employees had applied for positions with IRS and that they could not qualify. He too stated this is a compromise bill. (see exhibit)

Dick Conard of Salt City Business College testified that this bill excludes the private business school; that most vocational schools have a comparable program and many CPA's are the product of vocational schools; that they should not be discriminated against. He stated that he did not believe the bill is fair because business schools and vocational schools are a big business in Kansas, and in fact state funds are being used for them and they should be included.

The meeting was adjourned.

INDEX OF EXHIBITS

EXHIBIT 1 - Excerpt from Nebraska Statutes

EXHIBIT 2 - Excerpt from Colorado Statutes

EXHIBIT 3 - Excerpt from Missouri Statutes

EXHIBIT 4 - Excerpt from Oklahoma Statutes

EXHIBIT 5 - Excerpt from Texas Statutes

EXHIBIT 6 - Excerpt from Iowa Statutes

EXHIBIT 7 - Excerpt from Illinois Statutes

EXHIBIT 8 - Case of "Frazer v. Shelton 320 Ill. 253, 43 A.L.R. 1086"

EXHIBIT 9 - Internal Revenue Service Document 5504 (Rev. 9-68)

CHAPTER 1

ACCOUNTANTS

Nebraska
~~Section 1-114~~

Section.

- 1-114. Certified public accountant; qualifications.
 1-170. Audit, report, financial statement; public agency of state; made by whom.
 1-171. Audit, report, financial statement; federal regulation; made by whom.

1-114. Certified public accountant; qualifications. The certificate of certified public accountant shall be granted by the board to any person (1) who is a citizen of the United States or has duly declared his intention of becoming such citizen, (2) who is a resident of this state or has a place of business therein or, as an employee, is regularly employed therein, (3) who has attained the age of twenty-one years, (4) who is of good moral character, (5) who has had four years of public accounting experience, satisfactory to the board, in any state, in practice as a certified public accountant or as a public accountant, or, in any state, in employment as a staff accountant by anyone practicing public accounting, or any combination of either of such types of experience; Provided, that graduation from a college or university of recognized standing shall be considered as the equivalent of two years of the public accounting experience required by this section, [or who has had experience gained through employment by the federal government as a special agent or an internal revenue agent in the Internal Revenue Service and who holds a degree from a college or university of recognized standing and is certified by a District Director of Internal Revenue as having at least three and one half years of field experience as a special agent or internal revenue agent,] and (6) who shall have passed a written examination in theory of accounts, in accounting practice, in auditing, and in such other related subjects as the board shall determine to be appropriate.

Source: Laws 1957, c. 1, § 9, p. 58; Laws 1963, c. 1, § 1, p. 59.
 Effective date October 19, 1963.

1-170. Audit, report, financial statement; public agency of state; made by whom. Whenever any statute, or rule or regulation made by authority of any statute, requires that any audit, report, financial statement or other document for any department, division, board, commission, agency or officer of this state, be prepared by certified public accountants, such requirement, except as provided in section

2-1-4. -Disposition of fees.—All fees shall be deposited with the department of revenue, and the department shall pay the same to the state treasurer. The state treasurer shall place ten per cent of the gross proceeds so collected in the general fund and the balance in the state board of accountancy fund to be appropriated by the general assembly for the use of the board. The board shall pay all expenses incident to the performance of its duties under this article from the funds so appropriated by warrants of the state controller issued upon vouchers of the board. No expense incurred under this article shall be charged against the state. Any surplus in the fund in excess of one-half of the annual appropriation at the end of each fiscal year shall be disposed of as provided in section 130-5-5.

Source: L. 59, p. 130, § 4; CRS 53, § 2-2-4.

2-1-5. Certificate as certified public accountant.—(1) (a) The certificate of certified public accountant shall be granted by the board to any person:

- (b) Who is a citizen of the United States or who has declared his intention of becoming such citizen, and
- (c) Who is a resident of this state, or as an employee is regularly employed therein, and
- (d) Who has attained the age of twenty-one years, and
- (e) Who is of good moral character, and
- (f) Who has passed a written examination, and
- (g) Who, after January 1, 1965, meets the further requirements of section 2-1-6, or who, prior to January 1, 1965, meets the further requirements of section 2-1-7.

Source: L. 59, p. 130, § 5; CRS 53, § 2-2-5.

2-1-6. Educational and experience requirements.—(1) After January 1, 1965, any person who has qualified under section 2-1-5 shall be granted a certificate of certified public accountant who meets the requirements of subsection (2) of this section and who also meets the requirements of either subsection (3) or (4) of this section, which are that he:

(2) Is a graduate of a college or university which is approved by the board as of the time of graduation, and who has completed thirty or more semester hours, or the equivalent thereof, in the study of the subjects in which he must pass examination by the board, not more than six semester hours of which shall be of law involved in public accounting.

(3) (a) For any twelve months preceding the date of the application has been:

(b) Engaged in practice in Colorado as a Colorado registered accountant; or

(c) Doing accounting work as an employee of a certified public accountant of any state or of a Colorado registered accountant; or

(d) Doing work as an employee of the United States internal revenue service as an income tax field agent, or the United States general accounting office as a comprehensive accountant or auditor, or the state of Colorado department of revenue as an income tax field agent, or as a comprehensive accountant or auditor for the state of Colorado; or

(e) Engaged in any combination of paragraphs (b), (c) and (d) of this subsection (3).

(4) Has completed an additional thirty semester hours or the equivalent thereof and has attained a graduate degree in a college or university which is approved by the board, in the graduate study of accounting, business law,

economics or finance, of which at least twenty semester hours must be in the subjects in which he must pass examination by the board.

Source: L. 59, p. 130, § 6; CRS 53, § 2-2-6.

Editor's note: For "approval" of schools see 2-1-9.

2-1-7. Alternate educational and experience requirements.—(1) Prior to January 1, 1965, a certificate of certified public accountant shall be granted to any person who has qualified under section 2-1-5, and

(2) Who is a graduate of a high school with a four year course or has an equivalent education, and

(3) (a) Who for any three years preceding the date of application has been:

(b) Engaged in practice in Colorado as a Colorado registered accountant; or

(c) Doing accounting work as an employee of a certified public accountant of any state or of a Colorado registered accountant; or

(d) Doing accounting work as an employee of the United States internal revenue service as an income tax field agent, or the United States general accounting office as a comprehensive accountant or auditor, or the state of Colorado department of revenue as an income tax field agent, or as a comprehensive accountant or auditor for the state of Colorado; or

(e) Engaged in any combination of paragraphs (b), (c) and (d) of this subsection (3).

(4) (a) Part or all of the requirements of subsection (3) of this section may be met as follows:

(b) Two years credit shall be allowed to any person who is a graduate of a college or university approved by the board as of the time of graduation and who has completed thirty or more semester hours, or the equivalent thereof, in the study of the subjects in which he must pass examination by the board, not more than six semester hours of which shall be of law involved in public accounting, and

(c) An additional year's credit will be allowed for the completion of an additional thirty semester hours or the equivalent thereof, and attaining a graduate degree, in a college or university which is approved by the board, in the graduate study of accounting, business law, economics or finance, of which at least twenty semester hours must be in the subjects in which he must pass examination by the board.

Source: L. 59, p. 131, § 7; CRS 53, § 2-2-7.

2-1-8. Examinations—re-examinations.—(1) Examinations provided for in this section shall be held by the board. Such examinations shall take place as often as may be necessary in the opinion of the board but not less frequently than once a year.

(2) Each examination shall be designed and given in such manner as to fairly test the candidate's knowledge of the subjects of theory of accounts, accounting practice, auditing, law involved in public accounting, and such other related subjects as the board may deem advisable.

(3) The board may use the standard examinations promulgated by the American Institute of Certified Public Accountants, which examination shall be deemed prima facie to meet the requirements of this section.

(4) Prior to January 1, 1965, a candidate for a certificate of certified public accountant who meets the requirements of subsections (1) (b) to (1) (e) of section 2-1-5 and section 2-1-7(2) shall be entitled to examination. After January 1, 1965, a candidate for the certificate of certified public accountant who meets the requirements of subsections (1) (b) to (1) (e) of section 2-1-5, and section 2-1-6(2) shall be entitled to examination.

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issued under the laws of this state. After the registration of the firm or partnership name with the board, and the obtention of a permit, and not otherwise, the firm shall be entitled to use the designation "public accountant" in connection with the firm or partnership name. When firms or partnerships so registered secure annual permits, the name of the firm or partnership shall be listed in the annual register, together with the names of the partners or managers thereof, local or resident in this state, with the appropriate title or initials representing their respective capacities under this chapter. The names of nonresident partners who hold valid certificates issued under the laws of this state may also be listed.

4. The term "local", as used herein, is intended to denote persons engaged in practicing public accountancy in this state, who spend all or the greater part of their time during business hours in this state, but reside in another state.

5. No person shall assume or use a title or designation "certified public accountant" or "public accountant" in connection with names indicating that there is a partnership as in connection with the designation "and company" or "and Co." or a similar designation if there is in fact no bona fide partnership registered under this section, except that, a partnership lawfully using such title or designation in conjunction with such names or designations on October 13, 1967, may continue to do so if it otherwise complies with the provisions of sections 326.011 to 326.210. As amended Laws 1967, p. —, S.B.No.149, § 1.

326.050. Corporations of public accountants—how registered

Law Review Commentaries
Auditor's responsibilities. Arthur R.
Wyatt, 12 St. Louis U.L.J. 331 (Spring-
1968).

326.060. Qualifications of applicants—certificate of examination granted, when

1. The certificate of a "certified public accountant" shall be granted by the board to any person:

- (a) Who is a citizen of the United States, or has duly declared his intention of becoming a citizen; and
- (b) Who has attained the age of twenty-one years; and
- (c) Who is of good moral character; and
- (d) Who is a resident of the state of Missouri, or has a place of business therein, or, as an employee, is regularly employed therein; and
- (e) Who meets the requirements of education and experience as provided by sections 326.070 and 326.080; and
- (f) Who has complied with the provisions of section 326.080.

2. A certificate of examination indicating passage of the C.P.A. examination referred to in section 326.080 shall be granted to those successful candidates who have met all the requirements and qualifications for a certificate as a certified public accountant except the experience requirements of section 326.070.

3. Any person who shall have qualified to take the examination for the certificate in this state, and who, while so qualified, shall have received credit for all or any part thereof, shall remain qualified under this subsection until he receives his certificate. As amended Laws 1967, p. —, S.B.No.149, § 1.

326.070. Education and experience required—college teaching experience—examination of graduate accountants—reexaminations—examinations taken in another state

1. Individuals applying for examination for a certificate as a certified public accountant prior to July 1, 1972, shall, prior to the date of application, have graduated from an accredited high school, or have received,

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in the judgment of the board, an equivalent education as evidenced by having passed an examination of such a character as to evidence that the applicant is possessed of educational attainments substantially equivalent to a four year course of study in an accredited high school; provided, however, that an applicant holding a certificate of registration as a public accountant in the state of Missouri who has practiced as a public accountant for at least five years prior to August 1, 1943, shall be considered to have the equivalent of the educational requirements necessary to qualify for permission to take the examination for a certificate as a certified public accountant.

2. In addition, all applicants for an examination shall, prior to the date of application, have had a total of at least three years' experience as an employee engaged in accounting work for a certified public accountant or public accountant.

3. The requirements of subsection 2 of this section shall not apply to an applicant who is a member of the teaching staff of an accredited college or university in this state, and who has had at least five years full time teaching experience in accounting and its related business subjects, and who holds a baccalaureate degree obtained from a college or university recognized by the board, with a major or concentration, in accounting, or what the board determines to be the equivalent thereof, and with a minimum of twenty-four hours' accounting, including courses in accounting principles, cost accounting, income tax accounting, and auditing, and six credits in commercial law, to apply for examination for a certificate as a certified public accountant hereunder. In the event that the graduate teacher, as herein defined, passes all subjects satisfactorily in the examination, he shall be entitled to a certificate as a certified public accountant. When the said member of the teaching staff presents to the board satisfactory evidence that he has at least one year's experience in public accounting as an accounting employee of a certified public accountant or public accountant, he shall be entitled to a permit to practice as a certified public accountant upon meeting the other requirements of the law.

4. The practical experience requirements of subsection 2, 5(3), 5(4), 5(5), or 5(6) of this section shall not apply to an internal revenue agent if he is possessed of the requisite educational requirements and who has had at least five years' experience as an employee of the federal government as an internal revenue agent in the Internal Revenue Service, of which at least three years is certified by a district director of Internal Revenue Service as having been of field agent experience at the journeyman level, grade GS-512-11 or above, as specified in the United States Civil Service Commission's qualification standard as of October 13, 1967. When the internal revenue agent passes all subjects satisfactorily in the examination, he shall be entitled to a certificate as a certified public accountant. When the internal revenue agent presents to the board satisfactory evidence that he has at least one year's experience in public accounting as an accounting employee of a certified public accountant or public accountant he shall be entitled to a permit to practice as a certified public accountant upon meeting the other requirements of the law.

5. (1) The board shall permit a graduate of a university or college recognized by the board, with a major or concentration in accounting, at either the undergraduate or post graduate level, or what the board determines to be substantially the equivalent of such major in accounting, or, with a nonaccounting major, supplemented by what the board determines to be substantially the equivalent of an accounting major, which may include courses in business administration; to apply for examination for a certificate as a certified public accountant, and to take either the first or the second regular scheduled examination after his graduation if his application is filed within one year after graduation. A student taking post-

an examination given by that state that is similar to the examination given in the state of Missouri and who has passed one or more subjects on a standard of grading equivalent to that applied by the board in grading Missouri examinations, and who has become a resident of Mis-

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graduate work in either accounting or law, who has fulfilled the accounting requirements listed in this section, may take the examination at the end of his four years of study, or upon completion of his postgraduate work which has resulted in the award of an advanced degree or in the absence thereof has, in the opinion of the board, resulted in a substantial educational benefit in the field of accountancy or law.

(2) If the graduate, after fulfilling the requirements of this section, shall enter military services within one year of his graduation, he may take either the first or second regular scheduled examination after his discharge from active military service.

(3) In the event that the graduate passes all subjects satisfactorily in the first examination that he takes, he shall be entitled to a certificate as a certified public accountant upon presentation thereafter of satisfactory evidence to the board that he has had a total of at least two years' experience in public accounting as an employee of a certified public accountant or public accountant.

(4) Any such graduate, who has passed two or more subjects, two of which must be accounting practice and auditing, in the first examination taken by him, shall be entitled to be reexamined in the subjects which he did not pass, and if he passes all those subjects which he had previously failed, he shall be granted a certificate as certified public accountant upon presentation thereafter of satisfactory evidence to the board that he has had a total of at least two years' experience in public accounting as an employee of a certified public accountant or public accountant.

(5) Any such graduate, who has passed one or more subjects in the first examination taken by him, and who has passed one or more subjects in the second examination taken by him, shall be entitled to be reexamined in the subjects which he did not pass, and if he satisfactorily passes all those subjects which he has previously failed, he shall be granted a certificate as a certified public accountant upon presentation thereafter of satisfactory evidence to the board that he has had a total of at least three years' experience as an employee of a certified public accountant or public accountant.

(6) Any such graduate who fails to meet the requirements of either subdivision (4) or (5) of this subsection shall not be entitled to be reexamined until he meets the three years' experience requirements under subsection 2 of this section.

6. Any examinee other than a graduate, who has satisfied the provisions of subsection 2 of this section, and who fails in one or more subjects, shall be entitled to be reexamined at any regular examination given by the board, in any subject which he has failed.

7. No examinee, having failed the third reexamination, shall be permitted further examination until he first has presented satisfactory evidence to the board that, since the date of his last examination, he has devoted a minimum of three hours per week for a period of twenty weeks to the study of those subjects which he previously has failed to pass.

8. No examinee, having failed the fourth examination, may take further examinations until he first has presented satisfactory evidence to the board that since the date of his last examination, he has devoted a minimum of three hours per week for a period of twenty weeks to the study of those subjects which he previously has failed to pass. This study requirement shall be a requisite to all further reexaminations taken.

9. An applicant formerly resident in another state who has taken an examination given by that state that is similar to the examination given in the state of Missouri and who has passed one or more subjects on a standard of grading equivalent to that applied by the board in grading Missouri examinations, and who has become a resident of Missouri, may, in the discretion of the board, be deemed to have passed as of the date or dates of the examination of such subject or subjects.

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10. Individuals first applying for examination for a certificate as a certified public accountant after July 1, 1972, shall, prior to the date of the application, have received a baccalaureate degree from an accredited university or college recognized by the board, with a major or concentration in accounting, or what the board determines to be substantially the equivalent of a major in accounting, or with a non-accounting major, supplemented by what the board determines to be substantially the equivalent of an accounting major, which may include courses in business administration, except that, those persons qualifying under subsection 3 of this section shall be permitted to take the examination, upon the filing of a proper and timely application with the board. The individual pursuing a postgraduate course may qualify under the requirement for a concentration of study in accounting by reason of his postgraduate work if, the board determines that the postgraduate work is equivalent to a major or concentration in accounting. As amended Laws 1967, p. —, S.B.No.149, § 1.

326.090. Certificate issued to applicant holding certificate from another state—graduate teacher, permit to practice granted, when

1. The board may in its discretion waive the examination of, and may issue, upon the payment of a fifty dollar registration fee, a certificate as a certified public accountant to any person possessing the qualifications mentioned in section 326.060 who is the holder of a valid and unrevoked certificate as a certified public accountant issued under the laws of any state or territory of the United States, provided the requirements for the certificates in the state or territory which has granted it to the applicant were, in the opinion of the board, at least equivalent to those required in this state at the time the applicant's original certificate was issued.

2. The board may, in its discretion, waive the requirements of paragraph (d) of section 326.060 with the exception of that part requiring residency in the state of Missouri and issue a certificate as "certified public accountant" to, any person who is the holder of a valid and unrevoked certificate as a certified public accountant issued under the laws of any state or territory of the United States; provided the requirements for the certificate in the state or territory were, in the opinion of the board, at least equivalent to those required in this state at the time that the applicant's original certificate was issued, if the holder of this certificate is a member of the teaching staff of any accredited college or university in this state, and has had at least five years' full time teaching experience in accounting, and its related business subjects and who holds a baccalaureate degree obtained from a college or university recognized by the board.

3. No graduate teacher who successfully passes the examination and receives a certificate as a certified public accountant shall be granted a permit to practice, or hold himself out or commence the actual practice of public accountancy in this state, unless prior to the issuance of the permit or the commencement or attempting of commencement of practice, he shall have had at least one year's experience in public accounting as an employee engaged in accounting, working for a certified public accountant or a public accountant licensed pursuant to sections 326.011 to 326.210. As amended Laws 1967, p. —, S.B.No.149, § 1.

326.110. Rules of professional practice and ethics—when effective

Law Review Commentaries
Auditor's responsibilities. Arthur R.
Wyatt, 12 St. Louis U.L.J. 331 (Spring
1963).

326.111. Practice of public accountancy, standards and rules governing
The following standards and rules shall govern the practice of public accountancy in this state by certified public accountants, public accountants, "professional corporations" authorized by chapter 356, RSMo, and directors, officers and employees of the professional corporation.

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cial duties and shall be reimbursed for his actual and necessary expenses incurred in the discharge of his official duties.
Laws 1965, c. 188, § 6, emerg. eff. June 8, 1965. Amended by Laws 1968, c. 271, § 4, emerg. eff. April 30, 1968.

Library references
Licenses 21.
C.J.S. Licenses § 37.

§ 15.7 Disbursement of fees and monies

All fees and other monies received by the Board pursuant to the provisions of this act shall be expended solely for the purpose of this act. After the close of each fiscal year the Board shall file with the Governor of this State a true and correct report of all fees charged, collected and received and all disbursements during the previous fiscal year, and the Board shall pay into the General Revenue Fund of the State ten per cent (10%) of all annual registration fees so charged, collected and received, and no other portion shall ever revert to the General Revenue Fund or any other fund of the State. The compensation provided by this act and all expenses incurred under this act shall be paid from the said separate fund and no compensation or expenses incurred under this act shall be a charge against the general funds of this State. On the effective date of this act the balance of funds in the Accountancy Fund in the State Treasury shall be paid over to the Board by the State Treasurer and all obligations properly chargeable against the said Accountancy Fund and which arose prior to the effective date of this act shall be paid by the Board.
Laws 1965, c. 188, § 7.

Library references
Licenses 21, 33.
C.J.S. Licenses §§ 37, 56.

§ 15.8 Qualifications of applicants for certificates

Hereafter, every applicant for the certificate of Certified Public Accountant or license of Public Accountant must be a citizen of the United States, must have attained the age of twenty-one (21) years, must be of good moral character, must have been a resident of this State for one (1) year immediately prior to making application and must meet the requirement of education and experience as hereinafter provided:

- (a) The educational requirement shall be graduation from an accredited high school or, in the opinion of the Board, the equivalent thereof.
- (b) The experience requirement shall be at least three (3) years of public accounting experience, at least one (1) of which shall have been in this State, and the Board shall give consideration to equivalent experience as satisfying the requirement of three (3) years' public accounting experience, such equivalent experience to consist of work of a responsible and nonroutine accounting nature which requires independent judgment on accounting matters. Provided, however, that as to an applicant who is a graduate with a major in accounting or with a nonaccounting major supplemented by what the Board determines to be substantially the equivalent of an accounting major of any four (4) year college or university in the State of Oklahoma or any other four (4) year college or university recognized by the Board, such shall be deemed the equivalent of the aforesaid three (3) years' public accounting experience provided that the applicant shall have satisfactorily completed forty-eight (48) semester hours, or the equivalent thereof, in accounting and related subjects, of which not less than thirty (30) semester hours, or the equivalent thereof, be in accounting courses (of which at least one (1) course shall be in auditing), and the remainder of said forty-eight (48) semester hours, or the equivalent thereof, be in said related subjects, which shall be any or all of the subjects of economics, statistics, business law, finance, business management, marketing and business communication.
Laws 1965, c. 188, § 8, emerg. eff. June 8, 1965. Amended by Laws 1968, c. 271, § 5, emerg. eff. April 30, 1968.

any-applicant who is unable to meet the standards imposed by this Act.

Texas

Individuals or public accountants entitled to register

Sec. 11. All persons listed in subdivisions (a), (b), and (c) of this Section who are citizens of the United States, or have declared their intention of becoming citizens, who reside within the State or have a place for the regular transaction of business therein, and who are twenty-one (21) years of age or over, and of good moral character, may register on or before the first day of November, 1947, with the Board as public accountants as provided in Section 10 of Acts 1945, Forty-ninth Legislature, page 517, Chapter 315;

(a) Persons engaged at the date of the enactment of this Act, or persons who have engaged for at least three (3) years during the ten (10) years immediately preceding the date of enactment of this Act, in the practice of public accountancy within the State either as individuals on their own account, members of copartnerships engaged in the practice of public accountancy, or as officers of corporations engaged in the practice of public accountancy;

(b) Any individual who at the date of the enactment of this Act, may be an employee of any person engaged in the practice of public accountancy or may be employed in any governmental agency, provided all such persons meet any one of the three (3) following standards:

(1) Who is a graduate of a junior college, senior college or university and has completed thirty (30) or more semester hours or the equivalent thereof in the study of accounting, business law, economics and finance, of which at least twenty (20) semester hours or the equivalent thereof shall be in the study of accounting, and has been in the employ of a person engaged in the practice of public accountancy, or shall have been employed as an accountant or auditor in work of a nonroutine accounting nature which continually requires independent thought and judgment on important accounting matters for two (2) years preceding the date of application; or

(2) Who is a graduate of a junior college, senior college or university but has not completed the hours of study in subjects specified in subdivision (1) of this Section, and has been in the employ of a person engaged in the practice of public accountancy, or shall have been employed as an accountant or auditor in work of a nonroutine accounting nature which continually requires independent thought and judgment on important accounting matters for three (3) years preceding the date of application; or

(3) Who is a graduate of a high school or has an equivalent education and has been in the employ of a person engaged in the practice of public accountancy, or shall have been employed as an accountant or auditor in work of a nonroutine accounting nature which continually requires independent thought and judgment on important accounting matters, for at least four (4) years preceding the date of application;

(c) Individuals serving in the armed forces of the United States or any of the United Nations, who at the date of entering such service may be qualified as specified in either subdivision (a) or (b) of this Section. In the case of any person serving in the armed forces of the United States or any of the United Nations on the effective date of this Act, the Board shall extend the time for compliance prescribed by any provisions of this Act, for a period of twelve (12) months from the time such person is honorably discharged from such service.

Certification of Certified Public Accountants

Sec. 12. The certificate of a "Certified Public Accountant" shall be granted by the Board to any person:

(a) Who is a citizen of the United States or has duly declared his intention of becoming such citizen; and

(b) Who is a resident of the State of Texas, or has a place of business therein, or, as an employee, is regularly employed therein, and provided that any person who shall have qualified to take the examination for the certificate in this state, and who, while so qualified shall have received credit for all or any part thereof, shall remain qualified under this Subsection until he receives his certificate; and

(c) Who has attained the age of twenty-one (21) years; and

(d) Who is of good moral character; and

(e) Who meets the requirements of education and experience as hereinafter provided:

(1) During the three (3) year period immediately following the effective date of this Act the educational requirement shall be: (a) satisfactory completion of two (2) years of study at one (1) or more colleges or universities, recognized by the Board; or (b) graduation from a junior college, recognized by the Board, or such education as the Board determines to be substantially the equivalent thereof; and the experience requirements shall be four (4) years of accounting experience, satisfactory to the Board, as a certified public accountant in any state, or as a public accountant registered or entitled to register under Sections 11 or 13 hereof, or in public practice under the guidance of such a certified public accountant or public accountant, or in

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an activity comparable thereto, or in any combination of such types of experience, in work of a nonroutine accounting nature, which continually requires independent thought and judgment on important accounting matters; or such education and experience requirements may be those set out in (2), (3), or (4) below:

(2) During the second three (3) year period following the effective date of this Act, the educational requirement shall be either (a) that specified in (1) above and, in addition, satisfactory completion of what the Board determines to be substantially the equivalent of an accounting major, including related courses in other areas of business administration; and the experience requirement shall be three (3) years of the experience described in (1) above; or (b) graduation from an accredited high school, plus two (2) years of study of accounting or related subjects in one (1) or more colleges or universities, recognized by the Board, plus six (6) years of experience under the supervision of a Certified Public Accountant in work described in (1) above, in which event such Certified Public Accountant or Certified Public Accountants, if the applicant has been employed by more than one (1), shall certify to the Board that the applicant has, during such six (6) year period, had the experience described in (1) above.

(3) After the expiration of six (6) years from the effective date of this Act, the educational requirement shall be either (a) a baccalaureate degree conferred by a college or university recognized by the Board, with a major in accounting, or with a nonaccounting major, supplemented by what the Board determines to be substantially the equivalent of an accounting major, including related courses in other areas of business administration; and the experience requirement shall be two (2) years of the experience described in (1) above; or (b) graduation from an accredited high school, plus two (2) years of study of accounting or related subjects in one (1) or more colleges or universities, recognized by the Board, plus six (6) years of experience under the supervision of a Certified Public Accountant in work described in (1) above, in which event such Certified Public Accountant or Certified Public Accountants, if the applicant has been employed by more than one (1), shall certify to the Board that the applicant has, during such six (6) year period, had the experience described in (1) above.

(4) At any time after the effective date of this Act the experience requirement shall be only one (1) year of the experience described in (1) above for any candidate holding a Masters Degree with a major in accounting or business administration from a college or university recognized by the Board, or holding a professional degree in accounting designated other than a Masters Degree but judged by the Board

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to be equivalent to that degree and to be at an appropriate professional level, if he has satisfactorily completed such number of semester hours in accounting, business administration and economics, and such related subjects as the Board shall determine to be appropriate; and

(f) who shall have passed a written examination in theory of accounts, in accounting practice, in auditing, in commercial law as affecting public accounting, and in such other related subjects as the Board shall determine to be appropriate. A grade of at least seventy-five per cent (75%) on each subject shall be required as a passing grade.

Any candidate who meets the educational requirements under Subsections (1), (2), (3), or (4) of (e) above, and who is duly enrolled as an attorney in the Supreme Court of Texas and has complied with the provisions of the State Bar Act and is a member of the State Bar in good standing, shall be given credit for commercial law without taking the written examination on commercial law.

The Board may by written regulations provide for granting credit to a candidate for his satisfactory completion of a written examination at one sitting in any two (2) or more of the subjects specified in (f) above given by the licensing authority in any other state; provided, that when he took such examination in such other state he was not a resident of Texas, had no place of business in Texas, nor, as an employee, was he regularly employed in Texas. Such regulations shall include such requirements as the Board shall determine to be appropriate in order that any examination approved as a basis for any such credit, shall, in the judgment of the Board, be at least as thorough as that included in the most recent examination given by the Board at the time of the granting of such credit.

None of the educational requirements specified in (1), (2), or (3) of (e) above shall apply to a candidate who is registered as a public accountant under Section 11 of the Public Accountancy Act of 1915, as amended.

A candidate who has met the educational requirements but has not met the experience requirements provided for herein, shall be eligible to take the examination in all subjects except accounting practice without waiting until he meets the experience requirements, or a candidate who has met the educational requirements as specified in (3) (a) of (e) above shall be eligible to take the entire examination without waiting until he meets the experience requirements, provided that in either case he also meets the requirements of (a), (b), and (d) above of this Section.

A candidate for the certificate of certified public accountant who has successfully completed the examination under (f) above, shall have no status as a certified public accountant, unless and until he has met all of the requirements, has the requisite experience, and has received notice of his certificate as a certified public accountant.

The holder of a certificate heretofore issued under the provisions of Chapter 122 of the Acts of the 34th Legislature,¹ or under subsequent Acts, shall not be required to secure a new certificate as a certified public accountant under this Act.

The applicable educational and experience requirements under Subsections (1), (2) or (3) of (e) of this Section shall be those in effect on the date of his application for the examination or reexamination by which the candidate successfully completes his examination under (f) above. With reference to any candidate who has passed at least one (1) subject under any prior Act, the applicable educational and experience requirements shall be those in effect immediately prior to the effective date of this Act.

Any person who, at the effective date of this Act, has entered a program to meet the education and experience requirements of the Public Accountancy Act of 1945 as in force immediately prior to the effective date of the amendments by this Act, shall file with the Board within 180 days after the effective date of this Act, a written declaration thereof, and submit such proof thereof as the Board may require. After the filing of such declaration and proof, under rules and regulations prescribed by the Board, said person shall be allowed the time reasonably required to complete his program to meet the education and experience requirements in force immediately prior to the effective date of this Act, but not more than four (4) years after the effective date of this Act, and on completion of such requirements, if otherwise qualified to take the examination, he shall be permitted to make his application and take the examination under such education and experience requirements.

Every person who has met the requirements of (a), (b), (c), (d), (e), and (f) of this Section and is ready to receive his certificate as a "Certified Public Accountant," shall, before receiving such certificate, take an oath that he will support the Constitution of the United States and of this state, and the laws thereof, and will comply with the rules of professional conduct promulgated under the Public Accountancy Act of 1945 as amended. This oath shall be administered by a member of the Board or by such other person as may be authorized by law to administer oaths.

¹ Arts. 31-41, repealed.

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more office rooms through which public accounting work is handled.

"Office managers" and/or "managing officers" as used in section 116.6, means persons in charge of public accountancy work handled through an office as defined in subsection 5 of this section. [SS15, §2620-a; C24, 27, 29; C31, 35, §1905-c7; C39, §1905.07; C46, 50, 54, 56, §116.7]

116.8 Examination. All applicants for registration and certificates to practice accountancy, except persons actually engaged in such practice at the date of the passage of this chapter, and except as provided in section 116.12, and all persons who desire to become certified public accountants shall be required to take a written examination to be conducted by the board of accountancy, and upon satisfactorily passing the same shall receive certificates as certified public accountants and shall be entitled to practice as such upon the payment of annual fees as in this chapter provided.

Such examination shall be upon the following subjects: Theory of accounts, practical accounting, auditing, taxation, general commercial knowledge, and commercial law.

Examinations as above provided shall be conducted by the board of accountancy at least once each year in May or November, or both, as the board may deem expedient.

The board shall at its meetings establish the time and place of holding such examinations, and shall cause to be published a notice thereof for not less than three consecutive days in each of three daily newspapers published in the state, the last publication to be not less than sixty days prior to such examination, and shall notify all candidates of their success or failure within a reasonable time, stating the grade received on each paper or subject. [SS15, §2620-d; C24, 27, §1891; C31, 35, §1905-c8; C39, §1905.08; C46, 50, 54, 58, 62, §116.8]

Revised to in §§116.9, 116.10

116.9 Qualifications for examination. Every applicant for the examination provided for in section 116.8 must be over twenty-one years of age, a resident of this state, a citizen of the United States or have declared his or her intention to become such, of good moral character, a graduate of a high school having at least a four-year course of study or its equivalent as determined by the board of accountancy, or shall pass a preliminary examination to be given by the board at least thirty days before the regular examination; and a graduate of a college or university commerce course majoring in accounting, or an undergraduate student majoring in accounting in his or her final semester immediately preceding graduation upon the recommendation of the appropriate college or university officials.

The following shall, however, be accepted in lieu of the college or university commerce course:

Three years continuous practical account-

ing experience as a public accountant or as a staff accountant.

2. Three years continuous employment as a field examiner under a revenue agent-in-charge of the income tax bureau of the treasury department of the United States, or as a field examiner in the auditor's, comptroller's, banking, income tax, or insurance departments of this state. [SS15, §2620-d; C24, 27, §1892; C31, 35, §1905-c9; C39, §1905.09; C46, 50, 54, 58, 62, §116.9; 61GA, ch 137, §1(1, 2, 3)]

116.10 Registration of applicants. All applicants for registration and certificates to practice accountancy shall be required to take and pass the examination provided for in section 116.8, and have at least one year experience in service as a staff accountant in the employ of a practitioner entitled to registration under this chapter, or one year experience in service as a staff accountant in the employ of a governmental department of the state or federal government when the accountant has been under the direct full-time supervision of a certified public accountant entitled to registration under this chapter, except as follows:

1. The holders of unrevoked certified public accountant certificates granted in this state prior to September 30, 1929, and who are not engaged in practice at that time may register their certificates in December, 1929.

2. The holders of unrevoked certified public accountant certificates granted by other states or of equivalent certificates granted by the recognized authority of foreign countries may register their certificates, provided such certificates were issued as the result of an examination which, in the judgment of the board of accountancy, was equivalent to the standard set by it, or the holders thereof shall have been in continuous practice thereunder for at least seven years.

3. All senior accountants who have been continuously employed as such for at least three years prior to June 30, 1929, by practitioners entitled to registration under this chapter or as senior accountants in the employ of public accountants of recognized standing in other states shall be registered as public accountants, provided the last year of such employment shall have been in this state.

4. Certificates to practice either as certified public accountants or public accountants, shall not be issued to any person referred to herein until such person shall have filed with the board of accountancy a written declaration of intention to practice as defined by this chapter.

5. In lieu of the one year required experience in service as a staff accountant, the applicant may have three years continuous employment as a full-time accounting teacher at a rank no lower than assistant professor in a college or university qualified to give a degree in accounting as recognized by the board of accountancy. [SS15, §§2620-d, f; C24, 27, §1895,

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Credit unions, audit of practicing public accountant accepted, see Corporations, ch. 32, § 496.24.
Examining board for public accountants, see State Government, ch. 127, § 60a.
Municipal coliscums, examination of accounts by expert accountant, see Cities and Villages, ch. 24, § 11-67-9.
Municipally owned utilities, examination of accounts by expert accountant, see Cities and Villages, ch. 24, § 11-123-14.
Public utilities, audit of accounts, see Public Utilities, ch. 111½, § 15.
School township land commissioners, audit of funds by public accountant, see Schools, ch. 122, § 15-27.
Street railways, examination of accounts by expert accountant, see Cities and Villages, ch. 24, § 11-122-5.

§§ 1-24. Repealed. 1943, July 22, Laws 1943, vol. 1, p. 999, § 29

Historical Note

The repealed Sections 1-6 were derived from Laws 1903, p. 281, §§ 1-6; Laws 1907, p. 472, § 1; and Laws 1943, vol. 1, p. 1009, § 1; and regulated public accountants.

Sections 7-24 were derived from Laws 1927, p. 689, §§ 1-18; Laws 1935, p. 1075, §§ 1, 2; Laws 1941, vol. 1, p. 1018, § 1; and Laws 1943, vol. 1, p. 1009, § 1; and prescribed and regulated the practice of public accounting by registration.

Laws 1925, p. 505, in relation to practice of public accounting, and requiring a certificate of registration, with prescribed requirements was held unconstitutional as not a proper exercise of the police power and for lack of uniformity. See *Frazer v. Shelton*, 1926, 320 Ill. 253, 150 N.E. 696, 43 A.L.R. 1086. Section 17 of the said unconstitutional act repealed Act May 15, 1903.

For the subject matter of the repealed sections, see section 25 et seq. of this chapter.

§ 25. Qualifications of certified public accountant—Use of letters "C. P. A."

Any citizen of the United States, or person who has legally declared his intention of becoming such citizen, residing in or having a place for the regular transaction of business as a professional accountant in this State, being over the age of twenty-one years, of good moral character, and who has received from the University of Illinois, hereinafter called the University, a certificate of his qualifications as an expert public accountant as hereinafter provided, shall be styled and known as a "Certified Public Accountant," and no other person shall assume such title or use the abbreviation "C. P. A." or any words or letters to indicate that the person using the same is a certified public accountant. 1943, July 22, Laws 1943, vol. 1, p. 999, § 1.

Historical Note

Section 29 of the 1943 act repealed Title of Act:
sections 1-24 of this chapter.

An Act to regulate the practice of public accounting and to repeal certain Acts therein named. Approved July 22, 1943. Laws 1943, vol. 1, p. 999.

Law Review Commentaries

Accountant's failure to verify correctness of accounts receivable. 1956, 34 Chicago-Kent L. Rev. 329.

Citizenship requirements in professional and occupational licensing. 45 Chicago Bar Rec. 391 (1964).

Occupational licensing in Illinois, 1951, 46 Ill.L.Rev. 228.

Notes of Decisions

Construction and application 2
Repeal 3
Validity 1

Library references

Licenses ⇨ 20.

C.J.S. Licenses §§ 32, 33.

I.L.P. Licenses and Occupation and Privilege Taxes § 53.

1. Validity

Laws 1903, p. 281 (repealed), was not unconstitutional on ground that it appropriated money from state treasury in violation of Constitution, and on ground that it authorized university, without warrants being issued by state auditor, to pay expenses of administering act, since by terms of act no money was paid into state treasury and none was drawn therefrom. *Elliott v. University of Illinois*, 1937, 365 Ill. 338, 6 N.E.2d 647, certiorari denied 58 S.Ct. 11, 302 U.S. 692, 82 L.Ed. 534, rehearing denied 58 S.Ct. 133, 302 U.S. 774, 82 L.Ed. 600.

Regulations in sections 1-6 of this chapter (repealed) of manner of acquiring and use of title of certified public accountant, were within legislative power and not an unreasonable exercise of police power. *Id.*

Laws 1903, p. 281 (repealed) was not unconstitutional on ground that it made state liable for debts created by university in administering the act, since act did not require that fees be paid into state treasury, but merely that all expenses of holding examinations and issuing certificates should be paid out of fees. *Id.*

Legislation which was designed to license members of profession could validly exempt those already engaged therein or those who have had experience for time required by act, if exemptions are reasonable and apply equally to all similarly situated. *Id.*

Sections 1-6 of this chapter (repealed) were not void as a delegation of legislative and judicial powers to state university, because it authorized univer-

sity to determine whether applicants for accounting certificates had proper qualifications, since legislature had established qualifications for certified public accountants and university had purely ministerial function to determine if applicants had those qualifications. *Id.*

Laws 1903, p. 281 (repealed), prohibiting practice of accounting under title or designation of certified public accountant without compliance with its terms was not unconstitutional on ground that it was not germane to title stating that it was an act to regulate profession of public accountant, since fact that title is more comprehensive than act does not render act unconstitutional. *Id.*

Provision of Laws 1903, p. 281 (repealed), which authorized state university to determine qualifications of applicants for accounting certificates was not to confer ultra vires powers, since university is not a private corporation, but is an agency of the state. *Id.*

Sections 1-6 of this chapter (repealed) which authorized state university to determine qualifications of applicants for accounting certificates were not unconstitutional as conferring special or exclusive privilege on corporation, since university is not a private corporation, but is an agency of the state. *Id.*

2. Construction and application

Laws 1903, p. 281 (repealed) was intended to lay down the educational requirements for practicing as a certified public accountant and for using the title "C. P. A." *Gore v. National Ass'n of Certified Public Accountants*, 1924, 231 Ill.App. 38.

While Laws 1903, p. 281 (repealed), recognized the necessity for public accountants to be duly qualified and certified according to law, yet the statute was not exclusive. *Id.*

3. Repeal

Sections 1-6 of this chapter (repealed) were not in conflict with Laws 1927, p. 689, sections 7-24 of this chapter (repealed), which was subsequently en-

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acted, prohibiting practice of accounting without compliance with its terms so as to be repealed thereby, where later act dealt with a different subject and provided that it should not be construed as repealing or affecting earlier act, since question of whether statute has been repealed by implication is entirely matter of legislative intent. *Elliott v. University of Illinois*, 1937, 305 Ill. 338, 6 N.E.2d 647, certiorari denied 58 S.Ct. 11, 302 U.S. 692, 82 L.Ed. 534, rehearing denied 58 S.Ct. 133, 302 U.S. 774, 82 L.Ed. 600.

§ 26. Examinations

The University shall determine the qualifications of persons applying for certificates, and shall make rules for their examination, and for the conducting of such examination shall appoint three examiners, at least two of whom shall be certified public accountants of this State, and shall have been in residence and in active practice as public accountants in this State for at least five years immediately preceding their appointment and the third shall either be an accountant of the grade herein described or an attorney skilled in commercial law. The term of office of each examiner shall be three years, except that upon the enactment of this Act,¹ one examiner shall be appointed for a term of one year, one examiner for a term of two years, and one examiner for a term of three years. As the term of each examiner expires, the appointment shall be filled for a term of three years from the date of expiration.

The time and place of holding the examinations shall be determined by the University and shall be duly advertised by the University for not less than three consecutive days, in one daily newspaper published in each of the places where the examinations are to be held, not less than thirty days prior to the date of each examination.

The examination shall be in accounting theory and practice, auditing, commercial law, and such other related subjects, if any, as the University may deem advisable.

The examinations shall take place as often as may be necessary in the opinion of the University, but not less frequently than once a year. 1943, July 22, Laws 1943, vol. 1, p. 999, § 2.

¹ Sections 25-52 of this chapter.

Cross References

Examining board or committee, see, also, State Government, ch. 127, § 60a.

Notes of Decisions

Validity 1, 2
Prior law, validity 2

Library references
Licenses ⇨ 22.
S.J.S. Licenses §§ 34, 38, 39.

1. Validity

Former provision of section 28 of this chapter permitting public accountants who had secured their public accountant certificates by passing state examination, to apply for certificate as certified public accountants, but requiring public accountants, who had secured

public accountant certificates by certain waiver provisions of section 16 of this chapter (repealed) without passing any examination, to pass a special examination to secure a public accountant certificate, at same time authorizing both groups to continue practice as public accountants, did not constitute a denial of equal protection of the law or unjustly discriminate against the latter group of accountants. *Chatkin v. University of Ill.*, 1952, 411 Ill. 105, 103 N.E.2d 498.

2. — Prior law, validity

Sections 1-6 of this chapter (repealed) were not void as a delegation of legisla-

tive and judicial powers to university, since legislature had established qualifications for certified public accountants and university had purely ministerial function to determine if applicants had those qualifications. *Elliott v. University of Illinois*, 1937, 365 Ill. 238, 6 N.E.2d 647, certiorari denied 58 S.Ct. 11, 302 U.S. 692, 82 L.Ed. 534, rehearing denied 58 S.Ct. 133, 302 U.S. 774, 82 L.Ed. 699.

Provision of Laws 1933, p. 281 (repealed), authorizing state university to determine qualifications of applicants for accounting certificates did not confer ultra vires powers, since university is not a private corporation, but is an agency of the state. *Id.*

§ 27. Qualifications of applicants

To be admitted to take the examination given for the purpose of determining the qualifications of applicants for certificates as certified public accountants under this act,¹ the applicants must have graduated from a high school or a secondary school approved by the University or have completed an equivalent course of study acceptable to the University and in addition shall be required to present proof of the successful completion prior to the initial application for the examination of semester hours of study or their equivalent in a school or schools acceptable to the University as follows:

(a) If the initial application is filed before January 1, 1961, 30 semester hours in the study of accounting, business law, economics and finance, of which at least 20 semester hours shall be in the study of accounting, auditing.

(b) If the initial application is filed on or after January 1, 1961, and before January 1, 1964, 60 semester hours in the same or additional subjects of which at least 21 semester hours shall be in the study of accounting and auditing;

(c) If the initial application is filed on or after January 1, 1964, and before January 1, 1967, 90 semester hours in the same or additional subjects of which at least 24 semester hours shall be in the study of accounting, auditing and business law, provided that of the 24 hours not more than 3 shall be in business law;

(d) If the initial application is filed on or after January 1, 1967, 120 semester hours of the same or additional subjects of which at least 27 semester hours shall be in the study of accounting, auditing and business law, provided that of the 27 hours not more than 6 shall be in business law.

For the purpose of this section, study in residence or correspondence schools which specialize in business training shall be accepted by the

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University, provided such schools submit proof that at least 50% of their courses offered in accounting are taught by certified public accountants. 1943, July 22, Laws 1943, vol. 1, p. 999, § 3; 1947, July 21, Laws 1947, p. 1351, § 1; 1957, June 13, Laws 1957, p. 608, § 1.

¹ Sections 25-53 of this chapter.

Historical Note

The amendment of 1947 added the last paragraph; and inserted in the other paragraphs the alternative provision as to discharge from military service. As so amended this section read:

"To be admitted to take the examination given for the purpose of determining the qualifications of applicants for certificates as certified public accountants under this act, the applicants must have graduated from a high school or a secondary school approved by the University or have completed an equivalent course of study acceptable to the University. During the three years immediately following the passage of this Act, or following honorable discharge from military service, whichever is later, as pertaining to persons in military service July 22, 1943, no proof of additional education shall be required of such applicants. Thereafter, in addition to the educational requirements set forth above, such applicants shall be required to present proof of further education as follows:

"(a) During the fourth, fifth and sixth years following the passage of this Act, or following honorable discharge from military service, whichever is later, as pertaining to persons in military

service on July 22, 1943, proof of the successful completion of sixteen (16) semester hours or the equivalent thereof in the study of accounting in a school or schools acceptable to the University.

"(b) During the seventh and succeeding years following the passage of this Act, or following honorable discharge from military service, whichever is later, as pertaining to persons in military service on July 22, 1943, proof of the successful completion of thirty semester hours or the equivalent thereof in the study of accounting, business law, economics and finance, of which at least twenty semester hours or the equivalent thereof shall be in the study of accounting, in a school or schools acceptable to the University.

"For the purpose of this section, study in residence or correspondence schools which specialize in business training shall be accepted by the University, provided such schools submit proof that at least fifty percent (50%) of their courses offered in accounting are taught by certified public accountants."

The 1957 amendment gave this section its present wording.

Library References

Licenses ⇨ 20.
C.J.S. Licenses §§ 32, 33.

I.L.P. Licenses and Occupation and Privilege Taxes § 42.

§ 28. Certification of holders of unrevoked certificates

The certificate as a certified public accountant issued by the University without examination to a holder of a valid unrevoked certificate as a certified public accountant issued by the District of Columbia, a Territory of the United States or another State, pursuant to the provisions of this Section as it existed at any time prior to the effective date of this amendatory Act of 1957, shall be automatically revoked if the certificate issued by such District, Territory or other State is revoked.

The provisions of this Act shall not be construed to invalidate any certificates as certified public accountants issued by the University under "An Act to regulate the profession of public accountants", ap-

GEORGE E. FRAZER et al., Appts.,

v.

A. M. SHELTON, Director of the Department of Registration and Education.

Illinois Supreme Court — February 18, 1926.

(320 Ill. 253, 150 N. E. 696.)

Constitutional law, § 735 — forbidding business of public accountant — validity.

1. An act forbidding anyone to work at the business or occupation of accountancy for more than one person without a certificate from a state department is not so far related to the public welfare as to be within the police power of the state.

[See annotation on this question beginning on page 1095.]

Constitutional law, § 392 — special privileges — limiting right to act as certified public accountant.

2. A statute limiting the right to use the title "certified public accountant" to those engaged in such occupation on a specified date, and to those having such right in other states, violates the constitutional provision against granting exclusive privileges and immunities, although provision is made for others to obtain the right to use the title "public accountant."

Constitutional law, § 392 — discrimination against accountants.

3. A statute permitting all who are practising as public accountants on a specified date, or who shall have had five years' experience in the employ of a certified public accountant or public accountant on that date, to register as a public accountant, while requiring all others to pass an examination before being entitled to register, violates the constitutional provision against granting exclusive privileges and immunities.

Constitutional law, § 392 — discrimination in right to register as certified public accountant.

4. A statute requiring a certified public accountant of another state desiring to register within the state to pay \$25, and satisfy the proper department that the state issuing the certificate to him has requirements equal to the local ones, or pass an examination, while a certified public accountant of another state may come into the state and practise by registering and paying an annual fee of \$5, violates a constitutional provision

against granting exclusive privileges and immunities.

Constitutional law, § 392 — discrimination as to payment of license fee.

5. A statute subjecting to penalty a public accountant whose license fee is ten days overdue, without imposing such penalty on certified public accountants, violates a constitutional provision against granting exclusive privileges and immunities.

Constitutional law, § 715 — definition of police power.

6. The term "police power" comprehends the power to make and enforce all wholesome and reasonable laws and regulations necessary to maintain the public health, comfort, safety, and welfare.

[See 6 R. C. L. 183 et seq.; 2 R. C. L. Supp. 48; 4 R. C. L. Supp. 389; 5 R. C. L. Supp. 324.]

Constitutional law, § 801 — right to follow occupation as inalienable one.

7. The right to follow any of the common occupations of life is an inalienable right within the meaning of the Constitution, declaring that all men have certain inalienable rights.

[See 6 R. C. L. 266; 2 R. C. L. Supp. 83; 5 R. C. L. Supp. 333.]

Constitutional law, § 524 — right to follow trade as property.

8. The right of a citizen to pursue ordinary trades and callings upon equal terms with all other persons similarly situated is a part of his right to liberty and property under the Constitution.

[See 6 R. C. L. 266; 2 R. C. L. Supp. 83; 5 R. C. L. Supp. 333.]

Constitutional law, § 552 — protection of right to contract.

9. The right to contract is both a liberty and a property right within the protection of the Constitution.

[See 6 R. C. L. 269 et seq.; 2 R. C. L. Supp. 84; 4 R. C. L. Supp. 400; 5 R. C. L. Supp. 334.]

Constitutional law, § 443 — right subject to police power.

10. The right to liberty, property, and the pursuit of happiness is sub-

ject to the reasonable exercise of the police power.

[See 6 R. C. L. 273; 2 R. C. L. Supp. 87.]

Constitutional law, § 524 — restriction of occupations — validity.

11. Unless an act restricting the ordinary occupations of a citizen can be shown to fall within the police power, such act is void as violating the constitutional right of the citizen to liberty and the pursuit of happiness.

[See 6 R. C. L. 267.]

APPEAL by plaintiffs from a judgment of the Circuit Court for Sangamon County (Smith, J.) dismissing a bill filed to enjoin the enforcement of an act relating to the business of accounting, which was alleged to be unconstitutional. *Reversed.*

The facts are stated in the opinion of the court.

Messrs. Defrees, Buckingham, & Eaton, Dodd, Matheny, & Edmunds, and Don Kenneth Jones, for appellants:

The act is invalid as a legislative grant of special privilege and as a delegation of legislative power.

Lasher v. People, 183 Ill. 226, 47 L.R.A. 802, 75 Am. St. Rep. 103, 55 N. E. 663, 15 Am. Crim. Rep. 108; *People ex rel. Gamber v. Sholem*, 294 Ill. 204, 128 N. E. 377.

The act is invalid as an unreasonable, arbitrary, and invalid exercise of police power.

People v. Griffith, 280 Ill. 19, 117 N. E. 195; *People v. Love*, 298 Ill. 304, 16 A.L.R. 703, 131 N. E. 809; *Jensen v. Wilcox Lumber Co.* 295 Ill. 294, 129 N. E. 133; *Josma v. Western Steel Car & Foundry Co.* 249 Ill. 508, 94 N. E. 945; *Bessette v. People*, 193 Ill. 334, 56 L.R.A. 558, 62 N. E. 215; *State ex rel. Short v. Riedell*, 109 Okla. 85, 42 A.L.R. 765, 233 Pac. 684; *O'Rear v. Crum*, 135 Ill. 294, 25 N. E. 1097; *Fowler v. Perkins*, 77 Ill. 271; *Wheeler v. Chicago*, 24 Ill. 105, 76 Am. Dec. 736.

Messrs. Oscar E. Carlstrom, Attorney General, and B. L. Catron for appellee:

Stone, J., delivered the opinion of the court:

Appellants filed a bill against appellee, as director of the department of registration and education of the state of Illinois, seeking to enjoin the enforcement of a certain act relating to the business of accounting.

on the ground that the act is unconstitutional, unreasonable, and constitutes an arbitrary and improper exercise of the police power of the state. Appellee demurred to the bill, and the demurrer was sustained. Appellants having elected to abide the bill, the same was dismissed for want of equity. The cause is brought here for review, and various grounds of attack on the constitutionality of the act are assigned and argued.

The statutes attacked are, first, an act entitled "An act in relation to the practice of public accountancy and to repeal a certain act therein named," passed by the Legislature in 1925 (Laws 1925, p. 505), and a companion act amending § 60 of an act commonly known as the Civil Administrative Code (Laws 1925, p. 577). The attack on the latter act is based on the invalidity of the Accountancy Act, against which the arguments of counsel are leveled.

The first section of the Accountancy Act provides that, after the 1st day of October, 1925, it shall be unlawful for any person to practice, or attempt to practice, as a public accountant or certified public accountant without a certificate of registration as such issued by the department of registration and education pursuant to the amendment of § 60 of the Civil Administrative Code.

hereinbefore referred to. "Public accountancy" is defined by § 2 of the act as "accounting or auditing service as distinguished from bookkeeping, on a fee basis, per diem or otherwise, for more than one employer." It is provided by § 3 of the act that any citizen of the United States, or one who has declared his intention of becoming such and who resides in or has a place for the transaction of business as a public accountant in the state, if he be over the age of 21 years, of good moral character, has an education equivalent to a 4-year course in high school, and has received from the department of registration and education, under the provisions of the act, a certificate of his qualifications to practice as a public accountant, shall be styled and known as a public accountant, "and no other person shall assume such title or use any abbreviation thereof, or other words or letters signifying that the person using the same is a public accountant, except as permitted by this act." It is also provided in that section that 5 years' experience of the applicant as a public accountant in business for himself or in the employ of a public accountant shall be accepted as equivalent to a high school education. Section 4 provides that any person having the qualifications referred to in § 3, and who shall have received from the department of registration and education, under the provisions of the act, a certificate of his qualifications to practice as a certified public accountant, shall be styled and known as a certified public accountant, and "no other person shall assume such title or use the abbreviation 'C. P. A.' or any other words or letters signifying that the person using the same is a certified public accountant, except as permitted by this act." It is made clear by these provisions that one who has received from the department of registration and education a certificate qualifying him to practice as a public accountant is not entitled, under the act to hold himself out as a certified public ac-

countant or use the letters "C. P. A." or any words or letters of such significance and that one who has not received a certificate provided for in these or subsequent sections is not permitted to practice accountancy for more than one employer. Section 5 provides that the department of registration and education shall make the necessary rules and regulations regarding examinations and the time thereof. Section 6 specifies the subjects on which examinations shall be held. It then provides: "Each candidate who passes said examination shall thereupon receive a certificate of his qualifications to practice as a public accountant from the department, which certificate shall state that said candidate has successfully passed the examination in order to be qualified and known as a 'public accountant' and shall authorize the said successful candidate to so style himself and to be known as such."

Section 7 fixes the fees for such examination. By § 8 it is provided that those who shall have received a certificate as a certified public accountant from the University of Illinois under the Accountancy Act of 1903 may practice under this law without further examination. By § 9, any person holding a valid and unrevoked certificate as a certified public accountant issued by any other state or territory, or by the District of Columbia, who desires to practice as a certified public accountant in this state, may present his application for a certificate as a certified public accountant in this state, together with the required fee and such information as the department may consider necessary, and the department if it be satisfied that the requirements for a certificate in such other state or territory or in the District of Columbia are equivalent to those in this state, and that the applicant has the qualifications required of an applicant in this state, may issue a certificate as a certified public accountant to such applicant without examination, provided such other state or territory

or the District of Columbia extends a similar privilege to certified public accountants of this state. Section 10 provides for the revocation of certificates issued under this act or any prior act. It is provided by § 11 that nothing in the act shall prohibit a certified public accountant holding an unrevoked certificate issued in compliance with the law of another state from practicing in this state and styling himself a certified public accountant, provided he register annually with the department and pay the annual license fee provided in the act. All who are permitted by the department to practice as certified public accountants or as public accountants are required by § 12 of the act to pay an annual license fee of \$5. By this section it is made unlawful for any public accountant under this act to practice as such after 10 days from the date on which such license fee is due. Certified public accountants do not appear to be made subject to this penalty. Section 13 is as follows: "The department of registration and education shall waive the examination and issue a certificate to any person who is a citizen of the United States or has duly declared his intention of becoming a citizen, who resides in the state of Illinois and who applies therefor on or before October 1, 1925, permitting such person to practice as a public accountant, Provided that such person, on July 1, 1925, shall be practicing as a public accountant on his own account, or shall have had five years' experience in the employ of either a certified public accountant or a public accountant."

By § 14 it is provided that nothing in the act shall be construed to prevent the employment by a certified public accountant or public accountant, or a firm of such, of unlicensed employees provided such employees work under adequate control and supervision of a certified public accountant or licensed public accountant and provided that such employees do not certify to the ac-

curacy of any audit or statement made by them or their employer. Section 15 provides the penalties for a violation of the act and § 16 provides that certified public accountants or public accountants of other states may practice in this state in pursuance of any engagement originating from without this state, provided such accountants register with the department and pay the annual license fee. Section 17 repeals the act of 1903 relating to certified public accounts.

By the amendment of § 60 of the act known as the Civil Administrative Code it is provided that the department of registration and education shall designate a board of three persons for the purpose of assisting in the carrying out of the act in relation to accountancy. It is provided that this board shall consist of one public accountant, one certified public accountant, and one lawyer, each of whom has been actively engaged in the practice of public accountancy or of law for at least 5 years next preceding his appointment. It is by that act made their duty to conduct necessary investigations and examinations and report to the department.

Appellants contend that the Accountancy Act is unconstitutional, for the reason that it violates § 22 of article 4 of the Constitution, prohibiting special privileges, and the 14th Amendment to the Constitution of the United States, in that it denies equal protection of the laws. It is also contended that the act is an unreasonable exercise of the police power.

In support of the first contention it is pointed out that the act confers a special privilege on a limited class of persons, namely those persons who, on the 1st of October, 1925, were holding certificates as certified public accountants, and those who, under the reciprocity provision in § 9, hold unrevoked certificates as certified public accountants from other states, or such as are included in § 11, and that no other person may practice in Illinois as a certified

public accountant, and no citizen of the state may become such under the act. If this complaint is well founded, the act is invalid as contravening § 22 of article 4 of the Constitution of this state, which provides: "The general assembly shall not pass local or special laws . . . granting to any corporation, association or individual any special or exclusive privilege, immunity or franchise whatever."

An examination of the act shows that no provision is made for licensing any citizen of Illinois as a certified public accountant who was not such at the time the act went into effect. The only provision for the issuance of a certificate by the department of registration and education in case of examination, or to any one after October 1, 1925, other than persons holding foreign certificates or certificates under the act of 1903 (Laws 1903, p. 281), is found in § 6, where it is provided that each candidate who passes the examination shall receive a certificate of his qualifications to practice as a public accountant, and he shall be qualified and known as a public accountant. Section 4 of the act provides that any one who shall receive a certificate of his qualifications to practice as a certified public accountant under the act may be known and styled as such, and no other person may assume the title or use the insignia thereof, either by words or letters. Under the act the only persons, other than those holding foreign certificates, who may receive certificates as certified public accountants, are those who were certified public accountants on October 1, 1925. By § 3 any person who has received a certificate from the department entitling him to practice as a public accountant may be known as such, and no other person shall assume that title.

While the examinations provided for in § 6 take no account of distinctions between public accountants and certified public accountants, by § 4 a person who receives a certificate as a "public accountant"

may not hold himself out as a "certified public accountant," for, as we have seen, the language of that section is "no other person" shall assume the title or use the insignia of the title of certified public accountant. The qualifications prescribed by §§ 3 and 4 of the act for public accountant and certified public accountant are the same, except the requirement that the certificate of the board he had, which in § 3 is a certificate as public accountant and in § 4 a certificate as a certified public accountant. It appears clear, therefore, that the act necessarily operates to the advantage of the few persons who held certificates as certified public accountants prior to October 1, 1925, and those holding such certificate from an outside state, and discriminates against all other persons engaged in the business of accountancy, none of whom can ever become a certified public accountant in this state. An accountant who is employed by more than one employer, thereby under § 2 of the act practicing public accountancy, or one who is certified as a public accountant who desires to take an examination and have issued to him a certificate showing that he is a certified public accountant, finds in the act no means of accomplishing that end. The department is by the act given no authority to issue any certificate except that of public accountant.

Appellee contends that there is no difference between a public accountant and a certified public accountant; that the law recognizes none; and that one who is, in fact, certified by the department as a public accountant is, in effect, a certified public accountant. This contention is not sustained by the language of the act. Section 4, as we have seen, prohibits the use of the term "certified public accountant" by any person who does not meet the description of a certified public accountant as given in the act, and there is no way in which he can do so. It will be also noted that throughout the act accountants appear to be classified

as public accountants and certified public accountants. The companion act amending § 60 of the Civil Administrative Code specifies that the examining board shall consist of one public accountant, one certified public accountant, and one lawyer. Throughout the history of the law in relation to accountancy in this and other states there runs a distinction between a public accountant and a certified public accountant. In this state, under the act of 1903 (Smith's Stat. 1923, chap. 110½), the opportunity to receive a certificate from the University of Illinois as a certified public accountant, under the examinations prescribed, was open to anyone. No one was denied the privilege of holding himself out as a public accountant. Legislation on this subject in this and other states indicates that there is in the public mind, and in legislation as well, a recognized distinction between a public accountant and a certified public accountant. The act under consideration here not only does not destroy that distinction, but, on the other hand, accentuates it. In the states of Louisiana, Maryland, Michigan, North Carolina, and Tennessee acts have been passed providing for the registration of accountants, both as certified public accountants and as public accountants. In none of these states except Tennessee is one prohibited from practicing accountancy, but the certificate as certified public accountant is by the act taken as evidence of investigation and certification of certain qualifications which are not so signified by the certificate as public accountant. No one in the four states mentioned is denied the right to do accounting for as many persons as will employ him. Numerous states have likewise provided that certain audits and investigations shall be made by certified public accountants. In Massachusetts the Legislature in 1921 passed an act authorizing certified public accountants, approved by the state commissioner of banks, to make audits of savings banks. Mass. Gen. Laws

1921, chap. 168, § 17. In Pennsylvania it is provided that certain school districts may employ certified public accountants to audit their books. Pa. Laws 1925, p. 382, §§ 2603, 2623. In Michigan, finance companies operating under declarations of trust are required to be examined by the state banking commissioner, who is in turn authorized to accept the report and audit of a certified public accountant in place of such examination. Mich. Pub. Acts 1925, p. 461.

Accounting, or auditing, by reason of very great increase in industrial development, has become a vocation of increasing importance. In addition to its many uses in a commercial way, those uses have increased under various laws concerning municipalities and through the taxing provisions of state and federal laws. In 1924 Congress created the United States Board of Tax Appeals (U. S. Comp. Stat. § 6371½b), authorized to adopt rules pertaining to the conduct of its business. An examination of those rules discloses that the only accountants authorized to appear and practice before those boards are certified public accountants. From a consideration of these various laws and the usages commonly known to all engaged in such business as requires the services of an accountant, it must be said that there is in the public mind a marked distinction to be drawn between a public accountant and a certified public accountant, and it is evident that the act under consideration here does not tend to destroy such distinction. That distinction, together with the fact that under this act no citizen of Illinois not now a certified public accountant can become such, clearly demonstrates a special privilege accorded to those who are allowed to hold themselves out as certified public accountants and a discrimination against those who are not allowed so to do or to become cer-

Constitutional
law—special
privileges—
limiting right
to act as certi-
fied public
accountant.

tified public accountants. This discrimination is not founded on any reasonable basic classification.

There is another unreasonable discrimination appearing in the act. By § 13, as we have seen, examinations are waived, and certificates must be issued to any person who is a citizen of the United States, or has duly declared his intention to become such, who resides in this state, and who applies, on or before October 1, 1925, for a certificate permitting him to practice as a public accountant, provided such person shall on July 1, 1925, be practicing as a public accountant on his own account, or shall have had 5 years' experience in the employ of either a certified public accountant or a public accountant. By this act, one who on June 30, 1925, commences practicing as a public accountant on his own account may register as such on or before October 1, 1925, because he was practicing as a public accountant on his own account on July 1, 1925, and this though he shall have had no previous experience, while one who has had 4 years and 11 months' experience in the employ of either a certified public accountant or a public accountant cannot receive a certificate as public accountant without examination.

-discrimination against accountants.

There is no reasonable basis for the discrimination between such two persons. While a statute intended to be prospective may provide that it shall not apply to those already in the occupation to be licensed, under conditions named (People v. Logan, 284 Ill. 83, 119 N. E. 913; People v. Evans, 247 Ill. 547, 93 N. E. 388; Williams v. People, 121 Ill. 84, 11 N. E. 881), such exemption must be made to apply equally to all similarly situated. Again, by § 9 of the act a person holding a certificate as a certified public accountant of another state or territory who desires to be registered and receive a certificate as a certified public accountant of this state must pay the sum of \$25; and, if he would escape examination, he must satisfy the de-

partment that the state issuing the certificate to him has requirements equal to those of this state, and that the applicant is qualified to that extent, though under § 11 one who holds a certificate of certified public accountant of another state or territory may come into this state and practice by registering and paying the annual license fee of \$5. So far as the provisions of the act are concerned, he may move into the state and continue his business as a certified public accountant without the certificate of the department that he is qualified as such and without inquiry on its part as to the requirements of the state issuing the certificate to him. It is thus seen that in the second case a certified public accountant under a foreign certificate, merely by registering and paying the annual fee, has all the benefits of the act that would flow to such certified public accountant who de-

-discrimination in right to register as certified public accountant.

sires to have or has the certificate of the department of this state. Again, by § 12 public accountants are subject to a penalty should they practice when their annual license fee is 10 days overdue, though no such

-discrimination as to payment of license fee.

penalty is imposed on certified public accountants. A statute cannot be sustained which applies to some persons or cases and does not apply to all persons and cases not essentially different in kind. *Josma v. Western Steel Car & Foundry Co.* 249 Ill. 508, 94 N. E. 945; *Charles J. Off & Co. v. Morehead*, 235 Ill. 40, 20 L.R.A. (N.S.) 167, 126 Am. St. Rep. 184, 85 N. E. 264, 14 Ann. Cas. 434; *Braceville Coal Co. v. People*, 147 Ill. 66, 22 L.R.A. 340, 37 Am. St. Rep. 206, 85 N. E. 62; *Frorer v. People*, 141 Ill. 171, 16 L.R.A. 492, 31 N. E. 395; *Millet v. People*, 117 Ill. 294, 57 Am. Rep. 869, 7 N. E. 631.

Another question is raised. It is objected that the act is an unreasonable exercise of the police power. The term "police power" compre-

hends the power to make and enforce all wholesome and reasonable laws and regulations necessary to maintain the public health, comfort, safety, and welfare. Section 1 of article 2 of the Constitution provides: "All men are by nature free and independent, and have certain inherent and inalienable rights—among these are life, liberty and the pursuit of happiness."

The right to follow any of the common occupations of life is an inalienable right. That right is one of the blessings of liberty, and is accorded as a privilege to the citizens of the United States by the preamble to the federal Constitution, and by the Declaration of Independence, under the language "pursuit of happiness."

The right of a citizen to pursue ordinary trades or callings upon equal terms with all other persons similarly situated is a part of his right to liberty and property. *Bessette v. People*, 193 Ill. 334, 56 L.R.A. 558, 62 N. E. 215; *Allgeyer v. Louisiana*, 165 U. S. 578, 41 L. ed. 832, 17 Sup. Ct. Rep. 427; *Powell v. Pennsylvania*, 127 U. S. 678, 32 L. ed. 253, 8 Sup. Ct. Rep. 992, 1257. "Liberty" as used in the Constitution embraces the free use by all citizens of their powers and faculties subject only to the restraints necessary to secure the common welfare. The right to contract is both a liberty and a property right. *Frorer v. People*, 141 Ill. 171, 16 L.R.A. 492, 31 N. E. 395; *Braceville Coal Co. v. People*, 147 Ill. 66, 22 L.R.A. 340, 37 Am. St. Rep. 208, 35 N. E. 62.

It is, of course, well established that the right to liberty, property, and the pursuit of happiness is subject to the reasonable exercise of the police power of the states. The end to be secured by the exercise of the police power is the furtherance of the public health,

comfort, safety, or welfare, and, unless an act restricting the ordinary occupations of the citizen can be shown to fall within the police power such act is void, as violating the right of the citizen to liberty and the pursuit of happiness. Whether or not the regulation of an occupation has in it the elements of protection to the public health, comfort, safety, or welfare is a matter not always easy to determine. The question is here presented, Does the business of accounting affect the public health, comfort, safety, or welfare? Unless it does, its restriction is not permitted under the Constitution. It is readily seen that the profession of law, by reason of its influence on the safety of the rights of property and liberty, does affect the public welfare; that the science of medicine, surgery, and other treatment of human ills or the prevention of disease directly affects the public health; and that the manner of construction of buildings may well be said to affect the public safety. What is there in the business of accounting upon which the exercise of the police power may be based? Any act of accounting, as distinguished from bookkeeping, when for more than one employer is deemed by this act to be public accounting, and may not be engaged in without the prescribed certificate. The statute in this case is not limited to those who would do an accounting business with municipalities or other public agencies; therefore the necessity for police regulation must appear, if at all, by reason of the relationship of an accountant to private business concerns by which he is employed, and thereby to the public welfare. An "accountant," as that term is defined by standard lexicographers is one who is skilled in, keeps, or adjusts, accounts. "Accounting" is defined as the act or system of making up or stating accounts. It is readily seen that an incompetent accountant may render an inaccurate report and cause his employer to make a business error. This creates no effect

—definition of police power.

—restriction of occupations —validity.

—right to follow occupation as inalienable one.

—right to follow trade as property.

—protection of right to contract.

—right subject to police power.

upon the public, however, unless the relationship existing between the public welfare and the private business so effected is so close as to establish that influence. Assuming that an audit shows a business failure, such failure, while by no means desirable, does not ordinarily affect the public welfare, and, if it did, it is not the work of the accountant, but the condition of the business, that bears such influence. In order to say that private business must, in the interest of public welfare, employ one certified by the state, it must appear that the effect of an audit of that business is a matter of public welfare and not of private concern. If it is the latter the audit has no element of public welfare in it, and a law prohibiting or licensing the business of one who makes such audit is but an unwarranted regulation of private business and the right to contract. To say that private business must submit to an audit on stated occasions goes no further, in principle, than to say that private business may not employ whom it chooses to make such audit. While restrictions of such a character are imposed upon public utility corporations by reason of the interest of the public therein, no law, so far as we are advised, has gone to the extent of attempting to so regulate purely private business. The business of accounting for private employers has in it none of the elements of a public utility. Laws passed by various states on this subject have authorized the conferring of degrees upon accountants who pass an examination or have provided for the issuance of certificates of qualification. These laws have been passed in the interest of those engaged in the business and for their protection and advantage rather than in the interest of the public welfare.

Counsel for appellee have cited cases which hold that the accountancy acts considered therein are valid. The acts referred to in those cases, however, contained no provision prohibiting any citizen follow-

ing the business of an accountant, though employed by more than one employer. They are acts which regulate the use of the term "public accountant" or "certified public accountant." Section 1 of the act under consideration here makes it unlawful for one who has not been certified by the department of registration and education to practice the business of accountancy, which § 2 defines as such employment by more than one employer.

In *People v. Marlowe* (Sp. Sess.) 40 N. Y. Crim. 448, 203 N. Y. Supp. 474, a law prohibiting the use of the degree or title of certified public accountant, or "C. P. A.," by one who had not obtained a certificate from a designated board was sustained on the ground that public accountancy is a well-recognized business and that the following of that business was not by the act made to depend upon the issuance of a license or special qualification, but the statute prohibited the use of such title or degree without the certificate of the board.

In *Henry v. State*, 97 Tex. Crim. Rep. 67, 260 S. W. 190, Henry was prosecuted for holding himself out as a holder of a degree as a certified public accountant and using the initials "C. P. A.," though a statute of that state prohibited the use of such term without proper certificate. The law was sustained, and the court stated that the act was not invalid, since it did not inhibit the pursuit of the occupation of accountant, but only the unauthorized use of the term "certified public accountant," or the letters "C. P. A."

In *Lehmann v. State Bd. of Public Accountancy*, 208 Ala. 185, 94 So. 94, a law requiring a certificate of a designated board as a prerequisite to the use of the term "certified public accountant" or the letters "C. P. A." was held valid because the restriction was with reference to the accountant holding himself out as a certified public accountant, and it is pointed out that the act did not prohibit any citizen from following the vocation of an accountant. To

the same effect is *State v. De Verges*, 153 La. 349, 27 A.L.R. 1526, 95 So. 805.

Counsel have cited no case, and we are aware of none, which holds valid an act which prohibits a citizen following the occupation of accountant or limits his employment to one person or firm, unless he have a certificate. In *State ex rel. Short v. Riedell*, 109 Okla. 35, 42 A.L.R. 765, 233 Pac. 684, a law similar to the one under consideration here was held invalid as not within the police power, in so far as it prevented the practice of accountancy without a certificate of a board created by the act. An act designed to secure the comfort, safety, or welfare of the public must appear to be adapted to that end. It cannot invade the rights of personal liberty or of property under the guise of police regulation, when, in fact, it bears no reasonable relation to some purpose within the power of the state. Burdensome restrictions may not be imposed on the ordinary vocations of the citizen, unless such restrictions are necessary in the furtherance of some purpose within the competency of the state. *People v. Love*, 298 Ill. 304, 16 A.L.R. 703, 131 N. E. 809; *People v. Steele*, 231 Ill. 340, 14 L.R.A. (N.S.) 361, 121 Am. St. Rep. 321, 83 N. E. 236; *Ritchie v. People*, 155 Ill. 98, 29 L.R.A. 79, 46 Am. St. Rep. 315, 40 N. E. 454; *Meyer v. Nebraska*, 262 U. S. 399, 67 L. ed. 1045, 29 A.L.R. 1446, 43 Sup. Ct. Rep. 625; *Pierce v. Society of Sisters*, 268 U. S. 510, 69 L. ed. 1070, 39 A.L.R. 468, 45 Sup. Ct. Rep. 571.

We do not say that it is beyond the power of the General Assembly to enact a statute requiring that no one shall use the term "certified pub-

lic accountant" or the term "public accountant" without having met the requirements of such an act. Such a provision may well be within the power of the Legislature on the ground that it is to the public interest that no one shall use a term indicating that he has been examined and certified as an accountant when such is not the fact. Of such character was the Accountancy Act of 1903 (Acts 1903, p. 281) herein referred to. By § 6 of that act any one who represented himself to the public as having received the certificate provided by the act, or who made use of the term "certified public accountant" or its abbreviation, was declared guilty of a misdemeanor. Such is a misrepresentation which the Legislature may prevent by statute. There is, as we view it, however, a wide difference between acts of such character and one which provides that no one who has not received a certificate as public accountant

—forbidding
business of pub-
lic accountant
—validity.

from the department of registration and education shall be allowed to work at the business or occupation of accountancy for more than one person. Such an act does not spring from a demand for the protection of the public welfare, but is an unwarranted regulation of private business and the right of the citizen to pursue the ordinary occupations of life. For these reasons it was error to sustain the demurrer and dismiss the bill.

The decree of the Circuit Court is reversed and the cause remanded, with directions to overrule the demurrer.

Reversed and remanded, with directions.

ANNOTATION.

Regulation of public accountants. [Accountants, § 1.]

With the exception of the reported case (*FRAZER v. SHELTON*, ante, 1086) no cases involving a construction or discussion of statutes regulating pub-

lic accountants have arisen since the publication of the annotation in 42 A.L.R. 777, to which the present annotation is supplementary.

SELECTED EXPERIENCE REQUIREMENTS FOR CPA CERTIFICATION PURPOSES

REVENUE AGENT										
States	Notes	Public Account- ing Only	Ac- cepted in Full	Ac- cepted in Part	Discre- tion of Board	Years Experi- ence	G.S. Grade Minimum	Other Govern- ment Experi- ence Accepted	Other Experience Accepted	Comments
Alabama	B	No	No	Yes	Yes	1½	11	No	Yes	1½ years experience as field revenue agent at GS-11 or above equated to 1 year public accounting experience required of college graduate with major in accounting.
Alaska	B	No	No	Yes	Yes	3		Yes	Possible	Unwritten policy that 3 years revenue agent experience may be substituted for 1 of 2 years public accounting experience required of college graduate with major in accounting.
Arizona		No	No	No	Yes			No	No	Statute permits the Board to accept "equivalent" experience, but Board does not currently recognize revenue agent experi- ence.
Arkansas	B	No	Probable	No	Yes	4		Probable	Probable	
California	B	No	No	Yes	Yes		11	Yes	Yes	Estimated 7-8 years of revenue agent experience required to meet 4 years public accounting experience requirement.
Colorado	L	No	Yes	No	No	1	9	Yes	Yes	
Connecticut	B	No	Yes	No	Yes	4 - 6	7	Probable	Probable	
Delaware		Yes	No	No	No			No	No	
Florida		Yes	No	No	No			No	Yes	State Board's official position is that it is without statutory discretion to accept revenue agent experience. But a supervisor recently passed the examination and received his certificate based on IRS experience.
Georgia	L	No	No	Yes	Yes	4		Yes	Yes	
Hawaii	R	No	Yes	No	Yes	5	9	Yes	No	
Idaho		No			-Not	Determined-				The statute permits the Board to recognize equivalent experience, but acceptance is problematical at this time.
Illinois		No	No	No	No			No	No	Experience not required for certificate, but is required for license to practice.
Indiana	B	No	No	Yes	Yes	5	None	No	Yes	
Iowa	L	No	Yes	No	No	3	None	Yes	Yes	
Kansas		Yes	No	No	No			No	No	
Kentucky	L	No	Yes	No	No	4*	11	No	No	*Two of the four years at GS-11.
Louisiana	R	No	Yes	No	No	1	7	Yes	Yes	

SELECTED EXPERIENCE REQUIREMENTS FOR CPA CERTIFICATION PURPOSES

States	Notes	Public Accounting Only	Revenue Agent				G.S. Grade Minimum	Other Government Experience Accepted	Other Experience Accepted	Comments
			Accepted in Full	Accepted in Part	Discretion of Board	Years Experience				
Maine					Not Determined					New law regulating practice of public accounting passed October 1967. The Board is to issue regulations specifying the requirements for education and experience. Estimated date of issuance, December 1968.
Maryland		Yes	No	No	No			No	No	
Massachusetts	R	No	Yes	No	Yes	6 - 9	7	Yes	No	With certain education, no experience required.
Michigan	L	No			Not Determined					
Minnesota		No	Yes	No	Yes	3	7	Yes	Yes	Statute permits recognition of government accounting experience. Board now considering a profile of Internal Revenue Service experience.
Mississippi	B	No	No	Yes	Yes	2 - 3	11	Possible	Yes	
Missouri	L	No	Yes	No	No	5	11	No	No	All revenue agent experience is not automatically acceptable.
Montana		No			Not Applicable					
Nebraska	L	No	Yes	Yes	No	3½		Yes	No	Three of the 5 years Revenue Agent experience must be at GS-11 level or higher. One year's public accounting experience as an employee of a CPA or PA required to obtain a permit to practice as a CPA.
Nevada		Yes	No	No	No			No	No	
New Hampshire	B	No	No	Yes	Yes	4	Discretion of Board			No experience required.
New Jersey		No	Yes	No	Yes	10		Yes	No	
New Mexico	B	No	No	Probable	Yes			No	No	Legislation probably will be reintroduced during 1968 to provide statutory recognition of Revenue Agent experience.
New York	R & B	No	Yes	No	Yes	2*		Yes	Yes	
North Carolina	R	No	Yes	No	No	2		Yes	Yes	Each case considered on its merits.
North Dakota		Yes	No	No	No			No	No	
Ohio	B	No	Yes	No	Yes	4	9	Probable	Probable	State regulations permit the Board to accept governmental auditing experience which it deems "equivalent" to the practice of public accountancy. *One year of experience with Masters Degree in Accountancy.

SELECTED EXPERIENCE REQUIREMENTS FOR CPA CERTIFICATION PURPOSES

States	Notes	Public Account- ing Only	Revenue Agent					Other Govern- ment Experi- ence Accepted	Other Experience Accepted	Comments
			Ac- cepted in Full	Ac- cepted in Part	Discre- tion of Board	Years Experi- ence	G.S. Grade Minimum			
Oklahoma	B	No	No	Yes	Yes	5 - 6	9	Yes	Yes	
Oregon	B	No	No	Yes	Yes	3		Yes		In lieu of one of the two years of public accounting experience, internal revenue agents may, with Board approval, substitute three years experience in the IRS with heavy emphasis on corporation income tax audit work.
Pennsylvania	B	No	Yes	Yes	Yes	2		Yes		
Rhode Island	L	No	Yes	No	Yes	2*	11	Yes	No	*Only 1 year experience required with Masters degree.
South Carolina		Yes	No	No	No			No	No	
South Dakota	B	No	Yes	No	Yes	1		No	No	
Tennessee	B	No	Yes	No	Yes	2*		Probable	Probable	*Only 1 year experience required with Masters degree.
Texas	B	No	Yes	No	Yes	1 - 4	7	Yes	Yes	Required experience as revenue agent varies with education.
Utah	B	No	Yes	No	Yes	2	11	Yes	Yes	
Vermont	R	No	Yes	No	Yes	4 - 6	9	Probable	Probable	Two years revenue agent experience at GS-11, or 3 years at GS-9 equated to 1 year of public accounting experience.
Virginia	L	No	Yes	No	No	4	7	Yes	Yes	
Washington		Yes*	No*	No*	No*			No*	No*	*State legislature considering recognition.
West Virginia		No	Not Applicable							Experience requirement eliminated. Educational requirements increased.
Wisconsin	B	No	Yes	No	Yes	3		Yes	Yes	
Wyoming	R	No	Yes	No	Yes	3	11	No	No	
District of Columbia		No	Not Determined		Yes			Yes	Yes	
Puerto Rico	L	No	Yes	No	No	0 - 12		Yes	Yes	Experience as RA varies inversely with education.
Virgin Islands	L	No	Yes	No	No	2 - 6		Yes	Yes	
Totals: Yes		8	26	11	29			24	19	Notes: RA experience allowed: L by statute R by regulation B by Board
No		44	20	35	19			17	20	
Probable/Possible		--	1	1	--			7	8	
Not Applicable		--	2	2	2			2	3	
Not Determined		1	4	4	3			3	3	

EXPERIENCE REQUIREMENTS FOR CPA EXAMINATION

Alabama

No experience required to sit for examination if applicant has Bachelor's degree with major in accounting and is engaged in public accounting at time of application and examination, but certificate not awarded until 1 year's experience obtained.

Alaska

No experience required to sit for the examination.

Arizona

No experience required to sit for the examination.

Arkansas

No experience required to sit for the examination but applicant must have Bachelor's degree with major in accounting.

California

Experience not required to sit for the examination.

Colorado

Experience not required to sit for examination, but applicant must have Bachelor's degree with accounting major.

Connecticut

Experience required only to take Accounting Practice portion of examination. Applicant's must have Bachelor's degree with accounting major.

Delaware

Candidate must be fully qualified (education and public accounting experience) before he may sit for the examination.

Florida

Experience not required to sit for the examination. Applicant must have Bachelor's degree with accounting major.

Georgia

Experience not required to sit for the examination.

Hawaii

Experience not required to sit for the examination but applicant must be graduate of 4 year accredited college.

Idaho

Experience not required to sit for the examination but applicant must have Bachelor's degree with accounting major, or an equivalent education.

Illinois

Experience not required for examination or certificate. However, one year public accounting experience is required to obtain a license to practice.

Indiana

College graduate may take examination without having experience. Experience required for certificate.

Iowa

Experience required for both examination and certificate except college graduate with major in accounting or undergraduate student majoring in accounting immediately preceding graduation may take examination before obtaining experience.

Kansas

A person may sit for the examination by meeting specific educational requirements. However, two years of public accounting experience is required for certification.

Kentucky

If specific educational requirements are met, experience is not required to sit for examination.

Louisiana

Experience not required to sit for examination if specific educational requirements or their equivalent are met.

Maine

See comments on Document No. 5505 (Rev. -68).

Maryland

With certain education, no experience is required for either the examination or certificate.

Massachusetts

A high school graduate, over 21 years of age, who is a U.S. citizen and a resident of Massachusetts may sit for the examination. However, granting of the certificate will be withheld until educational and experience are met.

Michigan

Experience not required to sit for examination if specific educational requirements are met.

Minnesota

Experience not required to sit for examination if specific educational requirements are met.

Mississippi

A candidate may sit for the Law, Theory and Accounting Practice sections of the examination without meeting any experience requirements. To sit for the Auditing section, he must furnish evidence of experience which would qualify him for issuance of a certificate.

Missouri

If specific educational requirements are met, an applicant may sit for examination without having experience.

Montana

No experience required for either the examination or the certificate. High school diploma is only educational requirement.

Nebraska

No experience required to sit for examination.

Nevada

No experience required to sit for examination.

New Hampshire

No experience required to sit for examination.

New Jersey

No experience required to take Theory, Law and Auditing but experience requirement must be met before taking Accounting Practice.

New Mexico

No experience required to sit for examination if applicant has Bachelor's degree with major in accounting.

New York

Experience not required for examination in Law, Theory and Problems, but is required before taking Auditing.

North Carolina

An applicant meeting specific educational requirements may be allowed to take the examination without having any experience.

North Dakota

Experience not required to sit for examination (and to obtain certificate) if applicant is college graduate with major in Accounting.

Ohio

Applicant meeting educational requirements may take examination without experience.

Oklahoma

Experience not required to sit for examination (or to obtain certificate) if specific educational requirements are met.

Oregon

Experience not required to take examination if applicant has Bachelor's degree with accounting major.

Pennsylvania

Applicant for examination must meet both educational and experience requirements.

Rhode Island

Experience not required to sit for examination.

South Carolina

Experience not required to sit for examination.

South Dakota

Experience not required to sit for examination.

Tennessee

Experience not required to sit for examination.

Texas

Experience not required to sit for examination if specific educational requirements are met.

Utah

Experience not required to sit for examination.

Vermont

Experience not required to sit for examination if specific educational requirements are met.

Virginia

Experience not required to sit for examination.

Washington

Experience not required to sit for examination.

West Virginia

No experience requirement for examination or certificate.

Wisconsin

Experience not required to sit for examination.

Wyoming

Experience not required to sit for examination. Current educational requirement is high school diploma or its equivalent.

District of Columbia

Experience required to sit for examination. Amount varies inversely with education.

Puerto Rico

Experience not required to sit for examination, and upon passing to obtain certificate if specific educational requirements are met.

Virgin Islands

Experience required to sit for examination. Amount of experience varies inversely with education.

SB 260

April 2

BOARD OF ACCOUNTANCY of the STATE OF KANSAS

Register of Persons and Firms Entitled to Practice as

Certified Public Accountants



Year Ending

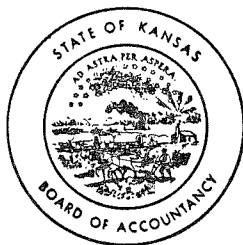
June 30, 1969

Register of Persons and Firms

ENTITLED TO PRACTICE AS

Certified Public Accountants

FOR THE YEAR ENDING JUNE 30, 1969



STATE OF KANSAS • BOARD OF ACCOUNTANCY

MEMBERS OF THE STATE BOARD OF ACCOUNTANCY

JACK E. SUTTON, *Chairman*
412 Wolcott Building
Hutchinson, Kansas 67501

CLIFFORD E. ROBERTS, *Vice-chairman*
215 West 7th Street
Concordia, Kansas 66901

DONALD F. MCKENZIE
900 Wichita Plaza Building
Wichita, Kansas 67202

J. WILLIAM KNIGHTLY
507 First National Bank Building
Hutchinson, Kansas 67501

ROBERT A. PFEIFER
304 Farmers State Bank Building
Hays, Kansas 67601

SHERWOOD W. NEWTON, *Secretary*
311 Summerfield Hall
The University of Kansas
Lawrence, Kansas 66044

ADVISORY COUNCIL

Merle E. Gugler	Kansas State University Manhattan, Kansas 66502
Fran Jabara	Wichita State University Wichita, Kansas 67208
Wiley S. Mitchell	The University of Kansas Lawrence, Kansas 66044
Raymond B. Russell	Kansas State Teachers College Emporia, Kansas 66801
Ralf J. Thomas	Kansas State College at Pittsburg Pittsburg, Kansas 66762

FOREWORD

The public need for accounting service of a high quality has given rise to the designation "Certified Public Accountant" as a means of identifying those persons who have met certain qualifications as to education, ability, and experience in the field of accounting and who are of good moral character. Since the designation of C. P. A. for persons who have met the required standards is a matter of public interest, each state has an authorized body to administer the state law concerning Certified Public Accountants.

In Kansas, the board so appointed is known as the Kansas Board of Accountancy, and receives its authority under Chapter 1, Kansas Statutes Annotated. Under the authority which it has been granted, the Board has adopted rules of professional conduct which are applicable to the practice of public accounting by all Certified Public Accountants subject to the jurisdiction of the board. These rules appear on page 16 of this booklet.

Every Certified Public Accountant practicing in Kansas is expected to be governed by high ideals of personal honor, integrity, and independence in all his professional work. These qualities are an essential supplement to the professional skill evidenced by the possession of a Certified Public Accountant certificate, and together with the proper courtesy to fellow practitioners, help to engender in the public mind a feeling of confidence and trust.

The Code of Professional Ethics established by the Board does not purport to be all inclusive; it is designed primarily for the purpose of setting forth a means by which the public may judge the stature of the profession, and establishing a standard by which the practitioner may judge his professional conduct. In doubtful areas not covered by the rules, the Certified Public Accountant is under obligation to exercise his judgment and conscience with respect to the interests of the public, his client and his fellow practitioners.

FEE SCHEDULE

Annual Permit Fee	\$20.00
Entrance to Examination Fees:	
First Examination	35.00
Complete Re-examination	25.00
Partial Examination	15.00
Reciprocal Certificate Fee	35.00

Kansas Law Relating to Certified Public Accountants

CHAPTER 1, KANSAS STATUTES ANNOTATED

Board of Accountancy and Advisory Council

SECTION 1-201. (a) There is hereby created a Board of Accountancy, hereinafter referred to as the Board, consisting of five members to be appointed by the governor and who shall be citizens of the United States and residents of the state of Kansas, all of whom shall be Certified Public Accountants. The appointees must be holders of certificates as Certified Public Accountants issued under the laws of this state and in active practice as such. The members of the Board shall serve for a term of three years and until their successors are appointed and qualified, except in the case of the members first appointed, one shall be appointed for the term of one year, two for two years, and two for three years as designated by the governor. The first Board shall be appointed on or before August 1, 1951. Vacancies in the Board shall be filled by appointment of the governor for the unexpired term. The governor shall remove from the Board any member whose certificate has become void, revoked or suspended, and may after hearing remove any member of the Board for neglect of duty or other just cause.

(b) There is hereby created an Advisory Council, consisting of not to exceed five (5) members, to be appointed by the governor for a term of three years, who shall be citizens of the United States and residents of the state of Kansas and who shall be the dean, or other members of the faculty, of the school of business or business department of the institutions of higher learning located within the state of Kansas. They shall hold office until their successors are appointed by the governor. The function of the Advisory Council shall be to provide liaison and coordination between the educational institutions and the accounting profession to the end that the standards of accounting education and practice may be continuously maintained and advanced. The Advisory Council may meet from time to time at the call of the chairman of the Board; joint meetings with the Board shall be held not less than once each year at the call of the chairman of the Board.

Duties of the Board

SEC. 1-202. Immediately after appointment and each year thereafter, the Board shall meet and organize by electing a chairman and a vice-chairman from its membership. The Board shall appoint a secretary, who need not be a member of the Board. It may adopt such rules and regulations as it may deem necessary for the proper administration of its duties and the carrying out of the purposes of this act; it shall meet at the call of the chairman but not less than twice each year; it shall have a seal and the chairman and secretary of said Board shall have power to administer oaths. The Board shall keep records of all proceedings and actions by and before it and in any proceedings in court, civil, or criminal, arising out of or founded upon any pro-

visions of this act, copies of said records certified as correct by the secretary of the Board under the seal of the Board shall be admissible in evidence and shall be prima facie evidence of the correctness of the contents thereof. The Board, from time to time, shall promulgate, amend, and repeal rules of professional conduct; give examinations, provide for certification, registration and issue permits to practice in accordance with the provisions of this act; keep accounts of its receipts and disbursements; keep a register of Certified Public Accountants; revoke, suspend, and reinstate certificates, registrations, and permits; initiate proceedings and hold hearings and do all things necessary to carry out the intent of this act. A majority of the Board shall constitute a quorum for the transaction of any business at any meeting of the Board. Annually, in July of each year, the Board shall have printed and published for public distribution an annual register which shall contain the names arranged alphabetically of all persons holding permits to practice under this act; the names of the members of the Board; and such other information as may be deemed proper by the Board. Copies of said register shall be mailed to each Certified Public Accountant holding a permit to practice.

Compensation and Reimbursement for Expenses

SEC. 1-203. Each member of the Board shall receive as compensation the sum of ten dollars for each day or portion thereof spent in the discharge of his official duties and each member of the Board and Advisory Council shall be reimbursed for his necessary and actual expenses incurred in the discharge of his official duties and shall be paid out of any money in the state treasury in the Board of Accountancy fee fund in the manner as provided in section 1-204 of this act, and no charge or claim shall be made against the state from any other fund for any such services rendered or expenses incurred by the members of said Board or Council.

Board of Accountancy Fee Fund

SEC. 1-204. There is hereby created the Board of Accountancy fee fund. All fees collected by the Board of Accountancy shall be paid into the state treasury on or before the tenth day of each month and the state treasurer shall credit twenty percent thereof to the general fund of the state and the remaining eighty percent shall be placed in the Board of Accountancy fee fund. The money in said fee fund shall be paid by the state treasury upon warrants drawn by the auditor of state for the causes and purposes expressed and provided by law upon duly itemized and executed vouchers approved by the chairman of the Board of Accountancy.

Fees

SEC. 1-301. The Board shall charge and collect a fee from each applicant for the certificate of certified public accountant and shall collect an annual fee for a permit to practice as a certified public accountant. The fee shall accompany the application provided by the board. No portion of the fee shall be returned to the applicant unless his application is rejected. The board each year, on or before the thirtieth day of May, shall determine the amount that may be necessary for the next ensuing year to carry out and enforce the provisions of the act of which this section is amendatory, and shall fix the fees provided to be charged and collected under this section, which shall be as follows: (a) Application fee for the certificate of certified public accountant

not to exceed fifty dollars (\$50): *Provided*, That should the applicant fail to pass the required examination, a complete reexamination may be had on payment of an additional fee of not to exceed twenty-five dollars (\$25) for each such complete reexamination: *Provided further*, Should the applicant fail to pass part of the required examination, a partial reexamination may be had on payment of an additional fee of not to exceed fifteen dollars (\$15); (b) first an annual renewal fee for permit to practice, not to exceed twenty-five dollars (\$25), subject to the provisions of subsection (c) of this section; (c) renewal fee of one and one-half times the then regular fee for a permit to practice in the case of an applicant who had in some prior year held a permit to practice but who did not hold such a permit for the year immediately preceding the year for which a permit to practice is requested, or who, if holding permit to practice for such year immediately preceding applies for renewal subsequent to the expiration date of such permit. Upon fixing the renewal fees as above provided, the board shall immediately notify all holders of permits to practice of the amount of said fee for the ensuing year.

Requirements for Issuance of Certificate

SEC. 1-302. The certificate of "Certified Public Accountant" shall be granted by the Board to any persons (a) who is a citizen of the United States, and (b) who is a resident of this state or has a place of business or is employed therein, and (c) who has attained the age of twenty-one (21) years, and (d) who is of good moral character, and (e) who meets the education and experience requirements prescribed by sections 1-303 and 1-305 of this act and who shall have successfully passed a written examination in theory of accounts, accounting practice, auditing, commercial law, as affecting public accounting, and in such other related subjects as the Board may determine advisable. Any person who is the holder of a valid certificate of Certified Public Accountant issued under the laws of this state shall be styled and known as a "Certified Public Accountant."

Requirements for Admission to Examination

SEC. 1-303. An applicant for admission to the examination must comply with any one of the following: (a) Submit evidence satisfactory to the Board of graduation from a college or university recognized by the Board and the completion of thirty (30) or more semester hours or the equivalent thereof in the study of accounting, business law, economics and finance of which at least twenty (20) semester hours or the equivalent thereof shall be in the study of accounting: *Provided*, That the Board, by rule and regulation, may provide for the admittance to an examination of persons who will be graduated so qualified from such a college or university within ninety days after the examination to which admitted, but no report on the examination of any such person shall be made unless he shall be so graduated; or (b) submit evidence satisfactory to the Board of graduation from a college or university recognized by the Board and the completion of three (3) years of experience, preceding the date of application, in the practice of public accounting either on his own account or in the employ of an individual, partnership or corporation authorized to practice public accounting in this or another state; or (c) submit evidence satisfactory to the Board of graduation from a high school with a four (4) year course or an equivalent education and the completion of three (3) years of experience, preceding the date of

application, in public accounting either on his own account, or in the employ of an individual, partnership, or corporation authorized to practice public accounting in this or another state.

Examinations

SEC. 1-304. Examinations provided for herein shall be held by the Board. Such examinations shall take place as often as may be necessary in the opinion of the Board, but not less frequently than once each year. A candidate who fails shall have the right to any number of reexaminations. A candidate who passes a satisfactory examination under this act or who has passed a satisfactory examination under the provisions of chapter 1 of the General Statutes of 1935, in at least two subjects shall have the right to be reexamined in the remaining subjects only, at subsequent examinations held by the board, and if he passes in the remaining subjects within a period of time specified in the rules of the Board, he shall be considered to have passed the examination.

Experience Required for Issuance of Certificate

SEC. 1-305. An applicant who successfully passes the examination provided for in subsection (e) of section 1-302 shall receive a certificate as a Certified Public Accountant if he can submit evidence satisfactory to the Board of the completion of the following experience in public accounting obtained either on his own account or in the employ of an individual, partnership, or corporation authorized to practice public accounting in this or another state: (a) If the applicant qualified under subsection (a) of section 1-303, two years; (b) if the applicant qualifies under subsection (b) of section 1-303 he shall be issued his certificate immediately upon passing the examination; (c) if the applicant qualifies under subsection (c) of section 1-303, two (2) years in addition to the qualifying experience. Evidence of the completion of the experience required under (a) and (e) of this section shall be submitted to the Board within a period of time following the date of the examination to be fixed by the rules of the Board.

Rights Granted Under Previous Laws

SEC. 1-306. Persons who on the effective date of this act hold Certified Public Accountant's certificates heretofore issued under the laws of this state shall not be required to secure additional certificates under this act, but shall otherwise be subject to all the provisions of this act; and such certificates heretofore issued shall, for all purposes, be considered certificates issued under this act and subject to the provisions hereof. Persons who at the time this act takes effect have passed the Certified Public Accountant's examination held under the provisions of chapter 1 of the General Statutes of 1935, shall be considered to have satisfied the examination requirements set forth in this act.

C. P. A. from Another State; Waiver of Examination

SEC. 1-307. The board may, in its discretion, waive the examination of and may issue a certificate as "Certified Public Accountant" to any person possessing the other qualifications required by sections 1-302 and 1-303 of this act who is the holder of a certificate as "Certified Public Accountant" issued under the laws of any state.

Partnership Practice as Certified Public Accountants

SEC. 1-308. A partnership may engage in practice in this state as Certified Public Accountants, provided it registers with the Board as a partnership of Certified Public Accountants and meets the following requirements: (a) At least one general partner thereof must be a Certified Public Accountant of this state holding a valid permit to practice; (b) each partner thereof personally engaged within this state in the practice of public accounting as a member thereof must be a Certified Public Accountant of this state holding a valid permit to practice; (c) each partner thereof must be a Certified Public Accountant of some state in good standing; (d) each resident manager in charge of an office of the firm in this state must be a Certified Public Accountant of this state holding a valid permit to practice: *Provided*, That the foregoing provisions requiring certain partners and resident managers to hold a valid permit to practice shall not apply until after November 1, 1951. The term "resident" as used herein, is intended to include a person engaged in practice as a Certified Public Accountant in this state, who spends all or the greater part of his time during business hours in this state, but resides in another state. Application for such registration must be made upon the affidavit of a general partner of such partnership who is a Certified Public Accountant of this state in good standing. The Board shall in each case determine whether the applicant is eligible for registration. No fee shall be charged for the registration of a partnership. A partnership which is so registered in accordance with this section may use the words "Certified Public Accountants" or the abbreviation "C. P. A." in connection with its partnership name. Notification shall be given the Board, within one month, after the admission to or withdrawal of a partner from any partnership so registered.

Restrictions on Corporate Practice

SEC. 1-309. After the effective date of this act, no corporation shall be chartered under the laws of this state or a foreign corporation admitted to this state to engage in practice as a Certified Public Accountant, nor shall the charter of any existing corporation organized under the laws of this state be amended so as to authorize such practice.

Annual Permits to Practice as a Certified Public Accountant

SEC. 1-310. Permits to engage in practice as a Certified Public Accountant in this state shall be issued by the Board to holders of certificates of Certified Public Accountants issued under the laws of this state. All permits shall expire on the 30th day of June of each year, but may, annually, be renewed for a period of one year, by certificate holders in good standing. Failure to renew a permit before expiration thereof shall not deprive a certificate holder of the right to renew but in such cases he shall pay the renewal fee prescribed by subsection (c) of section 1-301.

Causes for Revocation of Certificates, Permits, or Registrations

SEC. 1-311. After notice and hearing as provided in section 1-313 of this act, the Board may revoke or suspend any certificate issued under the laws of this state, or any registration granted under section 1-308 of this act, or may revoke, suspend or refuse to renew any permit issued under section 1-310 of this act, or may censure the holder of any such permit, for any one or any combination of the following causes: (a) Fraud or deceit in obtaining a cer-

tificate as Certified Public Accountant, or in obtaining registration under this act, or in obtaining a permit to practice as a Certified Public Accountant under this act; (b) dishonesty, fraud, or gross negligence in his practice as a public accountant; (c) violation of any of the provisions of section 1-316 of this act; (d) repeated violation of a rule of professional conduct promulgated by the Board under the authority granted by this act, after warning by the Board that such continued violation will constitute ground for proceedings hereunder; (e) conviction of a felony under the laws of any state or of the United States; (f) conviction of any crime, an essential element of which is dishonesty or fraud, under the laws of any state or of the United States; (g) cancellation, revocation, suspension, or refusal to renew, authority to practice as a Certified Public Accountant or a public accountant in any state or foreign country.

Other Causes for Revocation of Registrations or Permits

SEC. 1-312. After notice and hearing as provided in section 1-313 of this act: (a) The Board shall revoke the registration of a partnership if at any time it does not have all the qualifications prescribed by section 1-308 of this act; (b) the Board may revoke or suspend the registration of a partnership, or may revoke, suspend, or refuse to renew the permit to practice of any member of a partnership, or may censure the holder of any such permit for any of the causes enumerated in section 1-311; (c) the Board may revoke or suspend the registration of a partnership upon the cancellation, revocation, suspension, or refusal to renew the authority of the partnership, or any partner thereof to practice public accounting in any other state.

Hearings and Initiation of Proceedings

SEC. 1-313. The board may initiate proceedings under this act either on its own motion or on the complaint of any person against any registrant or holder of a certificate or permit to practice. A written notice stating the nature of the charge or charges and the time and place of the hearing before the Board on such charges shall be served not less than thirty days prior to the date of said hearing either personally or by mailing a copy thereof by registered mail to the address of the registrant, certificate or permit holder last known to the board. If, after having been served with the notice of hearing as provided for herein, the registrant, certificate or permit holder fails to appear at said hearing and defend, the Board may proceed to hear evidence against him or it, and may enter such order as shall be justified by the evidence, which order shall be final unless appealed from as provided herein: *Provided, however*, That within thirty days from the date of any order, upon a showing of good cause for failing to appear and defend, the Board may reopen said proceedings and permit the registrant, certificate or permit holder to submit evidence in his or its behalf. At any hearing the accused may appear in person and by counsel, produce evidence and witnesses on his or its behalf, cross-examine witnesses, and examine such evidence as may be produced against the accused. The accused shall be entitled, on application to the Board, to the issuance of subpoenas to compel the attendance of witnesses on his or its behalf. The Board, or any member thereof, may issue subpoenas to compel the attendance of witnesses and the production of documents and may administer oaths, take testimony, hear proofs and receive exhibits in evidence, in connection with or upon hearing under this act. In case of disobedience to a subpoena the Board may invoke the aid in any court of competent jurisdiction

tion of this state in requiring the attendance and testimony of witnesses and the production of documentary evidence. The Board shall not be bound by technical rules of evidence. A stenographic record of the hearing shall be kept and transcript thereof filed with the Board. The decision of the Board shall be by majority vote thereof.

Appeal of Board Decisions

SEC. 1-314. Any person or partnership adversely affected by any order of the Board may appeal to the district court of the county in which he resides or has his or its principal place of business within thirty (30) days after the entry of said order. A copy of the notice of appeal filed with the district court shall be forthwith served upon any member of the Board and thereupon the Board shall within thirty (30) days certify and file in the court a transcript of the record upon which the order complained of was entered. The appeal shall then be tried as an original action and the court shall have jurisdiction to affirm, reverse, vacate, or modify the order complained of. The transcript of the record shall be admissible in evidence.

Reissuance of Certificates, Permits, or Registration

SEC. 1-315. The Board may reissue the certificate of any person whose certificate as a Certified Public Accountant shall have been revoked, or may permit the reregistration of any partnership whose registration has been revoked, or may reissue or modify the suspension of any permit to practice as a Certified Public Accountant which has been revoked or suspended.

Restrictions on Practice as Certified Public Accountant

SEC. 1-316. On and after November 1, 1951, it shall be unlawful for any person, unless he is the holder of a valid permit issued under section 1-310 of this act, or for any partnership, unless it is registered under the provisions of section 1-308 of this act, to affix or cause to be affixed the signature of any such person or partnership to any accounting or financial statement, to any opinion on, report on or certificate to any accounting or financial statement with any word indicating that such person or partnership, or its members, are Certified Public Accountants. It shall be unlawful for any person, unless he is the holder of a valid certificate of Certified Public Accountant issued under the laws of this state, to use or assume the title "Certified Public Accountant" or to use the abbreviation "C. P. A." or any other title, designation, words, letters, abbreviation, sign, card, or device likely to be confused with "Certified Public Accountant." Any person who violates any provision of this section shall be guilty of a misdemeanor, and upon conviction thereof, shall be subject to a fine of not more than five hundred dollars (\$500), or to imprisonment for not more than one (1) year, or by both such fine and imprisonment.

Temporary Practice by Certified Public Accountants of Another State

SEC. 1-317. Nothing in this act shall be construed to prohibit a Certified Public Accountant of another state lawfully practicing therein from temporarily practicing in this state on professional business incident to his regular practice in another state.

Use of Injunction to Stop Violations

SEC. 1-318. Whenever in the judgment of the Board any person has engaged, or is about to engage, in any acts or practices which constitute, or will constitute, a violation of section 1-316 of this act, or any valid rule or regulation of the Board, the Board may make application to the appropriate court for an order enjoining such acts or practices, and upon a showing by the Board that such person has engaged, or is about to engage, in any such acts or practices, an injunction, restraining order, or such other order as may be appropriate shall be granted by such court without bond.

Evidence of Violations

SEC. 1-319. The display or uttering by a person of a card, sign, advertisement, or other printed, engraved, or written instrument or device, bearing a person's name in conjunction with the words "Certified Public Accountant" or any abbreviation thereof shall be prima facie evidence in any action brought under section 1-316 or section 1-318 of this act that the person whose name is so displayed caused or procured the display or uttering of such card, sign, advertisement, or other printed, engraved, or written instrument or device, and that such person is holding himself out to be a Certified Public Accountant holding a certificate issued under the laws of this state. In any such action evidence of the commission of a single act prohibited by this act shall be sufficient to justify an injunction or a conviction without evidence of a general course of conduct.

Rules and Regulations of the Board of Accountancy

Article 1.—EXAMINATIONS

74-1-1. Type of Examination. The Uniform Certified Public Accountant Examination prepared by the Board of Examiners of the American Institute of Certified Public Accountants shall be used for all examinations.

74-1-2. Grading. A person shall be considered to have successfully passed an examination if he receives a grade of at least 75 percent in each subject. All examination papers shall be submitted to the Board of Examiners of the American Institute of Certified Public Accountants for evaluation, but all final grades shall be made and affixed by the Board.

74-1-3. Conditional Credit. A candidate who passes a satisfactory examination in at least two subjects, and who receives a grade of at least 50 percent in the remaining subject or subjects, shall be granted credit for the subjects passed on the condition that he satisfactorily passes an examination in the remaining subject or subjects by presenting himself for reexamination in the remaining subject or subjects at no more than four of the next six examinations offered by this board. If the candidate must be reexamined in two subjects, but satisfactorily passes only one subject at one of the reexaminations specified above, he shall be given conditional credit for the subject passed only if he received a grade of at least 50 in the remaining subject. The granting of conditional credit for passing an additional subject does not extend the original limitation that only four of the next six examinations following the initial grant of conditional credit are available to pass all remaining subjects. With respect to the next six examinations offered by the Board following the granting of conditional credit for subjects passed, examinations offered while a candidate is serving in the military forces of the United States or within 60 days of his separation from the military forces shall not be counted in determining the next six examinations. This rule shall take effect with respect to conditional credit earned on examinations beginning with the examination in November, 1965, but shall not affect conditional credit earned on examinations given prior to that date.

74-1-4. Transfer of Examination Credit. An applicant for the certificate of Certified Public Accountant who has passed two or more sections of the Uniform Certified Public Accountant Examination under the jurisdiction of another state, shall be given conditional credit by this Board for successfully passing those subjects in accordance with Regulation 74-1-3, provided the applicant (a) has established residence in Kansas; (b) has passed at least two sections of the Uniform Certified Public Accountant Examination at one sitting within three years preceding the request to transfer credit, the examination grades having been determined by the Advisory Grading Service of the Board of Examiners of the American Institute of Certified Public Accountants, and (c) at the time of applying to transfer such credit earned in another state, the applicant is still eligible to be reexamined in that state except for reason of change of residence.

Article 2.—APPLICATIONS

74-2-1. Filing Date for Applications. In order for an applicant to be admitted to an examination his application submitting evidence that he has met all requirements shall be filed in the office of the Secretary of the Board at least 45 days before the date of the examination to which the applicant desires to be admitted.

74-2-2. Evaluation of College Credits. In evaluating credit hours earned at a college or university operating under the quarter plan these hours shall be converted to semester hours at the rate of two semester hours for every three quarter hours.

74-2-3. Submission of College Transcripts. An applicant applying for admission to the examination or for issuance of a certificate as certified public accountant by waiver of examination shall submit with his application transcripts in support of (a) his graduation from college if he is applying under subsection (a) or (b) of section 1-303 of the act, and (b) the number of hours of credit he has received in accounting, business law, economics, and finance if he is applying under subsection (a) of section 1-303 of the act. These transcripts shall not be returned.

74-2-4. Graduation Within Ninety Days After Date of Examination. An applicant who will be graduated from a college or university and complete the necessary credit hours in the study of accounting, business law, economics, and finance within 90 days after the date of the examination to which he has applied for admission may be admitted to the examination under the requirements of subsection (a) of section 1-303, provided that no report on such examination shall be made unless he shall be so graduated.

Article 3.—ISSUANCE OF CERTIFICATES

74-3-1. Residence Requirement. For the purpose of determining whether an applicant for a certificate as certified public accountant is a resident of Kansas as required by subsection (b) of section 1-302 of the act, the requirement shall be considered as having been met if the applicant was a resident of Kansas when he last made an acceptable application for admission to the examination.

74-3-2. Evidence of Moral Character. As evidence that an applicant is of good moral character the applicant shall submit the names and addresses of three persons who may be contacted by the Board and requested to certify that the applicant is of good moral character.

74-3-3. Period of Time for Submission of Evidence of Experience. Proof of additional experience required under subsection (a) of section 1-305 of the act shall be submitted to the Board within 10 years of the date of the examination which the candidate successfully passed. If at any time prior to the expiration of this 10-year period the candidate serves in the military forces of the United States, the 10-year period shall be extended by the length of such intervening service.

74-3-4. Certificates Issued by Reciprocity. A holder of a certificate as certified public accountant issued by another state who applies to the Board for a certificate as credited public accountant by waiver of examination must in addition to meeting the requirements of section 1-307 of the act: (a) Be a resident of Kansas and be presently engaged in the practice of public accounting, or (b) have a place of business in the state of Kansas for the practice of public accounting, or (c) be a partner of a public accounting firm which has

a place of business in Kansas, or (d) be employed as a permanent employee of a Kansas office of a public accounting firm.

74-3-5. Part-time Experience. Part-time experience in public accounting is acceptable under Sec. 1-305 of the Accountancy Act, but effective with applications submitted after January 1, 1962, at least one-half of the experience requirements must be satisfied by public accounting experience obtained on a full-time basis, representing the applicant's principal work activity.

74-3-6. Definition of Experience. Effective with applications submitted after January 1, 1962, public accounting experience offered in satisfaction of Sec. 1-302 of the Accountancy Act must include at least six months of diversified experience related to the performance of opinion-type audits.

Article 4.—FEES

74-4-1. Annual Permit Fee. (Revoked.)

74-4-2. Certificate Application Fee. The application fee for the certificate of certified public accountant shall be \$35, which fee shall entitle the applicant to take the certified public accountant examination. In the event that the applicant fails the examination, the fee for a complete reexamination shall be \$25, or in the event that the candidate fails one or two examination subjects, the fee for a partial reexamination covering the subjects failed shall be \$15.

74-4-3. Credit for Examination Fees Not Used. In the event a candidate is unable to be present at an examination for which the fee has already been paid, such fee may be applied to one of the next four examinations offered by the Board. After a candidate designates a subsequent examination to which a previously paid fee is to be applied, failure of the candidate to be present at the examination shall result in forfeiture of the fee paid.

Article 5.—CODE OF PROFESSIONAL ETHICS

Section 1: RELATIONS WITH CLIENTS AND PUBLIC

74-5.1.01. Financial Interest. Neither a certified public accountant, nor a firm of which he is a partner, shall express an opinion on financial statements of any enterprise unless he and his firm are in fact independent with respect to such enterprise.

Independence is not susceptible of precise definition, but is an expression of the professional integrity of the individual. A certified public accountant, before expressing his opinion on financial statements, has the responsibility of assessing his relationships with an enterprise to determine whether, in the circumstances, he might expect his opinion to be considered independent, objective and unbiased by one who had knowledge of all the facts.

A certified public accountant will be considered not independent, for example, with respect to any enterprise if he, or one of his partners, (a) during the period of his professional engagement or at the time of expressing his opinion, had, or was committed to acquire, any direct financial interest or material indirect financial interest in the enterprise, or (b) during the period of his professional engagement, at the time of expressing his opinion or during the period covered by the financial statements, was connected with the enterprise as a promoter, underwriter, voting trustee, director, officer or key employee. In cases where a certified public accountant ceases to be the independent accountant for an enterprise and is subsequently called upon to reexpress a previously expressed opinion on financial statements, the phrase "at the time

of expressing his opinion" refers only to the time at which the certified public accountant first expressed his opinion on the financial statements in question. The word "director" is not intended to apply to a connection in such a capacity with a charitable, religious, civic or other similar type of nonprofit organization when the duties performed in such a capacity are such as to make it clear that the certified public accountant can express an independent opinion on the financial statements. The example cited in this paragraph, of circumstances under which a certified public accountant will be considered not independent, is not intended to be all-inclusive. (Effective January 1, 1964.)

74-5-1.02. Discreditable Acts. A certified public accountant shall not commit an act discreditable to the profession.

74-5-1.03. Confidential Relationship. A certified public accountant shall not violate the confidential relationship between himself and his client.

74-5-1.04. Contingent Fees. Professional service shall not be rendered or offered for a fee which shall be contingent upon the findings or results of such service. This rule does not apply to cases involving federal, state, or other taxes, in which the findings are those of the tax authorities and not those of the accountant. Fees to be fixed by courts or other public authorities, which are therefore of an indeterminate amount at the time when an engagement is undertaken, are not regarded as contingent fees within the meaning of this rule.

Section 2.—TECHNICAL STANDARDS

74-5-2.01. Responsibility for Expressing Opinion on Financial Statements. A certified public accountant shall not express his opinion on financial statements unless they have been examined by him, or by a member or employee of his firm, on a basis consistent with the requirements of Regulation 74-5-2.02.

In obtaining sufficient information to warrant expression of an opinion he may utilize, in part, to the extent appropriate in the circumstances, the reports or other evidence of auditing work performed by another certified public accountant, or firm of public accountants, at least one of whom is a certified public accountant, who is authorized to practice in a state or territory of the United States or District of Columbia, and whose independence and professional reputation he has ascertained to his satisfaction.

A certified public accountant may also utilize, in part, to the extent appropriate in the circumstances, the work of public accountants in other countries, but the certified public accountant so doing must satisfy himself that the person or firm is qualified and independent, that such work is performed in accordance with generally accepted auditing standards, as prevailing in the United States, and that financial statements are prepared in accordance with generally accepted accounting principles, as prevailing in the United States, or are accompanied by the information necessary to bring the statements into accord with such principles.

74-5-2.02. Misconduct in Expressing Opinion on Financial Statements. In expressing an opinion on representations in financial statements which he has examined, a certified public accountant may be held guilty of an act discreditable to the profession if: (a) He fails to disclose a material fact known to him which is not disclosed in the financial statements but disclosure of which is necessary to make the financial statements not misleading; or (b) he fails to report any material misstatement known to him to appear in the

financial statement; or (c) he is materially negligent in the conduct of his examination or in making his report thereon; or (d) he fails to acquire sufficient information to warrant expression of an opinion, or his exceptions are sufficiently material to negative the expression of an opinion; or (e) he fails to direct attention to any material departure from generally accepted accounting principles or to disclose any material omission of generally accepted auditing procedure applicable in the circumstances.

74-5-2.03. Responsibility for Financial Statements. A certified public accountant shall not permit his name to be associated with statements purporting to show financial position or results of operations in such a manner as to imply that he is acting as an independent public accountant unless he shall: (a) Express an unqualified opinion; or (b) express a qualified opinion; or (c) express an adverse opinion; or (d) disclaim an opinion on the statements taken as a whole and indicate clearly his reasons therefor; or (e) when unaudited financial statements are presented on his stationery without his comments, disclose prominently on each page of the financial statements that they were not audited.

74-5-2.04. Restricted Use of Name Concerning Estimated Figures. A certified public accountant shall not permit his name to be used in conjunction with any forecast of the results of future transactions in a manner which may lead to the belief that the certified public accountant vouches for the accuracy of the forecast.

Section 3: PROMOTIONAL PRACTICES

74-5-3.01. Advertising. A certified public accountant shall not advertise his professional attainments or services. Publication in a newspaper, magazine or similar medium of an announcement or what is technically known as a card is prohibited. A listing in a directory is restricted to the name, title, address and telephone number of a person or firm, and it shall not appear in a box, or other form of display or in a type or style which differentiates it from other listings in the same directory. Listing of the same name in more than one place in a classified directory is prohibited.

74-5-3.02. Solicitation. A certified public accountant shall not endeavor, directly or indirectly, to obtain clients by solicitation.

74-5-3.03. Competitive Bids. A certified public accountant shall not make a competitive bid for a professional engagement. Competitive bidding for public accounting services is not in the public interest, is a form of solicitation, and is unprofessional.

74-5-3.04. Participation in Fees. Commissions, brokerage, or other participation in the fees or profits of professional work shall not be allowed or paid directly or indirectly by a certified public accountant to any individual or firm not regularly engaged or employed in the practice of public accounting as a principal occupation.

Commissions, brokerage, or other participation in the fees, charges or profits of work recommended or turned over to any individual or firm not regularly engaged or employed in the practice of public accounting as a principle occupation, as incident to services for clients, shall not be accepted directly or indirectly by a certified public accountant.

Section 4: OPERATING PRACTICES

74-5-4.01. Description of Firm. A firm or partnership, all the individual members of which are certified public accountants, may describe itself as "Certified Public Accountants," but a firm or partnership, not all the individual members of which are certified public accountants, or an individual practicing under a style denoting a partnership when in fact there be no partner or partners, or a corporation or an individual or individuals practicing under a style denoting a corporate organization shall not use the designation "Certified Public Accountants."

74-5-4.02. Use of Name by Others. A certified public accountant shall not practice in the name of another unless he is in partnership with him or in his employ, nor shall he allow any person to practice in his name who is not in partnership with him or in his employ.

This rule shall not prevent a partnership or its successors from continuing to practice under a firm name which consists of or includes the name or names of one or more former partners, nor shall it prevent the continuation of a partnership name for a reasonable period of time by the remaining partner practicing as a sole proprietor after the withdrawal or death of one or more partners.

74-5-4.03. Restriction on Services Performed by Employees. A certified public accountant in his practice of public accounting shall not permit an employee to perform for the certified public accountant's clients any services which the certified public accountant himself or his firm is not permitted to perform.

74-5-4.04. Incompatible Occupation. A certified public accountant shall not engage in any business or occupation conjointly with that of a public accountant, which is incompatible or inconsistent therewith.

74-5-4.05. Ethical Practices in Other Occupations. A certified public accountant engaged in an occupation in which he renders services of a type performed by public accountants, or renders other professional services, must observe the Code of Professional Ethics of this Board in the conduct of that occupation.

74-5-4.06. Restriction on Corporate Practice. After November 1, 1951, a certified public accountant shall not become an officer, director, stockholder, representative, or agent of any corporation engaged in the practice of public accounting in any state or territory of the United States or the District of Columbia.

Section 5: RELATIONS WITH OTHER CERTIFIED PUBLIC ACCOUNTANTS

74-5-5.01. Encroachment Upon Another's Practice. A certified public accountant shall not encroach upon the practice of another public accountant. A certified public accountant may furnish service to those who request it.

74-5-5.02. Additional Services on Referral Engagements. A certified public accountant who receives an engagement for services by referral from another practitioner shall not discuss or accept an extension of his services beyond the specific engagement without first consulting with the referring practitioner.

74-5-5.03. Employment Ethics. Direct or indirect offer of employment shall not be made by a certified public accountant to an employee of another

public accountant without first informing such accountant. This rule shall not be construed so as to inhibit negotiations with anyone who of his own initiative or in response to public advertisement shall apply to a certified public accountant for employment.

Article 6.—PRACTICE FROM ADDITIONAL OFFICES

74-6-1. Definition of Office. Any office space which is identified to the public as being connected with an individual or partnership practicing as Certified Public Accountants, or for which there is a separate telephone listing in a telephone directory, shall be considered as an office of an individual or partnership.

74-6-2. Management of an Office. An office as defined by regulation 74-6-1, and located in this state must have a resident manager in charge who is the holder of a valid permit to practice as a Certified Public Accountant issued by this state. The resident manager of such an office must devote more than half of his working time to the affairs of that office.

Article 7.—REGISTERED PARTNERSHIPS

74-7-1. Reporting of Partnership Changes. Notification to the Board within one month of the admission to or withdrawal of a partner from a registered partnership, as required by Sec. 1-308 of the Accountancy Act, is necessary only in connection with changes pertaining to partners associated with Kansas offices of such firms.

74-7-2. Partnerships Eligible for Registration. Only partnerships maintaining an office in Kansas may be registered under the provisions of Sec. 1-308 of the Accountancy Act.

**INTERPRETATION BY BOARD OF ACCOUNTANCY OF
COMPETITIVE BIDDING, Regulation 74-5-3.03**

Competitive bidding is deemed to be detrimental to the interest of the public and the accounting profession. An accountant subject to the regulations of this board shall not at any time knowingly, directly or indirectly, enter into bidding for any type of professional services whatsoever, in competition with other accountants.

An accountant may make a proposal to a prospective client or for additional or continuing services to a client last served by him if such proposal is not knowingly submitted in competition with any other accountant.

Submission of a proposal in response to any request for bids in competition shall be considered a violation whether such proposal includes a flat-price fee, an estimate of cost, a maximum or minimum fee, per diem rates, or any other basis for computation of fee.

Submission of a proposal to a prospective client, served by another accountant, shall be a violation unless such prospective client has stated that he is dispensing with the services of this former accountant.

Submission of a proposal in instances where an accountant, without definite knowledge, has reason to believe that proposals either are being or may be requested from other accountants, shall not be held to be in violation: *Provided*, That the accountant includes in his proposal a clear statement that such proposal is automatically voided and withdrawn if it is to be considered in competition with other accountants.

*** Individuals Holding Permits to Practice as
Certified Public Accountants**

(Each permit holder's CPA certificate number appears to the left of his name.)

338	Adam, Paul J. Partner, Arthur Young & Co. 3800 Republic National Bank Tower	Dallas, Texas 75201
754	Adams, James F. Partner, Miner & Adams, 1823 Washington	Great Bend 67530
1352	Agler, Bobbie L. Partner, Holden, Schulte & Klein Citizens National Bank Building, Box 704	Emporia 66801
464	Alexander, Robert C. With Van Schooneveld, Shepherd & Harrison First National Bank Building	Englewood, Colo. 80110
1314	Anderson, Gayle R. With Stage, Simmons & Co. 107 E. Culton, Box 45	Warrensburg, Mo. 64093
715	Anderson, Kenneth R. 711 Seventh Street	Garden City 67846
503	Anderson, Randall P. Partner, Kennedy & Coe, 313 First National Bank Building	Wichita 67202
885	Anderson, William G. Partner, Ernst & Ernst 1700 Boatmen's Bank Building	St. Louis, Mo. 63102
508	Armstrong, Albert A. Partner, Armstrong & Armstrong Board of Trade Building, Tenth and Wyandotte	Kansas City, Mo. 64105
507	Arnold, Dean W. Partner, Elmer Fox & Co., 900 Wichita Plaza Building	Wichita 67202
506	Arnold, Don L. Partner, Elmer Fox & Co., 900 Wichita Plaza Building	Wichita 67202
1327	Axline, George E. With Harold E. Coulter 107 W. Second	Pratt 67124
793	Baier, Donald F. Partner, Brown & Deskin P. O. Box 338	Fayetteville, Ark. 72701
688	Baker, Edward L. 6969 Valley Road	Kansas City, Mo. 64113
1241	Baker, John R. With Troupe, Kehoe, Whiteaker & Kent 309 Security Bank Building	Kansas City 66101
616	Baker, Richard Thomas Partner, Ernst & Ernst 1356 Union Commerce Building	Cleveland, Ohio 44114
952	Baker, Robert D. Partner, Elmer Fox & Co., 228 W. Central	El Dorado 67042

* This Register does not include the names of accountants who failed to renew their permits by June 30, 1968, even if they were subsequently reinstated after paying a renewal penalty.

501 Baker, Roy E. North Kansas City, Mo. 64116
Partner, Baker & Thomas
Room 214, 310½ Armour Road

1189 Banwart, James L. Fort Scott 66701
Partner, Diehl, Fletcher & Banwart, 5 East Wall

524 Barrand, Warren O. Lawrence 66044
Partner, Lesh, Bradley & Barrand
Lawrence National Bank Building

876 Bartholomew, John R. Wichita 67202
Partner, Bonicamp, Koelling & Smith
901 Union Center Building

1347 Bartleson, Arthur A. Cincinnati, Ohio 45202
With Haskins & Sells
One East Fourth Street

888 Bartlett, E. R. Hutchinson 67501
Partner, Bartlett, Settle & Edgerle, 1020 N. Main

139 Batz, George W. Topeka 66603
Partner, Brelsford, Hardesty & Batz
606 New England Building

750 Beall, Charles E. Topeka 66614
5309 W. 24th Street

1106 Beard, James D. Hutchinson 67501
Partner, Pierce, Faris, Cochran & Sutton
412 Wolcott Building

1172 Beatty, R. Michael Salina 67401
With Kennedy & Coe., 217 United Building

976 Beck, Clyde E. Salina 67401
Partner, Devine & Cropp, 112 N. Front Street

738 Beck, Keith B. Greensburg 67054
Resident Manager, Bartlett, Settle & Edgerle
Box 922

255 Beebe, Elden L. Dodge City 67801
Partner, Hogue, Beebe & Trindle
First National Bank Building

751 Belford, Virgil E., Jr. Great Bend 67530
3720 W. Tenth

131 Belin, Oscar F. Wichita 67202
Partner, Bever, Dye, Mustard & Belin (Attorneys)
713 First National Bank Building

152 Belt, C. Robert Coffeyville 67337
Plaza Building

701 Bennett, Fletcher G., Jr. Wichita 67208
400 N. Woodlawn

984 Bennett, Richard W. Lawrence 66044
With Lesh, Bradley & Barrand
Lawrence National Bank Building

1103 Bennett, W. D. Wichita 67213
3000 West Kellogg Drive

498 Berkley, Paul D. Downs 67437

1108 Berry, Glen A. Topeka 66603
Partner, Brelsford, Hardesty & Batz
606 New England Building

692 Bevan, Herbert E., Jr. Wichita 67202
With Garvey, Inc., 300 W. Douglas

238 Biery, J. Joseph Kansas City, Mo. 64105
Partner, Francis A. Wright & Co.
1940 Ten Main Center

1148 Binford, David Wichita 67202
Manager, Arthur Young & Co.
300 Sutton Place Bldg.

598 Bird, Byron G. Liberal 67901
Partner, Bird, Reinmund & Bird
224 N. Lincoln

794 Bird, Eugene A. Pratt 67124
The Peoples Bank Building

1257 Bird, Lee E. Liberal 67901
Partner, Bird, Reinmund & Bird
224 N. Lincoln

933 Bishop, Robin D. Topeka 66604
Treasurer and Accountant
Highland Homes of Topeka, Inc.
4301 Huntoon

1078 Blake, Lawrence W., Jr. Dodge City 67801
Partner, Hogue, Beebe & Trindle
First National Bank Building

605 Boatright, Lawrence L. Wellington 67152
207 N. Washington

1073 Bolan, Robert M. Harrison, Ark. 72601
811 North Vine

1033 Bork, Sharon G. Wichita 67202
With Elmer Fox & Company
900 Wichita Plaza Building

727 Boston, Richard S., Jr. Newton 67114
Partner, Haury & Boston, 203 Railroad Loan Bldg.

199 Bostwick, Ralph E. Kansas City, Mo. 64105
Partner, Francis A. Wright & Co.
1940 Ten Main Center

85 Bowen, Arthur H., Jr. Kansas City, Mo. 64105
Partner, Arthur Young & Co., 114 W. Eleventh Street

473 Bowman, Alfred L. Memphis, Tenn. 38103
Partner, Minor & Moore, 1700 Sterick Building

646 Bowman, Graydon F. Topeka 66604
4301 Huntoon, Suite 2

940 Bradbury, Noble Dean Winfield 67156
Partner, Edw. B. Stephenson & Co., 810 Loomis

402 Bradley, Frank D. Lawrence 66044
Partner, Lesh, Bradley & Barrand
Lawrence National Bank Building

1281 Brady, Glen Lee Wichita 67202
With Bonicamp, Koelling & Smith
901 Union Center Building

792 Braun, Kenneth R. Hays 67601
Partner, Pfeifer & Braun
204 Farmers State Bank Building

890 Bray, Jerome H. Topeka 66603
With Security Benefit Life Insurance Co., 700 Harrison

68 Brinkman, Leo J. Emporia 66801
Retired
314 Citizens National Bank Building

1165 Brinkman, Sidney E. Wichita 67208
Accounting Department
Wichita State University

170 Britting, Merle Wichita 67202
With Moberly, West, Jennings & Shaul, 110 E. First

538 Brockett, John L. Overland Park 66212
9429 Knox Drive

859 Brogan, Zack A. Mission 66202
Partner, Caldwell, Gibbens & Brogan, 5909 Martway

1188	Brooks, John R. With F. B. Kubik & Company 1320 Wichita Plaza Building	Wichita 67202
1081	Brown, William Terrence Partner, Brown & Clough 7830 State Line	Prairie Village 66208
1266	Buchmann, Matthew A. With Arthur Young & Co. 114 W. 11th Street	Kansas City, Mo. 64105
631	Buckner, Doris C. 2711 E. Morris	Wichita 67211
459	Burdge, Robert W. Partner, Elmer Fox & Company 900 Wichita Plaza Building	Wichita 67202
1269	Burns, Michael J. With Elmer Fox & Co. 900 Wichita Plaza Building	Wichita 67202
372	Burrus, C. David 400 N. Woodlawn Ave., Suite 25	Wichita 67208
758	Burtscher, R. N. With A. W. Burtscher Professional Building, Ten Ten Downing	Hays 67601
786	Bushman, J. Sanford Partner, Bushman & Wolf, 724 Delaware	Leavenworth 66048
1152	Buss, J. Ronald With Vulcan Material Co. 817 Whittier	Wichita 67207
839	Button, Richard O. Partner, Houge, Beebe & Trindle First National Bank Building	Dodge City 67801
1239	Campbell, Raymond E. Manager, Ernst & Ernst 600 Lillis Building	Kansas City, Mo. 64106
935	Carlson, James R. Partner, Bonicamp, Koelling & Smith 901 Union Center Building	Wichita 67202
1198	Carnahan, William T. Partner, Elmer Fox & Co., 900 Wichita Plaza Building	Wichita 67202
1159	Carper, Edwin N., III With Ernst & Ernst, 600 Lillis Building	Kansas City, Mo. 64106
1077	Carr, Robert D. Partner, Unrau & Regier, 804 Central Building	Wichita 67202
1244	Carson, Jerry D. Partner, Westervelt & Carson 1720 Broadway	Parsons 67357
1262	Cash, Donald M. 2020 S. English	Pittsburg 66762
649	Chalk, Paul M. With Kennedy & Coe, United Building	Salina 67401
1050	Charlton, Robert J. 10328 Pawnee Lane	Leawood 66206
728	Chisholm, Robert K. Secretary-Treasurer, Pizza Hut, Inc., 4328 E. Kellogg	Wichita 67218
337	Chism, Jack D. Partner, Bonicamp, Koelling & Smith Suite 901, Union Center Building	Wichita 67202
1265	Churchman, Charles L. With C. R. Rock Company 107 W. First	Hutchinson 67501

1225	Clark, James T. With Ernst & Ernst 101 One-Twenty Building	Wichita 67202
96	Clark, Kelsey P. Partner, Clark, Routh & Downard, 5012 E. 9th	Wichita 67208
963	Clark, Walter G. Business Manager, Kansas State Teachers College	Emporia 66801
511	Clark, W. J. Professor of Accounting, Kansas State University	Manhattan 66502
834	Clingerman, Stillman, Jr. 4506 North Walnut Grove	Rosemead, Cal. 91770
254	Clinkenbeard, Charles L. Partner, Brelsford, Hardesty & Batz 606 New England Building	Topeka 66603
1315	Clough, G. Samuel Partner, Brown & Clough 7830 State Line, Suite 201	Prairie Village 66208
1082	Cobler, James R. Controller, State of Kansas Department of Administration Statehouse	Topeka 66612
737	Cobler, Walter L. Partner, Cobler & Lemmon 603 Topeka Ave., Room 306	Topeka 66603
413	Cochran, Virgil W. Retired Partner, Pierce, Faris, Cochran & Sutton 412 Wolcott Building	Hutchinson 67501
309	Coder, Earl R. Partner, Bonicamp, Koelling & Smith Suite 901, Union Center Building	Wichita 67202
734	Coe, Robert R. Resident Manager, Brelsford, Hardesty & Batz 313 North Pomeroy	Hill City 67642
387	Coffman, Robert M. Partner, Elmer Fox & Co. 900 Wichita Plaza Building	Wichita 67202
1282	Corbin, Harry F., III With Elmer Fox & Co. 900 Wichita Plaza Building	Wichita 67202
193	Cory, Robert I. Partner, Elmer Fox & Company 900 Wichita Plaza Building	Wichita 67202
437	Cox, C. Richard 32730 Arlesford Drive	Solon, Ohio 44139
1230	Craig, Ada Ruth With Arthur Young & Co. 475 New Brotherhood Building	Kansas City 66101
678	Crane, Roy V. Partner, McDonald, Napshin & Shedd 702 Commercial National Bank Building	Kansas City 66101
1179	Crawford, Robert R. With Arthur Young & Co., 114 W. 11th Street	Kansas City, Mo. 64105
1003	Crimond, Richard P. Partner, Strait & Crimond Johnson-Strait Building	Lamar, Colo. 81052
795	Criss, Blaine Eugene Partner, Kennedy & Coe, P. O. Box 824	Colby 67701
862	Cropp, Lee Partner, Devine & Cropp, 316 Main	Russell 65665

156 Crouch, John D. Kansas City, Mo. 64105
Partner, Touche, Ross, Bailey & Smart
106 W. Fourteenth

169 Crouch, Ralph W. Kansas City, Mo. 64199
Partner, Peat, Marwick, Mitchell & Co.
2020 Commerce Tower

955 Cudney, Owen D. Kansas City 66101
731 Ann Avenue

1031 Cundith, Richard E. Lyons 67554
117 West Main

1214 Curtis, Norman D. Wichita 67202
Partner, Elmer Fox & Co.
900 Wichita Plaza Building

190 Cusack, Thos. J. Baxter Springs 66713
Partner, Barrett & Cusack, 1101½ Military

1186 Dahlstedt, Carle E. Salina 67401
With Kennedy & Coe, 217 United Building

168 Davis, Guy F., Jr. Kansas City, Mo. 64105
With Touche, Ross, Bailey & Smart
106 W. 14th Street

669 Day, Vernon E. Wichita 67202
Partner, F. B. Kubik & Company
1320 Wichita Plaza Building

761 Decker, James R. Wichita 67212
Controller, Wichita State University, 4227 Westport

1328 Denk, Gerald E. Kansas City 66102
155 South 18th

1195 Desch, Edward J., Jr. Topeka 66603
With Paxson & Richel, 506 Columbian Building

601 Dettenwanger, John J. Prairie Village 66208
143 Bryan Building, 7301 Mission Road

819 Devine, Byron K. Larned 67550
Partner, Devine & Cropp, 111 W. Fifth

362 Dickey, Richard D. Wichita 67207
6405 E. Kellogg

843 Diederich, Don P. Salina 67401
Partner, Kennedy & Coe, 217 United Building

868 Diehl, John E. Fort Scott 66701
Partner, Diehl, Fletcher & Banwart, 5 E. Wall

1283 Dietrick, Donald D. Winfield 67156
Nine-O-One Building

1267 Dobbs, James R. Winfield 67156
Partner, Edw. B. Stephenson & Co.
810 Loomis

513 Dodge, Theodore O. Manhattan 66502
2232 Cedar Acres Drive

497 Donnelly, Edward J. Kansas City, Mo. 64112
Partner, Donnelly, Meiners & Jordan
424 Nichols Road

393 Downard, Edward, Jr. Wichita 67202
Partner, Clark, Routh & Downard, 231 Beacon Building

1280 Drake, George F. Great Bend 67530
With Kennedy & Coe
1209 Williams

1107 Drees, Louis F. Kansas City, Mo. 64105
Partner, Troupe, Kehoe, Whiteaker & Kent
2900 Power & Light Building

1247 Dunning, James E. Wichita 67202
With F. B. Kubik & Company
1320 Wichita Plaza Building

1062 Durand, Francis L. Kansas City, Mo. 64106
Partner, Ernst & Ernst, 600 Lillis Building

959 Durham, James L. Salina 67401
Partner, Woods & Durham, 605 W. North Street

1284 Eastman, Ben M. Salina 67401
With Kennedy & Coe
217 United Building

409 Ecord, James B. Kansas City 66101
731 Ann Avenue

1085 Edgerle, Sabin S. Hutchinson 67501
Partner, Bartlett, Settle & Edgerle, 1020 N. Main

1326 Edwards, Phillip A. Kansas City, Mo. 64106
With Laventhol, Krekstein, Horwath & Horwath
744 Lathrop Building

514 Eisenman, Ben G. Kansas City, Mo. 64106
708 Title Building

1354 Ellis, F. Clark Kansas City, Mo. 64105
With Arthur Young & Co.
114 W. 11th Street

590 Emery, Richard H. McPherson 67460
Partner, Haury, Emery, Hill & Scherer, 901 N. Main

1254 Emmerich, Albert C. Wichita 67220
4726 East 25th Street North

970 Epp, Donald C. Prairie Village 66208
4000 Somerset Drive

1174 Epp, Harold D. Hutchinson 67501
With Pierce, Faris, Cochran & Sutton
412 Wolcott Building

990 Ervin, James L. Kansas City, Mo. 64105
With Arthur Young & Co., 114 W. Eleventh

1196 Erwin, Bert W. Great Bend 67530
With Kennedy & Coe, 1209 Williams

228 Eshelman, R. Keith Sedgwick 67135
R. R. 1

1191 Etzel, Daniel J. Topeka 66603
With Yadon & Vaught
608 Capitol Federal Building

556 Evans, A. Lex Pittsburg 66762
Partner, Evans & Freeman
110 E. Fourth Street

796 Fairhurst, Harold Moore Wichita 67202
Partner, Fairhurst, McClure & Miller
520 E. William

863 Falen, Delmar D. Marysville 66508
1300 Broadway

86 Faris, Harry Hutchinson 67501
Retired Partner, Pierce, Faris, Cochran & Sutton
412 Wolcott Building

391 Farmer, Wilma D. Leawood 66207
With J. M. Farmer & Co., 9408 Outlook

197 Farrow, Chester F. Wichita 67202
Partner, Farrow, Stone & Blubaugh
1505 Wichita Plaza Building

639 Farrow, Roger D. Wichita 67202
Partner, Farrow, Stone & Blubaugh
1505 Wichita Plaza Building

729 Ferrell, Donald L. Topeka 66603
Partner, Garrison, Gresser, McMurray, Myers & Co.
First National Bank Building

964 Fields, Calvin F. Kansas City 66109
2934 N. Seventy-eighth Street

947 Fischer, Larry L. Coffeyville 67337
With Coffeyville Packing Co.
14th and Read

1009 Fiser, George N. Wichita 67202
c/o Garvey, Inc., 300 W. Douglas, 9th Floor

295 Fiser, Van E. Wichita 67202
Partner, Moberly, West, Jennings & Shaul, 110 E. First

1036 Fletcher, Maurice J. Fort Scott 66701
Partner, Diehl, Fletcher & Banwart, 5 East Wall Street

1261 Folkerts, David F. Great Bend 67530
With Miner & Adams
1823 Washington

572 Foster, Glenn E. Topeka 66603
Partner, Brelsford, Hardesty & Batz
606 New England Building

828 Foster, Robert C. Wichita 67202
Partner, Unruh, Wolkow & Foster
710 One-Twenty Building, 120 S. Market

92 Fox, Elmer E. Wichita 67202
Consultant, Elmer Fox & Co.
900 Wichita Plaza Building

124 Francis, Edwin A. Wichita 67202
655 Fourth National Bank Building

1184 Francis, Gene W. Dodge City 67801
With Hogue, Beebe & Trindle
First National Bank Building

208 Francis, J. C. Wichita 67202
314 Central Building

1268 Freeman, William A. Pittsburg 66762
Partner, Evans & Freeman
110 East 4th

566 Frost, H. G., "Jack" Jr. Little Rock, Ark. 72201
Partner, Russel Brown & Company
Boyle Building

869 Fry, Robert H. Madison 66860
312 W. Main

544 Fuller, Norman E. Kansas City, Mo. 64106
Partner, Ross, Fuller & Costello
2005 Bryant Building

642 Fullerton, Billy C. Wichita 67202
Partner, Moberly, West, Jennings & Shaul, 110 E. First

1141 Gaeddert, W. Keith Ottawa 66067
Partner, Holden, Schulte & Klein
200 Bennett Building

1252 Gardner, Kirby A. Hutchinson 67501
With Pierce, Faris, Cochran & Sutton
412 Wolcott Building

1253 Garland, Jack D. Wichita 67202
With Witherspoon, Oak & Co.
705 Union Center Building

227 Garrison, Joseph O. Topeka 66603
Partner, Garrison, Gresser, McMurray, Myers & Co.
First National Bank Building

1227 Garwood, Irvin M. Hutchinson 67501
With Pierce, Faris, Cochran & Sutton
412 Wolcott Building

278 Geiger, H. D. Kansas City, Mo. 64105
Principal, Arthur Young & Co., 114 W. Eleventh

1304 George, Robert Lyle Topeka 66611
1324 W. 31st Terrace

242 Gerye, Allen F. Topeka 66606
2311 W. 6th Street

303 Gladman, Robert Kansas City 66101
Partner, Arthur Young & Co.
475 New Brotherhood Building

1120 Glennemeier, Larry F. Kansas City, Mo. 64105
With Arthur Andersen & Co., 911 Main Street

587 Godfrey, J. Richard Liberal 67901
Partner, Bartlett, Settle & Edgerle, 111 East 11th

1317 Goldsmith, Earl D. Wichita 67202
With Arthur Young & Co.
300 Sutton Place Building

358 Goodpasture, Leslie Wichita 67202
Partner, F. B. Kubik & Company
1320 Wichita Plaza Building

607 Goppert, Richard D. Overland Park 66207
5238 W. Ninety-eighth Terrace

1058 Gordon, Gary D. Wichita 67202
With F. B. Kubik & Co.
1320 Wichita Plaza Building

1048 Gose, Galen L. Wichita 67202
Partner, Loux, Gose & Co.
435 N. Main

1112 Gose, Warren L. Kansas City, Mo. 64108
With Sernes, Chandler, Schupp & Connealy
1621 Baltimore

517 Goss, Horton E. Wichita 67201
Partner, Peterson, Peterson & Goss
417 N. Topeka, P. O. Box 1259

522 Gott, William L. Raytown, Mo. 64133
110 Blue Ridge Professional Bldg.
9503 E. 63rd Street

134 Gottlieb, Leo Chanute 66720
324 W. Main

1158 Graber, Dean E. Wichita 67202
With Elmer Fox & Company
900 Wichita Plaza Building

1020 Graham, Evans L. Wichita 67202
With The Litwin Corp.
520 E. William

1124 Greenstreet, Lloyd M. Denver, Colo. 80215
701 Patterson Bldg.

1098 Gregg, L. Lorence Mission 66202
5920 Nall, Room 203

118 Gresser, Don F. Topeka 66603
Partner, Garrison, Gresser, McMurray, Myers & Co.
First National Bank Building

1297 Griffiths, A. Jeffries Kansas City, Mo. 64106
With E. M. Wright
1024 Locust Street

231 Grimes, Bruce Overland Park 66204
7009 West 81st

663 Grimes, Donald H. Kansas City, Mo. 64101
Secretary-Treasurer
Kansas City Bolt, Nut & Screw Co., 1324 W. 12th

1248 Groff, Ronald R. Topeka 66603
With Brelsford, Hardesty & Batz
606 New England Building

578	Grosser, William F. III Controller, Simpson Oil Co., Box 540	Salina 67401
580	Gugler, Merle E. Associate Professor of Accounting Kansas State University	Manhattan 66502
314	Hall, Emmet E. 830 Sutton Place	Wichita 67202
1088	Hancock, Frederick A. Partner, Elmer Fox & Co. 900 Wichita Plaza Building	Wichita 67202
698	Haney, Philip E. Partner, Bonicamp, Koelling & Smith 901 Union Center Building	Wichita 67202
1145	Hanson, Dennis W. Partner, Elmer Fox & Company, 228 W. Central	El Dorado 67042
125	Hardesty, W. F. Partner, Brelsford, Hardesty & Batz 606 New England Building	Topeka 66603
1030	Hardin, Donald L. Partner, Franke & Hardin 1430 Commerce Tower	Kansas City, Mo. 64105
316	Harmon, Gerald V. Partner, Kennedy & Coe 313 First National Bank Building	Wichita 67202
797	Harper, George M. 359 East Verde Lane	Phoenix, Ariz. 85012
1130	Hastings, Robert D. With United Utilities, Inc. 2330 Johnson Drive	Westwood
269	Haury, Kenneth K. Partner, Haury, Emery, Hill & Scherer, 901 N. Main	McPherson 67460
273	Haury, Robert Arthur Partner, Haury & Boston 203 Railroad Loan Building	Newton 67114
695	Heaston, William H. Partner, Elmer Fox & Co. 900 Wichita Plaza Building	Wichita 67202
479	Hegenbart, William F. Secretary-treasurer, Didde-Glaser, Inc.	Emporia 66801
722	Heidebrecht, LeRoy E. Partner, Larson, Morriss & Co. 906 Grand	Kansas City, Mo. 64106
1346	Heidrick, W. Jerome With Woods & Durham 605 W. North Street	Salina 67401
110	Henning, Homer J. Retired 200-03 Bennett Building	Ottawa 66067
496	Hergenreter, Jane M. With Paxton & Richel 506 Columbian Building	Topeka 66603
1260	Herrington, B. Lynn With Unruh, Wolkow & Foster 710 One-Twenty Building	Wichita 67202
1126	Higdon, David Bruce With Troupe, Kehoe, Whiteaker & Kent 2900 Power & Light Bldg.	Kansas City, Mo. 64105
1238	Hildebrand, Glendon R. With Arthur Andersen & Co. 911 Main Street	Kansas City, Mo. 64105

651	Hill, Dwight W. Trust Officer, McPherson & Citizens State Bank 122 W. Marlin	McPherson 67460
997	Hill, Harold C., Jr. With Arthur Andersen & Company 911 Main Street	Kansas City, Mo. 64105
416	Hilton, E. Wayne With Kennedy & Coe, 215 W. Seventh	Concordia 66901
206	Hinkhouse, Edward J. Treasurer, Legg Company, Inc., P. O. Box 112	Halstead 67056
675	Hinman, Clyde E. 5900 Nieman Road, P. O. Box 3125	Shawnee 66203
1342	Hixson, L. Rance Partner, Varney, Mills and Hixson J. C. Penney Building	Manhattan 66502
276	Hocutt, Ealon S. 33 Stratford	Wichita 67206
495	Hodson, Raymer D. Partner, Elmer Fox & Co. 1700 Commerce Tower Bldg.	Kansas City, Mo. 64199
351	Hoffman, Loren G. Partner, Touche, Ross, Bailey & Smart 106 W. Fourteenth	Kansas City, Mo. 64105
160	Hogue, Ross D. Partner, Hogue, Beebe & Trindle First National Bank Building	Dodge City 67801
1149	Hohl, Linn Francis With Bonicamp, Koelling & Smith 901 Union Center Building	Wichita 67202
765	Holden, C. F. Partner, Holden, Schulte & Klein 200 Bennett Building	Ottawa 66067
1211	Holeman, Kenneth E. 6411 Freeman Avenue	Kansas City 66102
237	Holford, Floyd P. Partner, Bartlett, Settle & Edgerle 1020 N. Main Street	Hutchinson 67501
585	Hollis, Robert A. Partner, Hollis, Kuckelman & Van De Veer Colonial Building	Olathe 66061
939	Holmes, Kenneth Ray Secretary-Treasurer, International Bazaar, Inc. Box 11143	Wichita 67211
1045	Holsen, Robert C. Partner, Ernst & Ernst 1356 Union Commerce Building	Cleveland, Ohio 44114
658	Holt, Charles E. City Auditor, City of Topeka	Topeka 66604
1097	Hooper, Edwin S. Partner, Lewis & Hooper, 118 E. Chestnut	Garden City 67846
657	Horner, Larry D. Partner, Peat, Marwick, Mitchell & Co. 2020 Commerce Tower	Kansas City, Mo. 64199
264	Houser, Ralph E. Partner, Mize, Houser & Reed First National Bank Building	Topeka 66603
297	Howard, Max 7009 West Eighty-first Street	Overland Park 66204

691 Howell, Robert W. Wichita 67202
Partner, Elmer Fox & Company
900 Wichita Plaza Building

1117 Howerton, Ralph W. Hays 67601
Partner, Devine & Cropp, 306 First National Towers

1170 Hubbard, James E. Springfield, Mo. 65806
With Baird, Kurtz & Dobson, 606 McDaniel Building

1102 Huffman, Wilmer E. Pratt 67124
311 Lawrence

908 Huitt, Eddie D. Wichita 67214
With Richard L. Snodgrass
2602 E. Central

1059 Hunter, Gerald L. Salina 67401
With Kennedy & Coe, 217 United Building

1161 Ingram, Darwin Larry Washington, D. C. 20036
1225 New Hampshire Ave., N. W., Apt. 530

1110 Ireland, James L. Valley Center 67147
Partner, Ireland & Ireland, 118 S. Meridian

186 Ireland, Orris R. Valley Center 67147
Partner, Ireland & Ireland, 118 S. Meridian

582 Isleib, James R. Prairie Village 66208
6611 Rainbow Avenue

583 Jabara, Fran Wichita 67208
Dean, School of Business Administration & Industry
Wichita State University

1264 Jackson, Elliott Ray Arkansas City 67005
With Parman & Tanner
110 S. First Street

1215 Jackson, Joseph IV Columbus 66725
President, First National Bank of Columbus
101 E. Maple

1051 Jarvis, Morris W. Winfield 67156
Partner, Edw. B. Stephenson & Co., 810 Loomis

129 Jennings, Rex M. Wichita 67202
Partner, Moberly, West, Jennings & Shaul
110 E. First Street

441 Jensen, Ole C. Kansas City, Mo. 64105
With Arthur Young & Co., 114 W. Eleventh

1271 Joerg, Charles W. Concordia 66901
With Kennedy & Coe
215 W. 7th Street

541 Johnson, Adley E. Salina 67401
Partner, Kennedy & Co., 217 United Building

711 Johnson, Bobby J. Wichita 67202
Partner, Elmer Fox & Co.
900 Wichita Plaza Building

782 Johnson, G. Harold Kansas City, Mo. 64105
Partner, Johnson & Fleet
338 Board of Trade Building

1237 Johnson, Ralph C., Jr. Wichita 67202
With Elmer Fox & Co.
900 Wichita Plaza Building

1340 Johnson, Ronald G. Wichita 67202
435 N. Main

912 Johnston, Paul R., Jr. Shawnee Mission 66208
Partner, Johnston & Minter
142 Bryan Building, 7301 Mission Road

480 Jones, LaRue W. Topeka 66604
212 Gage Professional Building
4125 Gage Center Drive

1331 Jones, Michael Paul Wichita 67202
With Arthur Young & Co.
300 Sutton Place Bldg.

801 Jordan, Harry Ellsworth, Jr. Kansas City, Mo. 64112
Partner, Donnelly, Meiners & Jordan
424 Nichols Road

740 Julian, Virgil A., Jr. Independence, Mo. 64052
1808 Harvard, P. O. Box 657

950 Jurden, L. W., III Shawnee Mission 66208
8257 Outlook

458 Kaufman, Marvin B. Wichita 67202
Partner, Moberly, West, Jennings & Shaul
110 E. First Street

802 Kearney, Matthew T. Mission 66202
5909 Marty

404 Kehoe, James T., Jr. Kansas City, Mo. 64105
Partner, Troupe, Kehoe, Whiteaker & Kent
2900 Power & Light Building

381 Keller, Arthur E. Kansas City 66101
Principal, Arthur Young & Co.
475 New Brotherhood Building

1242 Kempin, Van A. Overland Park 66212
9105 W. 104th Terrace

81 Kennedy, M. J. Salina 67401
Consultant, Kennedy & Coe
217 United Building

447 Kent, Richard H. Topeka 66601
President, Van-T Chevrolet
P. O. Box 1477

431 Keyes, Thomas M. Kansas City, Mo. 64106
Partner, Ernst & Ernst, 600 Lillis Building

991 Kiekel, William E. Grandview, Mo. 64030
With Litton Industries, Inc.
12820 Seventh Street

1050 Kimes, Terry J. Topeka 66603
With Mize, Houser & Reed
First National Bank Building

1246 King, Frederick M. Wichita 67202
With Clark, Routh & Downard
231 Beacon Building

1316 Kirchner, Jean R. Topeka 66603
With Cobler & Lemmon
603 Topeka Boulevard

803 Kirkpatrick, Mary Ellen Wichita 67208
Partner, Kirkpatrick & Sprecker, Woodlawn Central Building

804 Kirkpatrick, William D. El Dorado 67042
Partner, Elmer Fox & Co., 228 W. Central

1285 Klaassen, Donald Ray Wichita 67202
With Bonicamp, Koelling & Smith
901 Union Center Building

1021 Klein, Marvin R. Emporia 66801
Partner, Holden, Schulte & Klein
314 Citizens Natl. Bank Building

901 Klein, Norman E. Wichita 67202
With Kansas Refined Helium Co.
1720 Wichita Plaza

927 Knapp, Richard L. Wichita 67202
Partner, Kroeker & Knapp, 430 North Market

725 Knedlik, Norton K. McCook, Neb. 69001
9 Temple Building, Box 604

537 Knief, C. Maynard
Partner, Knief & Lansdon
Security Building Garden City 67846

263 Knief, Dwight L.
10322 Manor Road Leawood 66206

677 Knightly, J. William
507 First National Bank Building Hutchinson 67501

864 Knudsen, Ivan D.
Partner, Knudsen & Monroe, 811 Main Street Newton 67114

1348 Koch, Clarence E.
With Moberley, West, Jennings & Shaul
110 East First Street Wichita 67202

448 Kocour, Herman J.
Partner, Elmer Fox & Co.
900 Wichita Plaza Building Wichita 67202

1157 Koeller, Warren P.
Manager, Arthur Andersen & Co., 911 Main Street Kansas City, Mo. 64105

155 Koelling, J. T.
Partner, Bonicamp, Koelling & Smith
Suite 901, Union Center Building Wichita 67202

925 Koenigsdorf, Leonard M.
645 Ann Avenue Building Kansas City 66101

1178 Kottler, Philip E.
With F. B. Kubik & Co.
1320 Wichita Plaza Building Wichita 67202

726 Kraft, Harold E.
Controller, National Gypsum Co.
Kansas Army Ammunition Plant Parsons 67357

1025 Kraig, Harry J.
Partner, Ernst & Ernst
1700 Boatmen's Bank Building St. Louis, Mo. 63102

577 Kraus, Stanley J.
Partner, Elmer Fox & Company
900 Wichita Plaza Building Wichita 67202

673 Kroeker, Elwin L.
Partner, Kroeker & Knapp, 430 North Market Wichita 67202

1101 Kruckenberg, Larry J.
5549 Eisenhower Gread Bend 67530

218 Krueger, Sterling E.
Partner, Moberly, West, Jennings & Shaul
110 E. First Street Wichita 67202

189 Kruger, Edward V.
Partner, Elmer Fox & Co.
900 Wichita Plaza Building Wichita 67202

82 Kubik, Ben F.
Partner, F. B. Kubik & Company
1320 Wichita Plaza Building Wichita 67202

666 Kubik, J. Fred
Partner, F. B. Kubik & Company
1320 Wichita Plaza Building Wichita 67202

841 Kuckelman, Claire H.
Partner, Hollis, Kuckelman & Van De Veer
Colonial Building Olathe 66061

1065 Kunard, Sharon I. Smith
With Garrison, Gresser, McMurray, Myers & Co.
First National Bank Building Topeka 66603

1286 Kvasnicka, Al J.
With Arthur Andersen & Co.
911 Main Street Kansas City, Mo. 64105

699 Lafferty, Delma Marie
645 Brookfield Wichita 67206

452 Lambright, Ray B.
Partner, Arthur Andersen & Company
911 Main Street Kansas City, Mo. 64105

1007 Landis, George U.
Partner, Landis & Seely
424 Greenwood Wichita 67211

1173 Lansdon, Charles M.
Partner, Knief & Lansdon, Security Building Garden City 67846

561 Lazzelle, Fred D.
Partner, Sartin, Lazzelle & Hopkins
1212 Liberty Bank Building Oklahoma City, Okla. 73102

749 Lebish, Nat H.
1410 Fairfax Road Bellevue, Neb. 68005

348 Leckband, Arthur H.
A. H. Leckband & Co., Accounting Building Salina 67401

450 Leming, James Charles
5421 Aberdeen Shawnee Mission 66205

679 Lemmon, W. Dean
Partner, Cobler and Lemmon
603 Topeka Ave., Room 306 Topeka 66603

604 Leonard, William Robert
P. O. Box 78 Independence 67301

942 Lerner, Kenneth D.
9710 W. Ninety-first Place Overland Park 66212

634 LeRoy, Lawrence E.
6001 W. Fifty-fourth Terrace Mission 66202

243 Lesh, Warren N.
Partner, Lesh, Bradley & Barrand
Lawrence National Bank Building Lawrence 66044

454 Levens, Edward B.
5812 W. Eighty-fourth Overland Park 66207

855 Levine, Edward S.
Partner, Haith, Weinstein & Levine
Lillis Building, 18 E. Eleventh Kansas City, Mo. 64106

533 Lewis, Edward Woolsey
Partner, Lewis & Hooper, 118 E. Chestnut Garden City 67846

781 Likes, Louis A.
Likes & Co.
7221 W. 79th Street Overland Park 66204

730 Lindburg, Clifford E.
With C. R. Rock Company, 107 W. First Hutchinson 67501

1035 Logsdon, John D.
Principal, Arthur Young & Co.
475 New Brotherhood Building Kansas City 66101

723 Long, Robert A.
Partner, Arthur Andersen & Co., 911 Main Street Kansas City, Mo. 64105

710 Longenecker, Jack E.
Partner, Baird, Kurtz & Dobson
900 City National Bank Building Kansas City, Mo. 64106

491 Loux, Richard C.
Partner, Loux, Gose & Co.
435 N. Main Wichita 67202

968 Loy, Mike
218 Professional Building Pittsburg 66762

1259 Lutz, Bob L.
With Pfeifer & Braun
204 Farmers State Bank Building Hays 67601

697 Lyle, John C. Wichita 67201
Chief Accountant, Lear Jet Ind., Inc.
P. O. Box 1280

311 Lytle, Harry O., Jr. Wichita 67202
Partner, Elmer Fox & Company
900 Wichita Plaza Building

746 Maher, Michael Joseph Kansas City, Mo. 64106
With Ernst & Ernst, 600 Lillis Building

307 Mangold, William E. Kansas City, Mo. 64105
Partner, Troupe, Kehoe, Whiteaker & Kent
2900 Power & Light Building

628 Manke, Victor E. Wichita 67202
With Arthur Young & Co.
300 Sutton Place Building

417 Marcus, Alvin M. Wichita 67202
Partner, Moberly, West, Jennings & Shaul
110 E. First Street

132 Markel, Owen W. Wichita
Langdon Manufacturing Co.
222 North Hydraulic

1296 Marr, Richard L. Kansas City, Mo.
With McManus, Gautreaux, Jackson & Co.
1318 Commerce Tower

1084 Marshall, Robin J. Eureka 67045
115 W. Third Street

1357 Martin, Edith Katherine Salina
With Kennedy & Coe
217 United Building

914 Martin, John J., Jr. Kansas City, Mo. 64105
Partner, Troupe, Kehoe, Whiteaker & Kent
2900 Power & Light Building

287 Martin, Murray Kansas City 66101
Retired
475 New Brotherhood Building

1040 Martin, Robert E. Kansas City, Mo. 64105
1012 Baltimore

1032 Maydew, Marvin Wayne Topeka 66612
418 Garlinghouse Building

871 Mayer, Ronald G. Abilene 67410
Controller, A. L. Duckwall Stores Co.

183 McCann, Mary J. Kansas City, Mo. 64105
With Touche, Ross, Bailey & Smart
106 W. Fourteenth Street

1273 McCarthy, Dennis J. Kansas City, Mo. 64105
Partner, Arthur Young & Co.
114 W. 11th Street

1197 McClaran, Ray E. Kansas City 66101
Principal, Arthur Young & Co.
475 New Brotherhood Building

840 McClure, Harry L. Wichita 67202
Partner, Fairhurst, McClure and Miller
520 E. William

1356 McCrath, Douglas S. Kansas City, Mo. 64112
With Donald B. Schaumburg
Mid-Continent Bank Bldg., 4901 Main Street

884 McCue, Larry A. Liberal 67901
1035 N. Kansas

504 McGarity, John Kenneth Topeka 66603
Partner, Brelsford, Hardesty & Batz
606 New England Building

1223 McGee, Phillip A. Olathe 66061
P. O. Box 391

1263 McKay, Michael V. Kansas City 66101
With Arthur Young & Co.
475 New Brotherhood Building

589 McKenzie, Donald F. Wichita 67202
Partner, Elmer Fox & Co.
900 Wichita Plaza Building

596 McKinney, Wallace G. Hutchinson 67501
Partner, Pierce, Faris, Cochran & Sutton
412 Wolcott Building

298 McMurray, Clayton C. Topeka 66603
Partner, Garrison, Gresser, McMurray, Myers & Co.
First National Bank Building

891 Mehlinger, Robert M. Topeka 66603
Partner, Mize, Houser & Reed
First National Bank Building

806 Meiners, Gerard J. Kansas City, Mo. 64112
Partner, Donnelly, Meiners & Jordan
424 Nichols Road

655 Mense, Eugene M., Jr. Baxter Springs 66713
Partner, Barrett & Cusack, 1101½ Military

807 Meredith, Kenneth Wichita 67202
Partner, Elmer Fox & Co.
900 Wichita Plaza Building

1180 Mersmann, Mark E. Kansas City, Mo. 64199
Partner, Elmer Fox & Co., 1700 Commerce Tower

343 Mertz, Lester M. Salina 67401
Partner, Kennedy & Co., 217 United Building

694 Mesh, William Albert Hutchinson 67501
Partner, Bartlett, Settle & Edgerle, 1020 N. Main

161 Meyer, Charles Robert Kansas City, Mo. 64105
Partner, Arthur Young & Co.
114 W. Eleventh Street

735 Meyer, H. Stanley Overland Park 66207
With Winn-Rau Corporation
5407 W. 103rd Street

1287 Meyer, Raymond E., Jr. Ottawa 66067
With Holden, Schulte & Klein
200 Bennett Building

902 Michels, Louis H. Independence 67301
Partner, Yerkes, Michels & Callahan
Professional Plaza Building

825 Mickey, James O. Wichita 67202
102-C Insurance Building

966 Miers, R. Keith Wichita 67202
With Bonicamp, Koelling & Smith
901 Union Center Building

696 Miller, Cecil R. Kansas City, Mo. 64199
Manager, Peat, Marwick, Mitchell & Co.
2020 Commerce Tower

932 Miller, David K. Overland Park 66204
Suite No. 01, 7221 W. 79th Street

898 Miller, H. E. (Pete) Wichita 67206
102 Penrose

530 Miller, Joel E. Wichita 67202
Partner, Fairhurst, McClure & Miller
520 E. William

1167 Miller, Robert A. Great Bend 67530
With C. J. Netherton, K. M. N. Bldg.
1205 By-Pass

1288 Mills, Armon LeRoi Wichita 67202
With Elmer Fox & Co.
900 Wichita Plaza Building

656 Mills, Con C. Wichita 67202
Resident Manager, Ernst & Ernst
120 S. Market Street

961 Mills, Joseph H. Manhattan 66502
Partner, Varney, Mills & Hixson, J. C. Penney Building

778 Mines, Keith G. McPherson 67460
200 E. Kansas

1169 Minter, Robert P. Shawnee Mission 66208
Partner, Johnston & Minter
7301 Mission Road, Suite 142

1160 Mitchell, Richard T. Kansas City, Mo. 64105
With Arthur Andersen & Co., 911 Main Street

406 Mitchell, Wiley S. Lawrence 66044
Associate Dean, School of Business
The University of Kansas

274 Mize, Robert P. Topeka 66603
Partner, Mize, Houser & Reed
First National Bank Building

1333 Moeder, Everett J. Topeka 66603
With Mize, Houser & Reed
First National Bank Building

1301 Monroe, James I. Hutchinson 67501
With Bartlett, Settle & Edgerle
1020 North Main

987 Monroe, Leslie Roger Newton 67114
Partner, Knudsen and Monroe, 811 Main Street

249 Monroe, William H. Great Bend 67530
Partner, Kennedy & Coe, 1209 Williams

137 Montgomery, Charles Z. Topeka 66603
Partner, Brelsford, Hardesty & Batz
606 New England Building

1004 Moore, Charles H. Abilene 67410
Partner, Simmons and Moore
330 N. Buckeye

435 Moore, Homer Lee Wichita 67202
Partner, Elmer Fox & Co.
900 Wichita Plaza Building

70 Morgan, L. Irvin Wichita 67202
Partner, Moberly, West, Jennings & Shaul
110 E. First Street

602 Moritz, Robert J. Hutchinson 67501
Partner, Pierce, Faris, Cochran & Sutton
412 Wolcott Building

1056 Morris, Harry L. Kansas City, Mo. 64199
Partner, Price Waterhouse & Co.
2900 Commerce Tower Building

944 Mott, Paul A. Salina 67401
Partner, Kennedy & Coe, 217 United Building

323 Mueller, Robert S. Kansas City 66101
Partner, Arthur Young & Co.
475 New Brotherhood Building

1027 Murray, Sam L. Wichita 67218
4816 E. Lewis

1250 Myers, Joe N. Wichita 67202
With F. B. Kubik & Company
1320 Wichita Plaza Building

1012 Myers, Peter Topeka 66603
Partner, Brelsford, Hardesty & Batz
606 New England Building

359 Myers, Robert R. Topeka 66603
Partner, Garrison, Gresser, McMurray, Myers & Co.
First National Bank Building

570 Napshin, I. Marshall Kansas City 66101
Partner, McDonald, Napshin & Shedd
702 Commercial National Bank Building

445 Nathan, Simeon Aaron, Jr. Scottsdale, Ariz. 85252
P. O. Box 1523

1351 Naylor, Judy Curtis Wichita 67202
With Unruh, Wolkow and Foster
710 One-Twenty Building

147 Nelson, Carl A. Wichita 67202
Wichita Plaza Building

833 Nelson, Donald L. Topeka 66603
Partner, Garrison, Gresser, McMurray, Myers & Co.
First National Bank Building

1234 Nelson, James C. Colorado Springs, Colo. 80909
With Lester, Draney & Co.
First National Bank Building

648 Nester, Homer G. Wichita 67203
Controller, Cessna Aircraft Co.
212 Post Oak Road

832 Netherton, C. J. Great Bend 67530
K. M. N. Building, 1205 By-Pass

149 Newton, Sherwood W. Lawrence 66044
School of Business
The University of Kansas

653 Nicholson, F. Merle Wichita 67202
Partner, Elmer Fox & Co.
900 Wichita Plaza Building

477 Nitcher, Keith L. Lawrence 66044
Deputy Vice-chancellor for Finance, The University of Kansas

808 Noe, Jere Topeka 66603
Partner, Garrison, Gresser, McMurray, Myers & Co.
First National Bank Building

652 Nuss, Eldon P. Houston, Texas 77002
With Arthur Young & Co.
2109 Bank of Southwest Bldg.

809 Nye, Marvin W. Wichita 67201
Partner, Peterson, Peterson & Goss, 417 N. Topeka

472 Oak, Tom M. Wichita 67202
Partner, Witherspoon, Oak and Co.
705 Union Center Building

852 O'Connor, Everett M. Wichita 67202
With The Wichita Bank for Cooperatives
415 Central Building

1060 Olenick, Ralph Wichita 67201
Partner, Peterson, Peterson & Goss, 417 N. Topeka

1199 Olson, Carl Rex Wichita 67202
With Elmer Fox & Co.
900 Wichita Plaza Building

1255 Ott, Melvin D. Wichita 67202
With Witherspoon, Oak and Co.
705 Union Center Building

294 Page, Robert A. Wichita 67202
The R. H. Garvey Bldg., 352 N. Broadway

319 Parman, William E. Arkansas City 67005
Partner, Parman & Tanner, 110 S. First Street

108 Paxson, C. L. Topeka 66603
Partner, Paxson & Richel
506 Columbian Building

717 Paxson, Donald Ross Topeka 66603
Partner, Paxson & Richel
506 Columbian Building

1212 Pearman, Russell L. McPherson 67460
Partner, Haury, Emery, Hill & Scherer
901 N. Main

1006 Pendleton, James H. Kansas City, Mo. 64105
Audit Manager, Arthur Andersen & Co.
911 Main Street

875 Perry, Charles L. Wichita 67201
With Derby Refining Co., Box 1030

272 Peterson, Carl M. New Orleans, La. 70126
4632 Lynhuber Drive

996 Peterson, Delno V. Wichita 67202
With Ernst & Ernst
101 One Twenty Bldg., 120 S. Market

1121 Peterson, Don H. Kansas City, Mo. 64105
With English Brothers Machinery Co.
410 W. Fifth Street

251 Peterson, Ernest A. Wichita 67201
Partner, Peterson, Peterson & Goss
417 N. Topeka, P. O. Box 1259

500 Peterson, Milford J. Wichita 67201
Partner, Peterson, Peterson & Goss
417 N. Topeka, P. O. Box 1259

420 Pfeifer, Robert A. Hays 67601
Partner, Pfeifer and Braun
204 Farmers State Bank Building

493 Phares, William, Jr. Prairie Village 66208
7501 Mission Road, Suite 511

317 Pierce, L. Floyd Hutchinson 67501
Partner, Pierce, Faris, Cochran & Sutton
412 Wolcott Building

874 Pinhero, Carroll A. Wichita 67203
810 W. Douglas, Suite B

1047 Pishny, Donald B. Wichita 67212
8909 Warren

1319 Pittenger, Ronald K. Kansas City, Mo. 64199
With Elmer Fox & Co.
1700 Commerce Towers

922 Pool, David V. Emporia 66801
1028 Topeka

248 Poos, John W. Salina 67401
Partner, Kennedy & Coe, 217 United Building

1029 Post, Leo R. Winner, S. Dak. 57580
Partner, McPhillip & Post
110 W. Third

450 Pressnall, C. Dean Wichita 67202
Partner, Moberly, West, Jennings & Shaul
110 E. First

489 Prosser, Ernest J. Fall City, Neb. 68355

1061 Quinn, Robert M. Wichita 67202
Partner, Elmer Fox & Co.
900 Wichita Plaza Building

1278 Radcliffe, Dean Ober Topeka 66603
With Garrison, Gresser, McMurray, Myers & Co.
First National Bank Building

13 Rader, John W. Kansas City, Mo. 64111
4550 Warwick Boulevard

247 Rankin, Max C. Wichita 67202
Partner, F. B. Kubik & Company
1320 Wichita Plaza Building

223 Rashbaum, Meyer Kansas City, Mo. 64106
708 Title Building

838 Ray, Owen Buford Arvada, Colo. 80002
5771 Wadsworth By-Pass

994 Read, Gary E. Wichita 67202
With Elmer Fox & Co.
900 Wichita Plaza Building

860 Reed, C. Warren St. Louis, Mo. 63102
Partner, Ernst & Ernst
1700 Boatmen's Bank Building

748 Reed, Ted V. Topeka 66603
Partner, Mize, Houser & Reed
First National Bank Building

924 Rees, Charles V. Springfield, Mo. 65806
With Baird, Kurtz & Dobson, McDaniel Building

433 Regier, Louis R. Wichita 67202
Partner, Unrau & Regier, 804 Central Building

1321 Reinmund, Lynn E. Liberal 67901
Partner, Bird, Reinmund & Bird
224 N. Lincoln

230 Reitz, Ralph E. Salina 67401
Partner, Kennedy & Coe, 217 United Building

1125 Rensmeyer, Edwin A. Overland Park 66212
8600 W. Ninety-fifth, Suite 102

1258 Rettele, David A. Salina 67401
Partner, Clubine & Rettele
139B North Santa Fe

971 Reynolds, Sam M. Kansas City 66101
With Arthur Young & Co.
475 New Brotherhood Building

164 Rhodes, Leo W. Denver, Colo. 80202
Partner, Rhodes, Black & Olsen
Suite 416, 818 Seventeenth

989 Rice, Robert L. Fayetteville, Ark. 72701
Partner, Myers, Scarbrough & Baker
118 North Block

389 Rich, Leonard F. Garden City 67846
Partner, Brelsford, Hardesty & Batz
114 W. Pine

1105 Richardson, Aubrey E. Overland Park 66204
8008 Floyd

229 Richel, W. A. Topeka 66603
Partner, Paxson & Richel
506 Columbian Building

736 Riffel, William C. Wichita 67202
Partner, Bonicamp, Koelling & Smith
Suite 901, Union Center Building

1291 Rising, Norman G. Wichita 67202
With Elmer Fox & Co.
900 Wichita Plaza Building

810 Ritter, Archie R. Wichita 67202
Partner, Schroer & Ritter
200 Insurance Building

341 Roberts, Clifford E. Concordia 66901
Partner, Kennedy & Coe, 215 W. Seventh

385 Robertson, Delmar L. Neosho, Mo. 64850
Partner, Robertson & Muskrat, 811 Neosho Blvd.

1292 Robinson, Lucille L. Ottawa 66067
With Holden, Schulte & Klein
200 Bennett Building

1329 Rogers, Michael V. Topeka 66604
Route No. 8

412 Romine, Cecil E. Wichita 67211
1932 South Erie

1312 Rooney, W. Donald Overland Park 66206
9500 Mission Road

644 Rose, John B. Prairie Village 66208
8020 Juniper

931 Rosen, David Lionel Fort Collins, Colo. 80521
Route 1, Lot 21, Mountain Valley Acres

48 Rossdutcher, Charles Wichita 67202
Consultant, Schroer & Ritter
200 Insurance Building

967 Rothrock, Wm. F. McPherson 67460
Suite 103, Marlin East Building

468 Rotman, Max J. Kansas City, Mo. 64106
1301 Home Savings Building

957 Rousey, F. H. Wichita 67202
1128 Wichita Plaza Building

102 Routh, James C. Wichita 67202
Partner, Clark, Routh & Downard, 231 Beacon Building

1156 Ruwart, Robert J. Kansas City 66101
With Arthur Young & Co.
475 New Brotherhood Building

12 Sanders, Arthur B. Wichita 67202
Consultant, Kennedy & Coe
313 First National Bank Building

1336 Sanders, John Francis Topeka 66603
With Garrison, Gresser, McMurray, Myers & Co.
First National Bank Building

853 Sanders, Maurice G. Mission 66202
Partner, Wright, Herfordt & Sanders
5909 Martway

1133 Schallehn, L. G. Kansas City 66101
Resident Manager, Troupe, Kehoe, Whiteaker & Kent
309 Security Bank Building

633 Schaumburg, Donald B. Kansas City, Mo. 64112
Mid-Continent National Bank Building
4901 Main Street

1358 Schehrer, Robert A. Lawrence 66044
Partner, Lesh, Bradley & Barrand
Lawrence National Bank Building

946 Scherer, James A. McPherson 67460
Partner, Haury, Emery, Hill & Scherer, 901 N. Main

612 Scherer, Mathias A., Jr. Salina 67401
215 South Santa Fe

907 Schippers, Arthur L. Wichita 67202
Partner, Elmer Fox & Co.
900 Wichita Plaza Building

903 Schlappy, Wanda H. Chapman 67431
326 W. 8th

764 Schmidt, W. G. Kansas City, Mo. 64108
Partner, Schmidt & Company, 2837 Main

733 Schroer, Ernest F. Wichita 67202
Partner, Schroer & Ritter
200 Insurance Building

643 Schulte, John W. Ottawa 66067
Partner, Holden, Schulte & Klein
200 Bennett Building

1127 Schwartz, James P. Wichita 67202
Partner, Elmer Fox & Co., 900 Wichita Plaza Building

241 Schwarz, George A. Wichita 67202
906 Central Building

1014 Scott, Douglas A. Kansas City, Mo. 64105
With Arthur Andersen & Co.
911 Main Street

1119 Scott, Gene A. Kansas City, Mo. 64105
Partner, Arthur Andersen & Co., 911 Main Street

1308 Scotten, Daniel Lewis Hutchinson 67501
Controller, The Carey Salt Company
1800 Carey Boulevard

1185 Sears, William H. Abilene 67410
Partner, Simmons and Moore
330 N. Buckeye Avenue

528 Seely, Donald D. Wichita 67211
Partner, Landis and Seely
424 Greenwood

622 Selig, Ralph I. Topeka 66603
Partner, Brelsford, Hardesty & Batz
606 New England Building

849 Sellberg, Bobby D. Kansas City, Mo. 64105
With Arthur Andersen & Co., 911 Main Street

1233 Setter, Maurice F. Kansas City, Mo. 64199
With Elmer Fox & Co.
1700 Commerce Tower

253 Settle, Norman Hutchinson 67501
Partner, Bartlett, Settle & Edgerle, 1020 N. Main

217 Shaul, K. Kenneth Wichita 67202
With Moberly, West, Jennings & Shaul, 110 E. First Street

187 Shea, Edward T. Salina 67401
Partner, Kennedy & Coe, 217 United Building

282 Sheffield, John T. Wichita 67202
Partner, Moberly, West, Jennings & Shaul, 110 E. First Street

426 Shelley, V. Dale Wichita 67202
With Misco Industries, Inc.
200 Misco Building

1019 Shelton, Joseph A., Jr. Mission 66202
Resident Manager, Wright, Herfordt and Sanders
5909 Martway

1341 Shepherd, Roger L. Kansas City, Mo. 64105
With Arthur Andersen & Co.
911 Main Street

1000 Shetlar, Harry L., Jr. Winfield 67156
Partner, Edw. B. Stephenson & Co., 810 Loomis

318 Shields, Clifford L. Wichita 67202
Partner, F. B. Kubik & Company
1320 Wichita Plaza Building

1226 Shikles, Dale E. Kansas City, Mo. 64105
With Arthur Andersen & Co., 911 Main Street

949 Shoffner, Larry E. Salina 67401
201 South Fifth Street

981 Sieverling, Lynne Kansas City, Mo. 64106
Partner, Ross, Fuller & Costello
2005 Bryant Building, 1102 Grand Avenue

1129 Simmons, Robert J. Shawnee 66203
Controller, Vita Craft Corp.
11122 W. 58th Street

60 Simmons, Roy N. Abilene 67410
Partner, Simmons & Moore, 330 N. Buckeye

747 Simpson, John M. Salina 67401
With Kennedy, Berkley & Simpson (Attorneys)
710 United Building

211 Sinderson, George W. Kansas City, Mo. 64106
Partner, Baird, Kurtz & Dobson
900 City National Bank Building

35 Sinderson, Sam W. Kansas City 66101
Retired
475 New Brotherhood Building

883 Sinderson, William S. Kansas City 66101
Principal, Arthur Young & Co.
475 New Brotherhood Building

1359 Slaymaker, John H. Wichita 67202
With Elmer Fox & Co.
900 Wichita Plaza Building

236 Smith, Glenn W. Wichita 67202
Partner, Bonicamp, Koelling & Smith
Suite 901, Union Center Building

315 Smith, Mervil O. Kansas City 66101
Partner, Arthur Young & Co.
475 New Brotherhood Building

985 Smith, Richard E. Shawnee Mission 66204
9226 W. 73rd St., Apt. 205

111 Smith, Vane Wichita 67207
7908 E. Morris

331 Snodgrass, Richard L. Wichita 67214
2602 E. Central

330 Snyder, Leroy M. Kansas City 66101
With Arthur Young & Co.
475 New Brotherhood Building

305 Snyder, Parke Shreveport, La. 71101
With Peat, Marwick, Mitchell & Co.
514 Texas Eastern Building

882 Snyder, Sherwin L. Ottawa 66067
Associate Professor
Ottawa University

432 Solenberger, Ira D. Kansas City, Mo. 64106
With Ernst & Ernst, 600 Lillis Building

708 Soper, Fred J. Wichita 67204
2541 Bobwhite

892 Soule, Roy L. Arkansas City 67005
Partner, Parman & Tanner, 110 S. First

1311 Spangler, Phillip A. Merriam 66203
9521 W. 59th Terrace

1176 Spanier, Bob L. Atchison 66002
Orpheum Building

428 Spencer, Ben A. Wichita 67202
Partner, Elmer Fox & Co.
900 Wichita Plaza Building

817 Sprecker, Jayde Wichita 67208
Partner, Kirkpatrick & Sprecker
Woodlawn Central Building

10 Spurrier, Stanley Wichita 67202
Partner, Stanley Spurrier & Co.
801 Brown Building

525 Spurrier, Stanley, Jr. Wichita 67202
Partner, Stanley Spurrier & Co.
801 Brown Building

706 Stang, Ronald B. Kansas City, Mo. 64106
With Ernst & Ernst, 600 Lillis Building

521 Stark, Vernon L. Wichita 67202
With Farrow, Stone & Blubaugh
1505 Wichita Plaza Building

913 Stecher, Glen D. Atchison 66002
Partner, Meyer, Nuzum & Stecher
Suite 7, Blair Building

713 Steele, Paul M. Colby 67701
365 Lake

422 Steinke, Leroy A. Chicago, Ill. 60603
Partner, Laventhol, Krekstein, Horwath & Horwath
100 West Monroe

167 Stephenson, Edw. B. Winfield 67156
Partner, Edw. B. Stephenson & Co., 810 Loomis

285 Stettler, Howard F. Lawrence 66044
Professor of Business Administration
The University of Kansas

787 Stewart, Raymond A., Jr. Overland Park
9340 Woodward

148 Stone, J. Douglas Wichita 67202
Partner, Farrow, Stone & Blubaugh
1505 Wichita Plaza Building

209 Strain, John A. Junction City 66441
806 N. Washington

1213 Stuart, Phillip J. McPherson 67460
Partner, Haury, Emery, Hill & Scherer
901 N. Main

1090 Studt, Charles W. Hutchinson 67501
Partner, Pierce, Faris, Cochran & Sutton
412 Wolcott Building

486 Sutton, Jack E. Hutchinson 67501
Partner, Pierce, Faris, Cochran & Sutton
412 Wolcott Building

380 Sutton, Walter S. Kansas City, Mo. 64199
Partner, Peat, Marwick, Mitchell & Co.
2020 Commerce Tower

812 Swanson, E. Maurice Roswell, N. Mex. 88201
1510-A W. Second

945 Sykes, Thomas J. Hutchinson 67501
Partner, Bartlett, Settle & Edgerle, 1020 N. Main

641 Tanner, Charles F. Arkansas City 67005
Partner, Parman & Tanner, 110 S. First

233 Taylor, John A. Kansas City 66102
155 S. Eighteenth

377 Taylor, M. F. Wichita 67202
Partner, Elmer Fox & Co.
900 Wichita Plaza Building

972 Taylor, Norris M. Great Bend 67530
Partner, Maneth & Taylor
1123½ Williams

574 Thompson, Ray W. Kansas City, Mo. 64105
Partner, Smith & Harder, 1004 Baltimore

905 Thompson, Robert D. Wichita 67202
Partner, Stanley Spurrier & Co.
801 Brown Building

146 Thompson, Rollo O. Medicine Lodge 67104
Chapin Building

755 Thrasher, Charles L. Wichita 67202
Partner, Stanley Spurrier & Co.
801 Brown Building

347 Trickett, James P. Kansas City 66101
Partner, Arthur Young & Co.
475 New Brotherhood Building

430 Trindle, Joseph G. Dodge City 67801
Partner, Hogue, Beebe & Trindle
First National Bank Building

184 Tripp, David H. Wichita 67202
Partner, Moberly, West, Jennings & Shaul, 110 E. First

397 Troupe, William J. Kansas City, Mo. 64105
Partner, Troupe, Kehoe, Whiteaker & Kent
2900 Power & Light Building

181 True, E. D. Wichita 67202
Partner, F. B. Kubik & Company
1320 Wichita Plaza Building

57 Tupy, Leslie T. Lawrence 66044
2140 Barker Avenue

1055 Turmon, Jack B. North Kansas City, Mo. 64116
With North Kansas City Development Co.
2101 Burlington

324 Unrau, D. Clarence Wichita 67202
Partner, Unrau & Regier
804 Central Building

1136 Unruh, Erwin H. Hutchinson 67501
With J. William Knightly
507 First National Bank Building

382 Unruh, Walter R. Wichita 67202
Partner, Unruh, Wolkow & Foster
710 One-Twenty Building, 120 S. Market

1087 Vanatta, Chester B. Kansas City, Mo. 64105
Principal, Arthur Young & Co.
114 W. 11th Street

992 Van De Veer, Willard A. Olathe 66061
Partner, Hollis, Kuckelman & Van De Veer
Colonial Building

685 Vannoy, Donald Wichita 67202
Partner, Elmer Fox & Co.
900 Wichita Plaza Building

1192 Vannoy, Frances R. Wichita 67202
With Elmer Fox & Company
900 Wichita Plaza Building

1123 Van Quaethem, John A. Kansas City, Mo. 64199
With Price Waterhouse & Co.
2900 Commerce Tower Building

684 Varney, T. William Manhattan 66502
Partner, Varney, Mills and Hixson
J. C. Penney Building

609 Vaught, Raymond M. Topeka 66603
Partner, Yadon & Vaught
608 Capitol Federal Building

1216 Vick, James E. Norton 67654
203 S. State

1163 Vink, David E. Dallas, Texas 75202
With Elmer Fox & Co.
1215 Main Street

1344 Von Feldt, G. L. Russell 67665
With Devine & Cropp
316 Main

857 Voth, Melvin H. Wichita 67208
Associate Professor of Accounting
Wichita State University

293 Wakeland, Roderick W. Wichita 67201
First National Bank

403 Walbridge, Chester C. Wichita 67202
With Kennedy & Coe
313 First National Bank Building

1044 Wallace, Donald L. Garden City 67846
1123 Kansas Plaza

975 Waller, Julius F. Kansas City, Mo. 64111
Partner, Fairhurst, Warrington, Waller & Sotham
406 W. Thirty-fourth

373 Ward, William E. Wichita 67202
Partner, Arthur Young & Co.
300 Sutton Place Building

553 Ward, Wm. T. Wichita 67202
Partner, Elmer Fox & Co., Wichita Plaza Building

399 Warrington, Harry A. Kansas City, Mo. 64111
Partner, Fairhurst, Warrington, Waller & Sotham
406 W. Thirty-fourth

256 Weatherwax, John Thomas Lawrence 66044
With Viking Investment Corp.
1915 W. Twenty-fourth

983 Webber, Allen Salina 67401
With Kennedy & Coe, 217 United Building

258 Webster, Grant R. Wichita 67202
Partner, Elmer Fox & Co.
900 Wichita Plaza Building

621 Weimer, James H. Kansas City, Mo. 64199
Partner, Price Waterhouse & Co.
2900 Commerce Tower Building

1037 Welborn, Gerald E. Topeka 66603
With Unified School District No. 501
415 W. 8th

1091 Welsh, John P. Topeka 66603
With Harold M. Goodman & Co.
620 W. 6th

94 West, Ivan M. Wichita 67202
Partner, Moberly, West, Jennings & Shaul, 110 E. First

814 West, Richard L. Wichita 67202
Partner, Moberly, West, Jennings & Shaul, 110 E. First

539 Westervelt, J. C. Parsons 67357
Partner, Westervelt and Carson
1720 Broadway

693	White, Leonard A. Argentine Professional Bldg. 1428 S. 32nd Street	Kansas City 66106
550	White, Martin M. 900 Walnut, Suite 400	Kansas City, Mo. 64106
650	Whiteaker, Stanley C. Partner, Troupe, Kehoe, Whiteaker & Kent 2900 Power & Light Building	Kansas City, Mo. 64105
569	Whiteman, John A. Controller, Grossmont Hospital P. O. Box 158	La Mesa, Cal. 92043
815	Whiteside, Ralph T. 4523 W. Seventieth Street	Prairie Village 66208
400	Whittemore, Leslie E. Partner, Leslie E. Whittemore & Co. Denver U. S. National Bank Building	Denver, Colo. 80202
752	Widmer, Richard 102 E. Eighth	Coffeyville 67337
536	Wilbur, Robert D. Partner, Kennedy & Coe, 1015 Main	Goodland 67735
1345	Wilcoxon, Charles B. Partner, Elmer Fox & Co. 900 Wichita Plaza Building	Wichita 67202
1222	Williams, Bill R. With Smith & Harder 1004 Baltimore	Kansas City, Mo. 64105
918	Williams, Donald Eugene With Touche, Ross, Bailey & Smart 1700 Power & Light Building	Kansas City, Mo. 64105
203	Williams, John J. 220 Home National Bank Building	Arkansas City 67005
714	Wilson, Raymond R. Partner, Johnson & Fleet 338 Board of Trade Building	Kansas City, Mo. 64105
235	Witherspoon, C. E. Partner, Witherspoon, Oak & Co. 705 Union Center Building	Wichita 67202
660	Wolf, Wayne L. Partner, Bushman & Wolf, 724 Delaware	Leavenworth 66048
1302	Wolgast, Harold D. With Brelsford, Hardesty & Batz 606 New England Building	Topeka 66603
339	Wolkow, Bernard E. Partner, Unruh, Wolkow & Foster 710 One-Twenty Bldg., 120 S. Market	Wichita 67202
78	Wood, Albert R. 1231 Cumberland Street	Colorado Springs, Colo. 80907
425	Woods, W. Rex Partner, Woods & Durham, 205 N. Mill	Beloit 67420
731	Woodward, John J., Jr. Partner, Unrau & Regier, 804 Central Building	Wichita 67202
1320	Worthington, James S. Accounting Instructor Kansas State College at Pittsburg	Pittsburg 66762
340	Wright, Donald F. Partner, Paxson & Richel 506 Columbian Building	Topeka 66603
424	Wright, E. M. 1024 Locust	Kansas City, Mo. 64106

1294	Wright, Larry Allen With C. Robert Belt Plaza Building	Coffeyville 67337
1275	Wymore, Allan J. With Arthur Young & Co. 114 W. 11th Street	Kansas City, Mo. 64105
451	Yadon, M. E. Partner, Yadon & Vaught 608 Capitol Federal Building	Topeka 66603
1313	Yant, Richard S. 1430 Commerce Tower	Kansas City, Mo. 64105
873	Yerkes, Donald L. Partner, Yerkes, Michels & Callahan Professional Plaza Building	Independence 67301
571	Yohe, D. Spencer Manager, Arthur Andersen & Co. 911 Main Street	Kansas City, Mo. 64105
1293	Younker, Severin P. With Bonicamp, Koelling & Smith 901 Union Center Building	Wichita 67202
856	Zavatsky, Bernard L. With Brooks, Inc. 8117 E. Kellogg	Wichita 67207
542	Zody, Keith L. Partner, F. B. Kubik & Company 1320 Wichita Plaza Building	Wichita 67202

Partnerships Registered to Practice as Certified Public Accountants

Bartlett, Settle & Edgerle		
1020 N. Main	Hutchinson	67501
Box 922	Greensburg	67054
111 E. 11th Street	Liberal	67901
Bird, Reimund and Bird		
224 N. Lincoln	Liberal	67901
Bonicamp, Koelling & Smith		
901 Union Center Building	Wichita	67202
Brelsford, Hardesty & Batz		
606 New England Building	Topeka	66603
114 W. Pine	Garden City	67846
313 N. Pomeroy	Hill City	67642
Brown & Clough		
7830 State Line, Suite 201	Prairie Village	66208
Bushman and Wolf		
724 Delaware	Leavenworth	66048
Clark, Routh & Downard		
231 Beacon Building	Wichita	67202
Cobler and Lemmon		
603 Topeka Ave., Room 306	Topeka	66603
Devine & Cropp		
316 Main	Russell	65665
111 W. Fifth	Larned	67550
306 First National Towers	Hays	67601
112 N. Front Street	Salina	67401
Diehl, Fletcher & Banwart		
5 East Wall Street	Fort Scott	66701
Ernst & Ernst		
120 S. Market	Wichita	67202
Evans and Freeman		
110 E. 4th Street, P. O. Box 62351	Pittsburg	66762
Fairhurst, McClure & Miller		
520 E. William	Wichita	67202
Farrow, Stone & Blubaugh		
1505 Wichita Plaza Building	Wichita	67202
Elmer Fox & Company		
900 Wichita Plaza Building	Wichita	67202
228 W. Central	El Dorado	67042
Garrison, Gresser, McMurray, Myers & Co.		
First National Bank Building	Topeka	66603
Haury & Boston		
203 Railroad Loan Building	Newton	67114
Haury, Emery, Hill & Scherer		
901 N. Main	McPherson	67460
Hogue, Beebe & Trindle		
First National Bank Building	Dodge City	67801
Holden, Schulte & Klein		
200 Bennett Building	Ottawa	66067
Citizen's National Bank Building	Emporia	66801

Hollis, Kuckelman & Van De Veer		
Colonial Building	Olathe	66061
Ireland & Ireland		
118 South Meridian	Valley Center	67147
Johnston & Minteer		
7301 Mission Road (142)	Prairie Village	66208
Kennedy & Coe		
217 United Building	Salina	67401
215 W. Seventh	Concordia	66901
1209 Williams	Great Bend	67530
106 West Hall	Oberlin	67749
165 W. Third	Colby	67701
1015 Main	Goodland	67735
313 First National Bank Bldg.	Wichita	67202
Kirkpatrick & Sprecker		
Woodlawn Central Building	Wichita	67208
Knief and Lansdon		
201 North Main	Garden City	67846
Knudsen and Monroe		
811 Main Street	Newton	67114
Kroeker & Knapp		
430 North Market	Wichita	67202
F. B. Kubik & Company		
1320 Wichita Plaza Building	Wichita	67202
Landis and Seely		
424 Greenwood	Wichita	67211
Lesh, Bradley & Barrand		
Lawrence National Bank Building	Lawrence	66044
Lewis & Hooper		
118 E. Chestnut	Garden City	67846
Loux, Gose & Company		
435 North Main	Wichita	67202
Mize, Houser & Reed		
First National Bank Building	Topeka	66603
Moberly, West, Jennings & Shaul		
110 E. First	Wichita	67202
Parman & Tanner		
110 S. First	Arkansas City	67005
Paxson & Richel		
506 Columbian Building	Topeka	66603
Peterson, Peterson & Goss		
417 N. Topeka Avenue	Wichita	67201
Pfeifer and Braun		
204 Farmers State Bank Building	Hays	67601
Pierce, Faris, Cochran & Sutton		
412-415 Wolcott Building	Hutchinson	67501
Schroer & Ritter		
200 Insurance Building, 212 North Market	Wichita	67202
Simmons and Moore		
330 North Buckeye	Abilene	67410
Stanley Spurrier & Company		
801 Brown Building	Wichita	67202
Edw. B. Stephenson & Co.		
810 Loomis	Winfield	67156
Troupe, Kehoe, Whiteaker & Kent		
309 Security Bank Building	Kansas City	66101
Unrau & Regier		
804 Central Building	Wichita	67202

Unruh, Wolkow & Foster
 710 One-Twenty Bldg., 120 S. Market Wichita 67202
 Varney, Mills and Hixson
 J. C. Penney Building Manhattan 66502
 Westervelt and Carson
 1720 Broadway Parsons 67357
 Witherspoon, Oak and Co.
 705 Union Center Building Wichita 67202
 Woods & Durham
 605 West North Salina 67401
 205 North Mill Beloit 67420
 Wright, Herfordt and Sanders
 5959 Martway Mission 66202
 Yadon and Vaught
 Capitol Federal Building Topeka 66603
 Arthur Young & Company
 475 New Brotherhood Building Kansas City 66101
 Wichita Plaza Building Wichita 67202

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 TOPEKA, KANSAS
 1968



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UNITED STATES TREASURY DEPARTMENT

INTERNAL REVENUE SERVICE

WICHITA DISTRICT (KANSAS)

HARRY F. SCRIBNER, DISTRICT DIRECTOR

POSITION PAPER IN SUPPORT OF
AMENDMENT TO KANSAS STATUTES
RELATING TO CERTIFIED PUBLIC ACCOUNTANTS

SENATE BILL NO. 54
SESSION OF 1969

The Internal Revenue Service proposes that the Kansas Statutes be amended to qualify persons for CPA certificates who have a Master's Degree in accounting and hold or have held a position of Internal Revenue Agent at the journeyman level, Grade GS-512-11 or higher, as specified in the United States Civil Service Commission's qualification standards as of the date of enactment hereof. The rationale for this proposal can best be presented by answering the following seven questions:

1. Why is the Kansas District of Internal Revenue Service concerned?
2. Why are potential recruits for the position of Internal Revenue Agent concerned?
3. Why should Kansans and the Legislature be concerned?
4. What is the situation in other, particularly neighboring, states?
5. What is the history of the present Act?
6. Will the proposed new qualifying provisions weaken or dilute the present standards for CPA's?
7. What would be the probable consequence of amending the Statutes?

1. WHY IS THE KANSAS DISTRICT OF INTERNAL REVENUE SERVICE CONCERNED?

The Internal Revenue Service is interested in recruiting the best possible college accounting graduates for the positions of Internal Revenue Agent. Experience over the years has proven that the most likely and adaptable candidates for these positions are the recent graduating students. The main reason for this is that all candidates must enter the Service at a relatively low level, regardless of their work experience, and reach higher levels only after completing extensive training and directed assignments. One of the first questions the

accounting major asks the recruiter is whether or not Internal Revenue Agent experience qualifies for the CPA requirements. The fact that Internal Revenue Agent experience in Kansas is not qualifying immediately causes many accounting students not even to consider employment as an Internal Revenue Agent. It is a big factor that is considered by all students and often leads them to decline employment. The area in which the Wichita Internal Revenue Service recruits is the state of Kansas. It has been many, many years since a qualified candidate has transferred or been recruited from another state. Thus, the Kansas District of Internal Revenue Service is concerned because we are not able to recruit the competent college graduate that we would if Internal Revenue Agent experience would qualify as CPA experience.

2. WHY ARE POTENTIAL RECRUITS FOR THE POSITION OF INTERNAL REVENUE AGENT CONCERNED?

The CPA certificate is the universal recognition of professional achievement in the field of accounting. Accounting students have been conditioned to this concept since they first decided to enter the field. It does not matter whether the professional accountant is a public accountant, a cost accountant for a manufacturer, a corporation comptroller, a management consultant, or a Government accountant. If he is in the accounting profession, the one mark of recognition in his field is the CPA certificate. CPA organizations have fostered this concept, as you can find career pamphlets used by CPA societies throughout the land that emphasize career management, finance planning, tax practice, analytical decisions, etc., as well as auditing. A

graduate law student can be in private practice, be a public prosecutor, work for a corporation, or be in Government, but if he passes the Bar examinations, he is a lawyer. The graduating accounting student applies the same rationale to the title 'CPA.' Potential recruits for the position of Internal Revenue Agent are concerned because like most accounting students they want to be recognized as having achieved the professional level in their field.

3. WHY SHOULD KANSANS AND THE LEGISLATURE BE CONCERNED?

Kansans like all citizens should be served by the best possible qualified career Government employees. However, many qualified candidates that would otherwise decide to become Internal Revenue Agents are deterred by this one factor of not having an opportunity to gain the CPA certificate. Those who choose to become public accountants and remain in Kansas are at least not lost to the state - only to public service. A greater loss occurs when the graduating accounting student decides he still wants to use his accounting education to become an Internal Revenue Agent and yet become a CPA. He is the one who leaves the state of Kansas for employment as an Internal Revenue Agent in a state where this experience will count. Thus, the state of Kansas, whose tax money has subsidized his education in a state university or college, loses this investment in his education and, more important, loses a good young citizen. This is why Kansas and the Legislature should be concerned.

4. WHAT IS THE SITUATION IN OTHER, PARTICULARLY NEIGHBORING, STATES?

In 37 states Internal Revenue Agent experience is recognized in some

degree as qualifying for the issuance of a CPA certificate. In 24 of these states it is accepted in full. Since 1966 several states have recognized Revenue Agent experience. Among this group are Michigan, Missouri, New Mexico, New York and Pennsylvania. In our neighboring states of Colorado, Nebraska, Iowa, Missouri and Texas Internal Revenue Agent experience is accepted in full toward CPA qualifications. In Oklahoma it is accepted in part, but if prescribed educational requirements are met, no experience is required. To the Kansas accounting graduate it appears that his state is discriminating against the Internal Revenue Agent. He finds it easy to move across the state line to receive the recognition toward which he has worked and aspired.

5. WHAT IS THE HISTORY OF THE PRESENT ACT?

The present act regulating the licensing, examination and registration of Certified Public Accountants in Kansas was enacted in 1951, effective on July 1, 1951. Since that time there have been no changes in it other than some changes to Sec. 1-204, relating to the Board's disposition of fees. Prior to the enactment, the Act had remained basically unchanged from the time of its original enactment in 1915. Under the 1915 Act, Sec. 1-102, the State Board of Administration had power to determine qualification 'to the standards approved by the American Association of Public Accountants.' Under Sec. 1-201(b) of the 1951 Act there was created the advisory council to provide liaison with the educational institutions and the accounting profession 'to the end that the standards of accounting education and practice may be continuously maintained and advanced.' The proposed amendment would

further the legislative admonition to 'advance the education and practice of the accounting profession.'

6. WILL THE PROPOSED NEW QUALIFYING PROVISIONS WEAKEN OR DILUTE THE PRESENT STANDARDS FOR CPA'S?

The addition of ingredients to any solution can either dilute or strengthen the resulting product depending on what is added. The addition of highly trained and motivated professional accountants meeting the proposed new requirements would certainly not dilute the standards for CPA's. The educational and experience requirements proposed are more demanding and germane than some of the experience and all of the educational requirements presently accepted. To reach the working level of what is officially classified by the United States Civil Service Commission as General Schedule Position Grade 11 of the Federal Classification Act (GS-512-11) the Internal Revenue Agent must have a minimum of two years of training and experience. The training includes a specific number of classroom hours and on-the-job training, and the experience must include auditing a prescribed number of specific diverse types of cases. The Internal Revenue Agent is not just a tax expert. His duties are primarily those of an auditor. The absolute minimum time in which an Internal Revenue Agent can achieve the GS-11 level is two years, and usually, it takes from two and one-half to three years. This alone could be considered the equivalent of the two years public accounting experience required by the present CPA law. The proposed amendment, however, would contain the additional requirement that the Internal Revenue Agent also must have a Master's Degree

in accounting. Under the present Kansas Statute it is possible for a person to obtain a CPA certificate with only a high school education.

A factor in public experience, in contrast to some other type of accounting experience, that is greatly emphasized as being important and unique is the reliance of third parties to audits in which the CPA certifies his opinion on the financial position of the organization being audited. There is much more responsibility inherent in this type of audit than would be in a normal accountant-client relationship. The implication has been made that this concept in the accountant can only be gained by experience in public accounting. The Internal Revenue Agent must also have this attitude of impartial intellectual honesty. He is imbued constantly with this concept which was recently expressed in a speech given by Internal Revenue Commissioner Sheldon S. Cohen when he said: 'The philosophy that we have indicated to our people is that the answer ought to be the right answer, not the one that necessarily gets us the most money. All we can ask of our people is an intellectual honesty and I think we get it.' The third party reliance concept for the Internal Revenue Agent is related to the one major principle that the Internal Revenue Service must follow, i.e., all taxpayers under similar circumstances must be treated alike. The United States taxpayer is the third party that relies upon this concept that is held by the Internal Revenue Agent. Experience in preparing statements, the extent of the audit, and the diversity and type of businesses and organizations audited vary both in public accounting and with Internal Revenue Agents,

but the Internal Revenue Agent has a precise pre-set plan to guarantee that he gains this diversity and extent of experience before he achieves the full working or GS-11 level.

A study group with the American Institute of Certified Public Accountants has proposed that the experience requirements for CPA's be eliminated and in lieu of this experience a Master's Degree should be required. However, there was an opinion that some colleges do not have post graduate courses that provide all the requisite knowledge that would be gained from public experience. It is generally believed that when the majority of colleges achieve this posture the American Institute will recommend uniform adoption of the principle of education alone to qualify for the CPA certificate. The proposed amendment to the Kansas Statute provides that if the Master's Degree obtained by the Internal Revenue Agent from a qualified college does not quite provide everything gained by experience, the work and training as an auditor in the Internal Revenue Service would fill the gap. The proposed new qualifying provisions will not weaken nor dilute the present standards for CPA's. On the contrary, they will up-date and strengthen them.

7. WHAT WOULD BE THE PROBABLE CONSEQUENCE OF AMENDING THE STATUTES?

Because of the states that do recognize Internal Revenue Agent experience for the issuance of a CPA certificate there are many CPA's in the Internal Revenue Service. Most of these have no intention or desire to enter private practice. In states where statutes have been

modified to provide for recognition of Revenue Agent experience, there has been no avalanche of candidates, and of the relatively few who qualify for and pass the examination, no great numbers have left Government service. Rather, the attainment of the certificate helps them get ahead internally, and by that time accumulated service provides benefits they are reluctant to give up. The overall effect is a considerable amount of benefits to IRS in general, through raising the prestige of its professional and technical staffing, and the attainment of personal goals for the qualified professionals within the organization. The professional group in private practice suffers no detriment and, in fact, profits by the higher level of competence within the Service.

February 27, 1969

Honorable Norman E. Gaar
Chairman, State and Local Affairs
State Senate
Topeka, Kansas 66612

Dear Senator Gaar:

The following comments are offered in keeping with your request for a written response to the testimony presented at the hearing before the State and Local Affairs Committee on February 25, 1969. I respectfully request that this letter be used in conjunction with the packet of materials distributed to the committee members by Senator Glee S. Smith at that hearing. The material contains documents which support the position presented below.

Except for Section 4, the Internal Revenue Service considers Senate Bill No. 260 as a necessary improvement over the statutes the bill seeks to amend. Section 4 of Senate Bill 260 would still retain the provisions in the statute that require public accounting experience under the supervision of a practicing CPA as an exclusive means of acquiring a CPA certificate. The Internal Revenue Service considers this section discriminatory as it is our contention that the experience gained as an Internal Revenue Agent is at least equivalent to that acquired by the average CPA candidate working in the public accounting field.

Senate Bill No. 54 provides that this portion of the statute be amended to enable a candidate for the CPA certificate to qualify if he has: (1) a Master's Degree in Accounting and (2) holds or has held a journeyman level or higher position of Internal Revenue Agent.

Apparently, the significant point of disagreement between Senator Smith's bill and the Kansas Society of Certified Public Accountants is the Society's insistence that there is no substitute for public accounting experience. The Internal Revenue Service contends that an Internal Revenue Agent does obtain equivalent experience both in depth and complexities of audits, and in the diversities of business and other organizations audited.

At the hearing the representative for the Kansas Society of Certified Public Accountants put much stress on the importance of experience participating

Honorable Norman E. Gaar
State Senate
Topeka, Kansas

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in "opinion-type audits in which there is third party reliance." It was admitted, however, that the audit techniques used by the Internal Revenue Agent would be the same as those used in an opinion-type audit and often the agent's audit would be in greater depth. The difference supposedly was in the reporting, as compared on page 6 of IRS Document No. 5504, "Tax Specialist and Professional Accountant," provided in the packet. Both the Internal Revenue Agents and the Certified Public Accountants are required to report anything that is important or germane to the financial condition of the organization being audited. It appears to us that the format of the report is an insignificant item and examples of opinion reports can be easily obtained for guidance in numerous accounting manuals, texts, and other publications.

The concept of third party reliance is continually a part of the Internal Revenue Agent's working philosophy as he is constantly trained with the idea in mind that his ultimate goal is the correct tax, neither favoring the Government nor the taxpayer. It may also be pointed out that many lending institutions, i.e., third parties, insist on seeing a potential borrower's copy of an Internal Revenue Agent's report of a tax audit, and will use this in support of an organization's financial position when considering a loan.

The Kansas Society of Certified Public Accountants raised the question that if Internal Revenue Agent experience is qualifying, then perhaps other types of Governmental or nonpublic accounting experience should also be accepted for the CPA certificate. The Internal Revenue Service is in no position to evaluate the quality and diversity of audits done by other agencies. If, in fact, they could establish that their auditors do gain experience equivalent to public accounting, they should be included. If, on the other hand, their audits are overly specialized, they should not be. However, there should be no concern that just because Internal Revenue Agent experience would be qualifying it would automatically lead to an overly permissive certifying statute. Whereas 37 states accept Internal Revenue Service as qualifying, only 24 states accept any other types of Government experience. Obviously, 13 states have statutes which include Internal Revenue Agent experience along with public accounting and exclude any other. (See IRS Document No. 5505, Exhibit 9, in packet.)

I would like to raise one additional question that has heretofore gone unasked and unanswered. If we consider the Internal Revenue Agent experience equivalent to public accounting experience, why did we recommend the additional requirement of a Master's Degree along with the Internal Revenue Agent experience? It appears to be an unfair additional requirement on the Internal Revenue Agent. It is our thinking that ultimately the American Institute of Certified Public Accountants will recommend that all experience requirements be eliminated and the certificate be conferred on an accounting

Honorable Norman E. Gaar
State Senate
Topeka, Kansas

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graduate with a Master's Degree. Our interest in this law is directed mainly to future recruits. We want them to be among the top quality accountants available. The requirement for a Master's Degree for Internal Revenue Service CPA candidates will put us in the posture now to attract the kind of person we think all CPA's will need to be at some future date.

Sincerely,

(SIGNED) HARRY F. SCRIBNER

Harry F. Scribner
District Director

the revenue agent



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Do You Have the Right Background?

2

This is a professional accounting position. You will have the necessary educational training when you successfully complete 4 years of college level study (30 semester hours per year or its equivalent), including 24 semester hours in accounting and directly related subjects. With this background you will not be required to take a written qualifying test.

You may receive a starting salary of \$7,634 a year if you have completed your study within 2 years of your application (excluding time in military service), or you will complete it within 9 months, and you meet one of the requirements listed below:

- Were in the upper 25 percent of your class, or
- Have a "B" (3.0) or better average in all courses completed at time of application or completed during the last 2 years of study, or
- Have a "B+" (3.5) or better average in your accounting courses completed at time of application or completed during the last 2 years of study, or
- Were a member of a national scholastic society which meets the minimum requirements of the Association of College Honor Societies, or
- Scored 600 or better on a Graduate Record Examination Area Test or Advanced Test, or
- Have a CPA certificate obtained through a written examination.

You may also receive an entrance salary of \$7,634 if you have had 1 year of professional accounting or appropriate student trainee experience; or have completed 1 year of graduate study in accounting or related fields. Otherwise your beginning salary is \$6,681 and you are promoted to \$7,634 upon your successful completion of a 6-month training course (an average of about \$137 a week during your first year).

Completion of all requirements for a master's degree in accounting or related fields at an accredited college or university may qualify you for a starting salary of \$8,592 a year. To receive this salary, you must have completed the degree requirements within the last 2 years, and you must have demonstrated superior ability.

Choosing the Right Career

3

The job you take after graduation will profoundly influence—and may finally determine—your subsequent career. As you approach graduation, you are undoubtedly doing some very serious thinking about your career goals.

If you are interested in a future in which you will make a worthwhile and important contribution to one of the most vital functions of your Government; hold a position of prestige and respect in your community; pursue a career in which you can go as far as your ability and merit will justify and one which will afford a comfortable standard of living—then we urge you to consider a career as an Internal Revenue Agent.

This career will make full use of your ability, general educational background, and major field of study. You will associate with people of similar age and professional interests. There is every assurance of steady and continued employment. The beginning salary is good and there is opportunity for early and continuing professional development and promotion.

In short, the position of Internal Revenue Agent ranks with the best in career opportunities.

About The Internal Revenue Service

4

The Internal Revenue Service collects about 95 percent of the total Federal revenue, making possible national defense, health and conservation programs, space and missile development, and all other Federal activities, social or scientific, economic or military, foreign or domestic. The opportunity to take a personal part in this vital activity offers a special challenge to those who seek the sense of purpose and satisfaction that comes with a career in the public service.

The history of the Service as a tax-gathering agency goes back more than a century. Today, the Service has nearly 62,000 employees, and is by far the largest organization in the Treasury Department.

One of the outstanding characteristics of the American tax system is its essentially voluntary nature with each taxpayer independently determining his tax obligation and making his payment to the Service.

To assure the preservation of our democratic system, the Service makes investigations to ascertain that taxpayer obligations are properly determined and satisfied, and enforces the Internal Revenue laws against those few who would cheat and defraud the Government and their fellow taxpayers. As an Internal Revenue Agent you will play an important part in the enforcement of Federal Tax laws.



A Revenue Agent Talks About His Job

6

As an Internal Revenue Agent, you will examine and audit the accounting books and records of individuals, partnerships, fiduciaries, and corporations to determine their correct Federal tax liabilities. Your work will involve contacts with corporation executives, accountants, attorneys, and individual taxpayers in all walks of life.

When asked to describe his experience on the job, one of our Agents in the field put it this way: "After I completed my 6 months of classroom and on-the-job training, I was assigned cases on my own to audit and develop the way I had been trained. At first, the cases assigned were relatively simple consisting of individual, small business and partnership income tax returns; and as I learned more from experience and coaching on the job, I was given progressively more difficult cases.

"Eventually I was assigned medium-sized corporation income tax returns for audit. These contained more involved accounting and tax issues, and naturally led to contacts with highly skilled professionals such as representatives of national accounting firms and large law firms. Having reached this stage in development and experience, the Service gave me a highly technical advanced income tax law course which provided the necessary knowledge to cope with and resolve major issues. My position requires continuing research, continuing study, and thus continuing learning and knowledge.

"Each day brings new issues and problems to resolve and new responsibilities. In summary, the essence of diversity. I've been on this job a little more than two and a half years. I've earned several promotions and now receive about \$805 a month. It's interesting, satisfying, and rewarding work."



8

If you are appointed as an Internal Revenue Agent, you will enter on a 6-month training program at a salary of \$7,634 a year or \$6,681 a year. (See page 2 for starting salary information.) The program will include classroom instruction and on-the-job training.

You will receive approximately 3 months of classroom instruction from authorities in the field of accounting and taxation. Your classroom work will include intensive study of subjects such as income tax law, audit techniques, taxpayer relations, fraud detection, and the techniques of applying law and accounting knowledge to taxpayer's returns, supporting books, and records. In addition, you will be assigned to an on-the-job training program and under the careful guidance of a highly skilled professional, you will be taught how to apply what you have learned.

When you have successfully completed this 6-month program, you will be assigned to the work for which you have been trained. If your starting salary is \$6,681 a year you will also be promoted and your salary increased to \$7,634 a year. Thus, your earnings the first year will average about \$137 a week.

9

Training programs are offered on a continuing basis to help you develop your professional skills and to prepare you for steady advancement to work of greater responsibility. You will be given courses in advanced accounting principles and practices, tax law and regulations, correspondence and report writing, public relations, and related fields.

Supervisory, mid-management, and executive development training are also provided for those selected Agents who demonstrate potential for supervisory and high level positions.

Training is conducted in the National Office in Washington and in Internal Revenue Service field offices through classroom instruction, correspondence courses, and on-the-job training.

What About Promotions

10

You will be given advanced training and assigned progressively greater responsibility under a carefully planned program designed to develop your skills for higher level positions as rapidly as possible. If your starting salary is \$7,634, and you develop as expected, you will normally be promoted at the end of your first year and your salary increased to \$8,592. If your starting salary is \$6,681, and you develop as expected, you will receive commensurate promotions so that you attain this salary after 18 months. Under our training and development program, if you continue to progress as you should, you will usually earn and receive your next promotion, including a salary increase from \$8,592 to \$9,657, at the end of the following year. Selections for promotions to positions above this level are made as vacancies occur under a plan in which all qualified Agents in the area concerned are considered.

Supervisory Agent positions are filled by promotions of Agents employed in the Service. Many Internal Revenue Agents also move into other specialized fields of work within the Service, such as estate and gift tax audit, fraud investigation, internal audit, the adjudication of taxpayers' appeals, and tax litigation. These fields offer equally excellent opportunities for development and advancement. For example, most of the over 700 Appellate Conferees who handle administrative tax appeals are former Revenue Agents.

Our best way of explaining your opportunities for advancement is to point to the record. The salaries of about 55 percent of our Internal Revenue Agents range from \$9,657 to \$13,371 a year. Over 25 percent earn from \$13,507 to \$26,960 a year. Virtually all of the remainder have been Agents less than 21½ years.



What About Promotions

10

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Where the Jobs Are

12

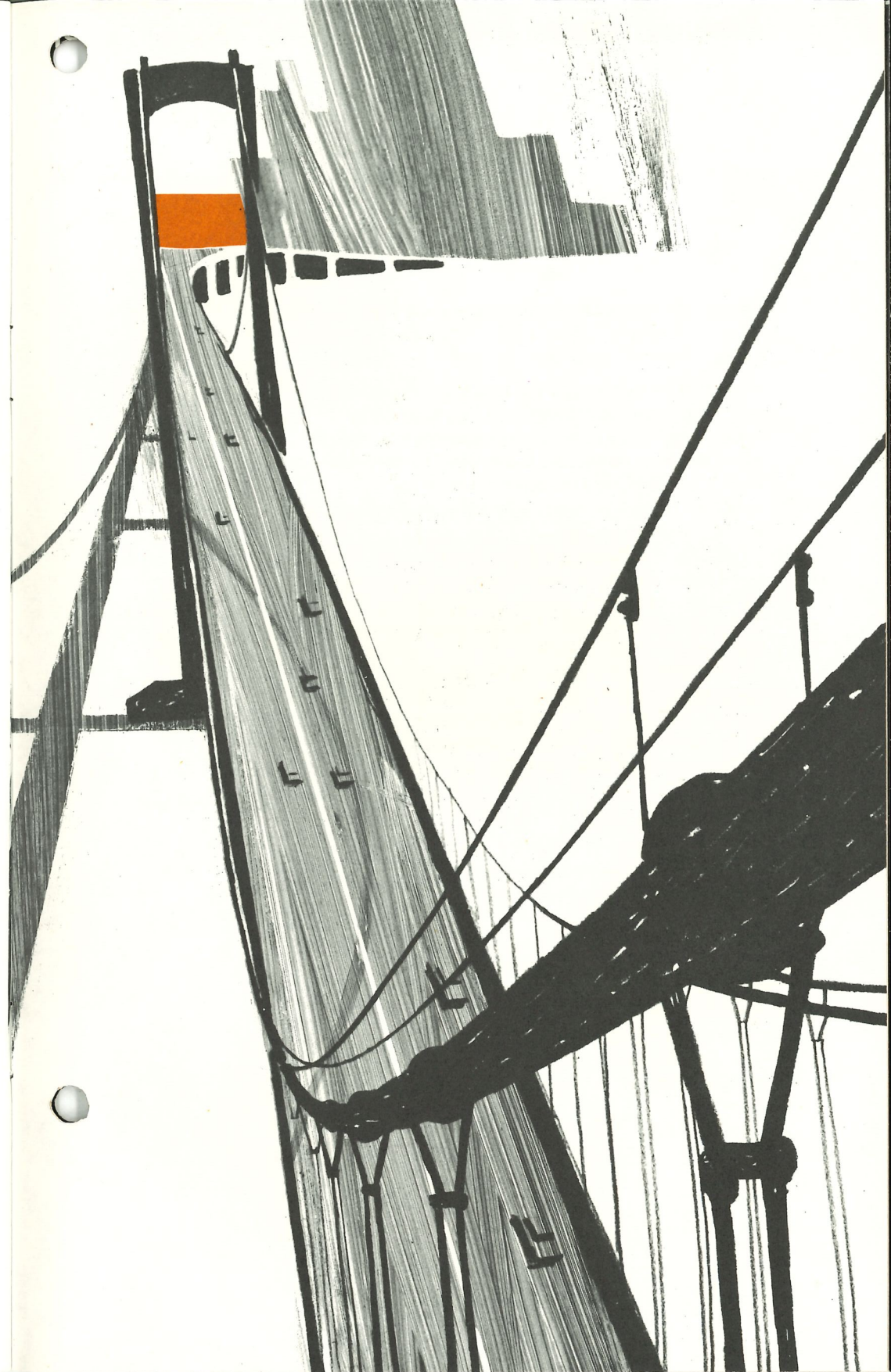
Most of our Internal Revenue Agents work in offices of the District Director of Internal Revenue located in 58 major cities throughout the United States.

Revenue Agents also work in Washington, D.C., in seven regional offices located in key metropolitan centers, and at local offices in hundreds of the larger cities and towns throughout the United States. There is an office in or near your hometown.

Agents must, of course, be assigned to offices where they are needed. However, you will be placed in the locality of your choice when this is possible.

Travel:

As an Internal Revenue Agent, you will visit the taxpayer at his place of business or home. Consequently, you will probably do some traveling away from your home office. The amount of such travel will depend on where you are stationed. Agents stationed in large metropolitan areas will rarely find it necessary to make trips out of the city. Those assigned in more sparsely populated sections of the country may make frequent out-of-town trips. Of course, expenses are paid by the Government.



14

Salary rates for employees in the competitive service are fixed by Congress. In the Federal Salary Reform Act of 1962, Congress declared—

WHEREAS the functions of a Federal salary system are to fix salary rates for the services rendered by Federal employees so as to make possible the employment of persons well qualified to conduct the Government's programs and to control expenditures of public funds for personal services with equity to the employee and to the taxpayer, and

WHEREAS fulfillment of these functions is essential to the development and maintenance of maximum proficiency in the civilian services of Government, then

ACCORDINGLY, Federal salary fixing shall be based upon the principles that—

(a) There shall be equal pay for substantially equal work, and pay distinctions shall be maintained in keeping with work and performance distinctions; and

(b) Federal salary rates shall be comparable with private enterprise salary rates for the same levels of work.

SALARY COMPARABILITY BY JULY 1969: Under the Federal Salary Act of 1967, the salaries shown in this booklet will be automatically adjusted in two stages. The first adjustment of salary rates will be in July 1968. In July 1969, the pay adjustment will increase Federal salary rates so they are comparable with private enterprise rates for the same levels of work as determined on the basis of the 1968 Bureau of Labor Statistics survey.

Current salary information can be obtained from our representative when he visits your campus, from your placement officer, or from the nearest Revenue Service office.

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LEAVE AND VACATION: During your first 3 years of service you will be given 2½ weeks of time off with pay each year. After 3 years, this is increased to 4 weeks a year and further increased to 5 weeks when you have been with the Service 15 years.

You will also earn 13 days of sick leave each year. Sick leave not used accumulates year after year and protects you from loss of salary due to illness.

INSURANCE AND RETIREMENT PLANS: You may participate in low-cost group hospitalization, surgical, and life insurance plans in which the Service shares the cost. Liberal financial protection, without cost, is also provided for you and your family in the event of job-connected injury or death. And, of course, you will enjoy the generous benefits of the Government's retirement plan.

MILITARY SERVICE: If you enter the Armed Forces after taking a position with us, your position will be waiting for you when you return. If you are a member of a military reserve unit, and must attend annual training, you will receive up to 15 days of military leave with full pay.

TRAVEL AND TRANSPORTATION COSTS: First post of duty travel and transportation expenses may be paid if you relocate to accept this position. Payment includes your travel costs as well as transportation for your family and household goods.

To Indicate Your Interest

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Appointments to Internal Revenue Agent positions are made from eligibles in a special Civil Service examination given for this position. Your College Placement Officer, or the faculty member who handles placement matters at your school, can tell you how to apply for this examination. They also may be able to arrange a campus interview with an Internal Revenue Service recruiter.

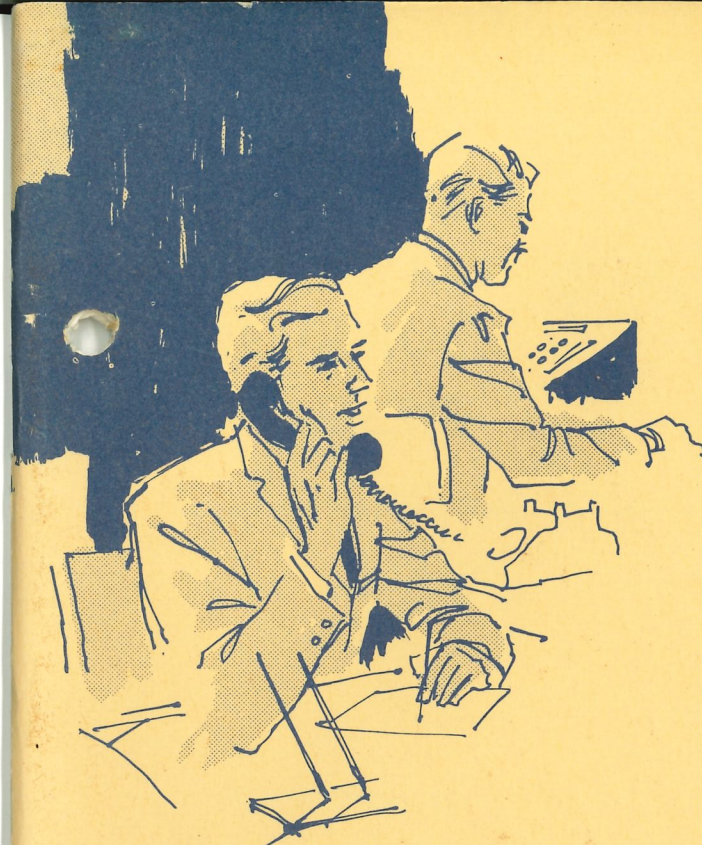
If you are in your senior year in college, or in graduate school, fill in the enclosed postcard or write to the local College Recruitment Coordinator at the Internal Revenue District Office nearest you. If you write, please include a brief résumé of your academic background, particularly the number of college hours in accounting courses you have completed or are about to complete. District Office mailing addresses are listed on the next page.

Appointments to these positions are generally made so that students may report for duty right after graduation.

EMPLOYMENT POLICY: These positions are under a competitive Civil Service system, which prohibits political consideration of any kind in your selection for appointment or in your future advancement or retention in the Service. Your selection for appointment and future career will be free from the influence of considerations such as race, religion, national origin, nepotism, employee union or fraternal affiliation, and personal or partisan sponsorship. Men and women are considered for these positions on an equal basis.

District Office Mailing Addresses

ALABAMA P.O. Box 708 Birmingham, Ala. 35201	INDIANA P.O. Box 348 Indianapolis, Ind. 46206	NEW JERSEY P.O. Box 939 Newark, N.J. 07101	SOUTH DAKOTA P.O. Box 370 Aberdeen, S. Dak. 57401
ALASKA P.O. Box 1500 Anchorage, Alaska 99501	IOWA P.O. Box 1337 Des Moines, Iowa 50305	NEW MEXICO P.O. Box 1967 Albuquerque, N. Mex. 87103	TENNESSEE P.O. Box 1107 Nashville, Tenn. 37202
ARIZONA P.O. Box 2350 Phoenix, Ariz. 85002	KANSAS P.O. Box 400 Wichita, Kans. 67201	NEW YORK P.O. Box 469 Albany, N.Y. 12201	TEXAS P.O. Box 250 Austin, Tex. 78767
ARKANSAS P.O. Box 3778 Little Rock, Ark. 72203	KENTUCKY P.O. Box 1735 Louisville, Ky. 40201	P.O. Box 380 General Post Office Brooklyn, N.Y. 11202	P.O. Box 594 Dallas, Tex. 75221
CALIFORNIA P.O. Box 391 Los Angeles, Calif. 90053	LOUISIANA P.O. Box 30309 New Orleans, La. 70130	P.O. Box 60 Niagara Square Station Buffalo, N.Y. 14201	UTAH P.O. Box 2069 Salt Lake City, Utah 84110
450 Golden Gate Ave., P.O. Box 36020 San Francisco, Calif. 94102	MAINE P.O. Box 787 Augusta, Maine 04330	P.O. Box 9900 Church Street Station New York, N.Y. 10015	VERMONT P.O. Box 489 Burlington, Vt. 05402
COLORADO P.O. Box 447 Denver, Colo. 80201	MARYLAND P.O. Box 1018 Baltimore, Md. 21203	NORTH CAROLINA P.O. Box 20541 Greensboro, N.C. 27420	VIRGINIA P.O. Box 10107 Richmond, Va. 23240
CONNECTICUT P.O. Box 959 Hartford, Conn. 06101	MASSACHUSETTS P.O. Box 323 No. Postal Annex Boston, Mass. 02203	NORTH DAKOTA P.O. Box 8 Fargo, N. Dak. 58102	WASHINGTON P.O. Box 854 Seattle, Wash. 98111
DELAWARE P.O. Box 28 Wilmington, Del. 19899	MICHIGAN P.O. Box 84 Detroit, Mich. 48231	OHIO P.O. Box 1818 Cincinnati, Ohio 45201	WEST VIRGINIA P.O. Box 1388 Parkersburg, W. Va. 26101
FLORIDA P.O. Box 4193 Jacksonville, Fla. 32202	MINNESOTA P.O. Box 3556 St. Paul, Minn. 55101	P.O. Box 5879 Cleveland, Ohio 44101	WISCONSIN P.O. Box 2056 Milwaukee, Wis. 53201
GEORGIA P.O. Box 1642 Atlanta, Ga. 30301	MISSISSIPPI P.O. Box 370 Jackson, Miss. 39205	OKLAHOMA P.O. Box 66 Oklahoma City, Okla. 73101	WYOMING P.O. Box 1829 Cheyenne, Wyo. 82001
HAWAII P.O. Box 2810 Honolulu, Hawaii 96803	MISSOURI P.O. Box 1740 St. Louis, Mo. 63199	OREGON P.O. Box 3341 Portland, Oreg. 97208	
IDAHO P.O. Box 7728 Boise, Idaho 83707	MONTANA P.O. Box 1177 Helena, Mont. 59601	PENNSYLVANIA P.O. Box 12805 Philadelphia, Pa. 19108	
ILLINOIS P.O. Box 1193 Chicago, Ill. 60690	NEBRASKA P.O. Box 1052 Omaha, Nebr. 68101	P.O. Box 1837 Pittsburgh, Pa. 15230	
P.O. Box 1468 Springfield, Ill. 62705	NEVADA P.O. Box 891 Reno, Nev. 89504	RHODE ISLAND P.O. Box 2776 Providence, R.I. 02907	
	NEW HAMPSHIRE P.O. Box 720 Portsmouth, N.H. 03801	SOUTH CAROLINA P.O. Box 407 Columbia, S.C. 29202	



THE INTERNAL REVENUE AGENT

Tax Specialist and Professional Accountant

U.S. TREASURY DEPARTMENT

INTERNAL REVENUE SERVICE

Document No. 5504 (10-63)

**THE
INTERNAL
REVENUE
AGENT**



*Tax Specialist and
Professional Accountant*

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THE INTERNAL REVENUE AGENT TAX SPECIALIST AND PROFESSIONAL ACCOUNTANT

INTRODUCTION

The Internal Revenue Service is requesting those States which do not fully recognize revenue agent experience as qualifying experience for the Certified Public Accountant Certificate to reconsider their positions. The Internal Revenue Agent's background and experience is at a level of professionalism comparable to that required of the Certified Public Accountant.

How the Internal Revenue Agent's educational background, training, and performance fall within generally accepted requirements for certification is explained in the following topics:

- I. Educational Background Requirements
- II. Internal Revenue Service Training
- III. Tools for Professional Development
- IV. Auditing Standards
- V. Professional Parallels of Internal Revenue Agents and Certified Public Accountants

I. Educational Background Requirements

The Internal Revenue Service requires its agents to be trained accountants as well as skilled tax technicians. Minimum entrance requirement for the revenue agent position is 4 years of college-level study with at least 24 semester hours in accounting and directly related subjects (or comparable qualifying experience).

In addition to accounting skills, a revenue agent must acquire a thorough knowledge of Federal tax laws and application of accounting principles to tax work. The Service has a comprehensive training and development program which extends an agent's college training to these skills.

II. Internal Revenue Service Training

1. Basic training of new agents

The first year of a revenue agent's career is a training, or intern, period. Formal training is divided into 3 phases--12 weeks of classroom training, 14 weeks on the job, and an additional 3 weeks of classroom training. The classroom training and at least 9 weeks of on-the-job training is conducted by experienced revenue agents selected because of their proficiency in examination work and their skill as instructors. Because of their background, agent-instructors can illustrate practical application of trainees' classroom and on-the-job training to actual examination situations. This training is both comprehensive and exacting. A brief description of each phase of this training follows:

a. *Initial classroom training* (12 weeks)

New agents study the Federal tax laws, auditing techniques, and related subjects. The tax courses are designed specifically for revenue agents and cover laws applicable to

individuals, partnerships, and simple trusts. Courses on auditing techniques and report writing highlight skills necessary to examine books and records for determining correct tax liability and to reflect the determination in a written report. Practical problems are employed to bridge the transition between accounting theory learned in college and its application to the tax laws. Throughout the training period, new agents are reminded of their responsibilities on professional integrity and public relations.

b. On-the-job training
(14 weeks)

The first 9 weeks of this training is conducted in small groups under controlled conditions. During this period the new agents augment their accounting and technical skills by conducting examinations under the close supervision of experienced agents. The remaining weeks of on-the-job training are given either just prior to, or immediately following, the corporate tax law training described below. During this period the new agents are assigned to their permanent groups and their work is closely supervised by group supervisors.

c. Additional classroom training (3 weeks)

This period is devoted exclusively to a study of corporate tax law. It covers the accounting and tax problems associated with the organization, normal business operations, stockholder relationship, and recapitalization of corporations. Practical problems illustrate techniques adaptable to the examination of corporate books and records where the object is determination of correct tax liability.

At the end of this basic training period, the new agent is equipped to continue his career of develop-

ment as a professional accountant and skilled tax technician.

2. Advanced training

After approximately two years of experience involving progressively more difficult examinations, agents are given advanced training. This is a specially designed course in complex domestic and international corporate tax affairs and in advanced examination techniques. Practical auditing techniques and report writing problems are provided, commensurate with the examination of complex books and records generally encountered in large corporations. This advanced training endows the agent with a more sophisticated knowledge of corporate affairs and further improves his auditing skills.

III. Tools for Professional Development

The Service publishes various aids and guidelines designed to mature its agents to their full professional potential. Most of these publications are confidential in nature, and samples cannot be provided. However, a brief description of the more important of these professional development tools follows:

1. Tax audit guidelines

The Service has refined its audit activities to stress professionalism in the examination of taxpayers' books and records.

An effective and efficient audit presupposes two phases--planning and implementation. The Service standards follow these basic principles by classifying techniques into two categories. Since the roots of a proficient audit lie in systematic and comprehensive planning, the first category requires the agent to prepare a pre-audit analysis of the tax return and related documents to

insure an objective approach to the examination of the taxpayer's books and records. The second category contains techniques for auditing income, expense, and balance sheet items; and suggestions for preparation of adequate workpapers. These techniques serve as general guidelines whenever their application is appropriate. The public accounting profession has long used similar auditing procedures.

The tax audit guidelines are neither all inclusive nor restrictive. They permit the agent to exercise judgment and ingenuity as to the depth and range of an audit. For example, instead of specifying the steps to be taken by an agent in verifying the amount of gross sales reported by a taxpayer, they suggest an audit program which the agent may use to the extent appropriate.

2. Handbooks for Internal Revenue Agents

This handbook is issued to all Internal Revenue Agents. It contains general auditing procedures, emphasizing the importance and relationship of accounting records and workpapers to the determination of correct tax liability. The handbook also provides special techniques to assist agents in the examination of inadequate records and in the overall area of fraud investigations.

3. Auditing techniques for specialized industries

The Service has undertaken a broad program to advance the professional development of revenue agents through the use of highly specialized audit technique guidelines for various industries. These guidelines cover auditing procedures which have been developed, tested, and proved by agents experienced in the examination of returns from the specialized industries involved.

These audit techniques do not curb initiative in examining the books and records of taxpayers engaged in specialized industries. Instead, they serve as a point of departure in perfecting auditing skills, improving established procedures, and developing new approaches.

4. Audit Coordination Digest

This digest is issued bimonthly. It contains auditing techniques used or developed in recent cases, thus supplementing and bringing up to date the guides described in items 1, 2, and 3, above.

5. Tax briefs

This digest is issued every 4 weeks to keep all revenue agents up to date on the latest technical development. Significant court decisions, recent revenue rulings, and related matters are synopsized in this publication.

6. Group meetings

In addition to the publications described above, periodic group meetings are held to discuss current court decisions and new tax procedures and techniques, as well as new developments in accounting theory and practice.

An effectual aid for professional development of an Internal Revenue Agent is the Certified Public Accountant. Continuous contact with the top echelon of the public accounting field provides acceptable assurance that revenue agents are conversant with constant changes in accounting practice, theory, and techniques.

IV. Auditing Standards

Following is a point-by-point comparison of AICPA generally accepted auditing standards with Internal Revenue Service quality audit standards:

AICPA	IRS
1. General	1. General
a. Training and proficiency of auditors	a. Same
(1) Professional study of accounting	(1) Academic background
(2) Practical experience to acquire skill in auditing	(2) Professional skill and ingenuity exercised in examinations
(3) Sound judgment in audit of books and records	(3) Exercise sound judgment in: <ul style="list-style-type: none"> (i) examination of books and records (ii) recognition of meritorious issues only (iii) use of discretion as to confidential nature of information obtained on assignments, and (iv) maintenance of IRS reputation for integrity
b. Independence in mental attitude	b. Same
(1) Unbiased judgment and objective consideration of facts	(1) Impartiality in all affairs relating to examinations
(2) Fair presentation of facts	(2) Fair application of tax law, regulations, and rulings
(3) Independence from: <ul style="list-style-type: none"> (i) making false or misleading statements (ii) contingent fees (iii) financial interest in a client's business (iv) commissions and brokerage (v) occupations incompatible with public accounting 	(3) Independence in: <ul style="list-style-type: none"> (i) determining the scope of an audit (ii) issues to be raised in an examination (iii) use of sampling techniques
c. Care in work performance	c. Same
(1) Procedural standards professionally applied in field work and reports	(1) Same
(2) Skill in designing workpapers	(2) Same
2. Standards of field work	2. Standards of field work
a. Adequacy of preparatory planning	a. Same
(1) Proper timing of procedures and orderliness of application	(1) Audit program planning <ul style="list-style-type: none"> (i) precontact analysis of returns

AICPA	IRS
(2) Careful consideration of post audit and report time of one assignment before accepting another engagement	(ii) preliminary work plan of examination procedure (2) Plan work to insure <ul style="list-style-type: none"> (i) handling priority cases in proper order (ii) early examination of cases having greatest area of noncompliance (iii) maintenance of inventory sufficient to insure even flow of work (iv) adequate report writing time
b. Proper evaluation of the examinee's internal control for reliance thereon	b. Same
(1) For determining scope of audit	(1) Same
(2) In deciding whether interest of stockholders and creditors justify time and expense involved in extending a particular line of inquiry	(2) In deciding whether the objective of a correct tax determination can best be obtained by extending a particular line of inquiry or through curtailing inquiry on the issue
(3) To exhaust possibility of dishonesty or fraud by examining all transactions in detail	(3) Same
(4) To determine extent of sampling and testing in audit	(4) Same
c. Competence of evidential matter	c. Same
(1) Data available within examinee's organization to substantiate accuracy of account records; e.g., inventories, receivables, etc.	(1) Data obtained through inspection, observation, inquiry and analysis of examinee's records
(2) Evidence developed by the auditor outside the sphere of the examinee's normal organizational records and routines	(2) Evidence developed by the agent through third party contacts, public records, etc.
(3) Workpapers <ul style="list-style-type: none"> (i) designed to present true picture and extent of audit (ii) arranged in orderly and logical sequence of accounts 	(3) Same <ul style="list-style-type: none"> (i) designed to present procedure followed and extent of audit (ii) legible (iii) properly headed (iv) indexed (v) cross referenced (vi) arranged logically and orderly

AICPA	IRS
<p>3. Standards of reporting</p> <p>a. Nature of report</p> <ol style="list-style-type: none"> (1) Short or long form (2) Adherence to standard of reporting so that true picture of financial conditions is presented (3) Regardless of nature of report (short or long) it should give information as to scope of audit, procedures followed, and explanations of important items (4) Give or refuse to give opinion as to whether report is a true statement of financial condition <p>b. Report should state whether accepted accounting principles have been consistently observed by the examinee</p> <p>c. Statement as to whether informative disclosure in the financial statements are to be regarded as reasonably adequate unless otherwise stated in the report</p> <p>d. Expression of opinion regarding the financial statements, or an assertion that no opinion can be expressed</p>	<p>3. Standards of reporting</p> <p>a. Type of report</p> <ol style="list-style-type: none"> (1) Short or long form (2) Use of prescribed forms and adherence to established procedures (3) All reports (short or long) should give information as to issues considered, scope of audit, and explanations of important items. Adjustment schedules and exhibits should be prepared in a complete, clear, and concise manner (4) Support position on each issue by citing adequate authority <p>b. Report should state whether taxpayer's records are sufficient to determine his tax liability</p>
<p>4. Rules of professional conduct</p> <p>a. A member of AICPA may be held guilty of an act discreditable to his profession if he:</p> <ol style="list-style-type: none"> (1) Fails to disclose a material fact known to him which should have been included in a financial statement (2) Fails to report any known misstatement appearing in the financial statement (3) Is materially negligent in conducting an audit or preparing financial statement 	<p>4. Standards of conduct</p> <p>a. Each agent must conduct himself in a manner which upholds the integrity of the Service and the ethics of his profession</p>

AICPA	IRS
<ol style="list-style-type: none"> (4) Fails to acquire sufficient information to warrant expression of an opinion (5) Fails to direct attention to any material departure from generally accepted accounting principles in the records of an examinee 	

V. Professional Parallels of Internal Revenue Agents and Certified Public Accountants

The United States Civil Service Commission has classified the Internal Revenue Agent position in the professional accounting series, designated as GS-510. Because the work requires both professional accounting training and a substantive knowledge of tax laws, rulings, regulations, and court decisions, the Commission has created a special classification within the professional accounting series, designated as GS-512. Copies of the Civil Service Position Classification Standards for the Internal Revenue Agent Series are attached as Exhibit A, and the corresponding Internal Revenue Service Standard Position Descriptions are attached as Exhibit B. In describing the Internal Revenue Agent position, frequent reference is made to the exercise of independent professional accounting judgment with commensurate guidelines, supervision, and review procedures. The career experience, training, and responsibilities of the Internal Revenue Agent are shown in the progression chart attached as Exhibit C.

Any comparison must recognize that some elements of the Internal Revenue Agent's work differs (at least in degree) from those of the Certified Public Accountant. It is apparent that the Internal Revenue Agent does not design accounting systems. Nor does he furnish taxpayers with an analysis of financial condition and outlook (but such an

analysis may be included in his workpapers). However, the agent, like the CPA, must have an intimate knowledge of many systems of accounting and must keep abreast of current accounting and auditing concepts, principles, and practices. The determination of the correct taxable income, with or without benefit of adequate books and records, requires such knowledge. Successful action involving fraudulent tax returns demands a comprehensive and detailed knowledge of accounting systems and auditing procedures, usually incorporating skilled financial analysis and reconstruction of records.

The auditing function of the Internal Revenue Agent is especially comparable to that of the Certified Public Accountant. The agent's auditing duties, like those of CPA's, involve widely diversified business activities and require a marked degree of independence of judgment and action. Agent and CPA alike must employ professional care in conducting examinations and preparing reports. Revenue agents are frequently responsible for preparation of such statements and schedules as:

1. Balance sheets
2. Statements of profit and loss
3. Detailed analyses of depreciation
4. Analyses of increments to net worth
5. Analyses of bank deposits
6. Cash flow statements

7. Reconciliations of book income to return income
8. Analyses of surplus

Both agent and CPA must rely upon careful work planning, critical evaluations of accounting systems to determine scope of examination, and adequate development of facts to support conclusions. These are indispensable professional procedures.

Certified Public Accountants have long been noted for their ability to analyze available information. Internal Revenue Agents must demonstrate this same ability in the highly complex and demanding field of taxation as well as accounting. The agent's ability to assimilate material on tax law, regulations, rulings, and court decisions enables him to recognize inequities and recommend corrective action.

SUMMARY

The Internal Revenue Agent candidate for the Certified Public Accountant Examination brings an assured educational background, a good moral character attested to by careful investigation and Civil Service selection procedures, technical competence through extensive accounting training, and a wide diversity of auditing experience, coupled with extensive knowledge in a field of increasing importance to CPA's--taxation. In each of these areas the experience gained by the Internal Revenue Agent is consistent with that of the CPA candidate in private practice. The Internal Revenue Agent should, therefore, be afforded experience recognition on an equal basis with that given the candidate coming from the public accounting field.

UNITED STATES CIVIL SERVICE COMMISSION BUREAU OF PROGRAMS AND STANDARDS STANDARDS DIVISION

(April 1959)

This transmits approved position-classification standards for the Internal Revenue Agent Series, GS-512-0, Part I, covering the principal classes of nonsupervisory, non-specialized positions of internal revenue agent. The standards supersede the standards for the Internal Revenue Agent Series issued in June 1949 under the code of CAF-940-0. They are official standards issued

under the authority of Title IV of the Classification Act of 1949 and are effective immediately. They are being released in this form because they concern positions in one agency only; they will not be included in any of the regular standards issuances. Distribution is being made to the agency and to appropriate Civil Service Commission offices.

POSITION CLASSIFICATION STANDARDS

GS-512-0 INTERNAL REVENUE
AGENT SERIES¹
(April 1959)

This series includes all classes of positions the duties of which are to administer, supervise, or perform work involved in determining, redetermining, or advising on liability for Federal or District of Columbia taxes when such work requires a knowledge of professional accounting and, in addition, a knowledge of pertinent tax laws, regulations, procedures, and related matters.

These standards constitute Part I of revised standards for the Internal Revenue Agent Series, GS-512-0. They describe only the principal classes of nonsupervisory, non-specialized positions of internal revenue agent. Additional parts will be developed, as necessary and appropriate, to cover positions concerned with pension trust, excise, review, fraud, or other work that requires specialized knowledges and abilities. These standards supersede the standards for the Internal Revenue Agent Series, GS-512-0, dated June 1949, which are hereby canceled.

EXCLUSIONS

1. Positions which involve the performance of duties involved in the determination of tax liability when such duties require the application of business or industry knowledges in addition to knowledge of the tax laws, rules, regulations, court decisions, etc., but not the application of professional account-

ing knowledge. Such positions are classified in the Internal Revenue Officer Series, GS-1169-0.

2. Positions which involve the performance of tax determination duties in tax collection or returns audit matters which require the application of knowledge of tax laws, rules, regulations, and procedures but not the application of business or industry knowledge or professional accounting knowledge. Such positions are classified in the Tax Accounting Series, GS-592-0.

3. Positions which involve the performance of quasi-legal technical tax work requiring analysis and application of tax principles, knowledge of the Internal Revenue Code and of related laws, court decisions, regulations, and rulings, but not professional legal training. Positions of this kind are classified in the Tax Law Specialist Series, GS-987-0.

4. Positions which involve examination or review of accounting records or which are concerned with accounting processes or operations within an agency, for example, budgetary and appropriation accounting, or with the internal system of accounting for receipts, refunds, property seizures, stamps, and other items involved in accounting for the revenue, when such work requires the application of professional accounting knowledges, but not the application of a substantive knowledge of tax laws, rules, regulations, and court decisions. Positions of this kind are classified in the Accounting Series, GS-510-0.

5. Positions which involve the examination of estate tax returns and the interpretation and application of tax laws relating to estates and their administration when such work requires the application of

¹These standards were prepared by the Internal Revenue Service, Department of the Treasury.

professional legal knowledge. Such positions are classifiable in the Estate Tax Examining Series, GS-920-0.

6. Positions which are primarily of an investigative nature and involve the examination of returns and investigation of taxpayers in suspected criminal tax fraud matters. Positions of this kind require, in addition to the application of a knowledge of tax laws, rules, regulations, court decisions, etc., the application of criminal investigation techniques. Such positions are classified in the Criminal Investigating Series, GS-1811-0.

NATURE OF POSITIONS
INCLUDED IN PART I

This series includes positions which differ in work purpose or process but have essentially the same kind of central core of knowledge requirements of professional accounting and tax law. Part I of this standard is descriptive only of the field agent type of internal revenue agent positions in the Internal Revenue Service. Such field agent positions constitute the largest single category of positions in the series. Similar positions in the District of Columbia Government are not specifically described in this standard. However, the standard is intended to apply to such positions. In using the standard due allowance should be made for differences in the applicable tax code or other variations which materially affect the nature of the work.

The knowledge core of field agent positions consists of professional accounting, to which must be added knowledge of applicable tax laws, rules, and regulations, pertinent court decisions, and examination methods and techniques. Basic knowledge of professional account-

ing, acquired through appropriate college-level training or equivalent experience, is a prerequisite.

Field agent positions at the entrance levels in the Internal Revenue Service involve substantially full-time formalized training in tax law, examination methods, and agency procedure. Development continues to characterize successive levels, being primarily on-the-job experience supplemented by formalized advanced training. The time required to complete this professional training and development varies, of course, with the individual employee and with nature of the training employed. In any event, grades GS-5, GS-7, and usually GS-9 are characterized respectively by emphasis on formal classroom training, initial work experience, and limited independent examination duties leading to the full performance level at GS-11.

Field agent positions require, in addition to professional accounting and auditing, extensive knowledge of the Internal Revenue Code, related rules, regulations, and court decisions. This is a large and intricate field of law, with an elaborate legal rationale, voluminous judicial precedents, and ramifications through nearly every aspect of society.

These positions also require investigative knowledges and abilities. The work requires inquiry into past history in addition to current affairs, and usually involves reconstructing events occurring prior to the tax year under examination. Investigative requirements of the work are stringent because the examinations must be performed within a relatively short time span. This increases demand on the individual agent to plan an adequate audit, develop effective audit techniques, exercise imagination and ingenuity in finding out areas of error or

abuse, and isolate instances of possible fraud.

Field agents are responsible for developing and maintaining a current knowledge of: (1) developments in accounting methods and principles and operating and accounting practices characteristically used in or peculiar to various types of businesses or industries; (2) trends in the interpretation or application of statutory provisions by taxpayers or their representatives; (3) trends in tax evasion methods and techniques; (4) the nature and effect of court decisions regarding the application of pertinent tax laws in specific cases; (5) changes in general and local economic conditions; and (6) other matters which may affect accounting or tax practices.

The field agent must build up a knowledge of all major industries in the area in which he works in order to determine if the accounting in regard to any particular business reflected in a return is in accordance with the law and regulations. He ordinarily is confronted by a large number of different cases, different types of taxpayers, and different industries in a relatively short period of working time.

A successful field agent must win the respect and confidence of the community and, at the same time, maintain an effective personal relationship, frequently under trying conditions, with the taxpayers whose cases are under examination and their representatives. These personal contacts have become increasingly difficult because the amount of tax at stake encourages the employment of expert accountants and attorneys by taxpayers. Especially in higher-grade positions, the field agent must deal with highly trained and highly competent accounting and legal talent in many instances from

or representing some of the largest and outstanding firms in the nation.

An appreciation of the knowledge requirements can be gained by recognition that the taxpayer and his representative, in a given case, need concentrate their efforts only on the issues raised. On the other hand, the field agent in his examinations must have at his command at all times knowledge of every relevant phase of the tax law in order to determine whether there is an issue involved and, if so, its nature. The tax statutes are one of the most voluminous and complex areas of Federal law. Frequent changes and additions occur which add new and untested areas of law to the general mass of law, regulation, precedent, and court decisions.

EXPLANATORY NOTE ON FIELD EXAMINATION WORK SITUATION

Field examinations generally involve the audit and investigation of income tax returns selected because the factfinding necessary to determine correct tax liability cannot be adequately accomplished through office interview or correspondence methods. Field examination work is predominantly concerned with income tax; however, examinations and determination of correct liability for other kinds of taxes may occur in some positions but usually as assignments of secondary importance.

Field agents are typically concerned with such matters as (1) determining the kind of audit to be made upon consideration of the adequacy and reasonableness of information given on the tax return and material developed during the course of the investigation, the sufficiency and accuracy of the accounting records involved, the complexity of the

business activity concerned, the prior experience with the taxpayer involved, and other similar elements; (2) analyzing accounting books and records to insure that established accounting principles have been applied and related statutory provisions have been observed (e.g., items of income and expense are charged as such; amounts involved in expense items are reasonable, e.g., as to cost, depreciation, or loss in value; proper distinction between personal and business expenses has been made; methods of determining costs, expenses, and profits reflect the values involved; and similar elements); and (3) examining or investigating source documents, related financial transactions, operating methods, trade or industry practices, and business activities or conditions including such elements as the examination of correspondence, vouchers, leases, contracts, wills, and other documents or legal instruments; the securing of information from taxpayers, their representatives, or business associates to develop information regarding the nature of business transactions, the value of property or other assets involved therein, the degree of conformance in specific cases with operating or accounting methods practiced generally in the industry or business activity involved; and the extent to which bank accounts, the status of loans, the results of investments, and other records or transactions are accurately reflected in accounting records and tax returns.

During the conduct of the investigative phases of an examination, the field agent is largely left to his own resources. Work is usually performed at taxpayers' places of business or in other offices and locations of source information. The field

agent must exercise ingenuity, originality, and his best technical judgment in various situations. He is expected to determine at what point in any investigation he should withdraw and close the examination. Many and varied contacts are made with taxpayers, employees, associates, business and financial sources, etc., in developing information affecting tax liability. These contacts typically occur without the presence of the supervisor and are substantially unreviewed except as highlighted in the examination report.

The field agent confers with taxpayers or with their legal, accounting, or other representatives to explain the accounting and other issues involved and the applicability of pertinent tax laws and regulations. He then attempts to secure the taxpayer's agreement to the correct amount of tax liability. If the taxpayer accepts the findings, a formalized agreement as to any changes in tax liability involved is prepared. The field agent is not ordinarily concerned with effecting collection but he may accept payment of the tax liability, if it is tendered in a form other than cash. The field agent prepares reports of audits which include information on the kind and extent of the investigation made; exhibits and computations to support the tax liability recommended, including the regulatory and accounting basis for any adjustment involved; a description of special accounting or tax law problems or issues involved; citations to pertinent provisions of law, regulations, and court decisions; and any other material necessary to explain the nature and disposition of the case.

Supervisory guidance of fully trained field agents is provided but is largely on request from the agent. The supervisor generally reviews

the examination reports in sufficient detail to determine that the audit findings and conclusions are warranted on the basis of the facts reported and that the investigation conducted appears adequate.

All completed cases are given final technical review by the review staff. This review involves a check of the procedural aspects of the cases, determination that the necessary information has been developed, and consideration in detail of the correctness of the conclusions reached. Based on their own field examining experience, knowledge of tax law, and thorough research, reviewers consider all aspects of case files including the return, related returns, memoranda, and reports. Exception memoranda resulting from the review are channeled through the supervisor and used to acquaint him and the field agent with any deficiencies found and to afford an opportunity for correction or further investigation of the case when necessary.

The importance of the field examination function and the consequence of actions initiated by the field agent are substantial in terms of the immediate effect upon the revenue and may be more important in terms of deterrent effect upon the taxpayer involved as well as upon other taxpayers in subsequent years. For example, in fraud cases involving court action, the resulting publicity has significant potential value as a deterrent to law enforcement. Field agents are responsible for detecting indications of possible fraud in accounting practices, supporting documents, information obtained from third parties, etc. during the course of their regular field examinations. The responsibility for initial recognition of fraud cases is of major importance whether the field agent is also responsible for making the investigation necessary to establish facts regarding the audit features of fraud cases or refers the case to a specialized group for such investigation.

**INTERNAL REVENUE SERVICE -
SPD No. 222
(January 6, 1960)**

Classification: Internal Revenue Agent, GS-512-5
Organizational Title: Internal Revenue Agent (Basic Trainee)
Location: District Audit Division Field Group

I. NATURE AND PURPOSE OF WORK: This is the position of a new recruit or basic trainee Internal Revenue Agent who receives formal classroom and on-the-job training under a six-month training program to qualify for the GS-7 level.

Attends classes on a daily basis for approximately 13 weeks of lectures and planned study training. Learns about the principal functions of the Internal Revenue Service and acquires a basic general knowledge of tax laws and regulations governing Service activities. The instructional lectures and study courses include basic income tax law, auditing techniques and report writing, research in tax matters, and employment and excise tax familiarization.

On-the-job training includes an initial 25-day period of learning by conducting actual office audit interview type examinations under guidance of an instructor. The assignments are carefully selected to provide income tax returns that can be examined by office interview contact and review of information or records furnished by the taxpayer to substantiate items questioned. The purpose of the office audit phase of on-the-job training is to prepare the trainee for later independent contacts in field exami-

nation work by enabling him to gain confidence and ability in meeting with taxpayers and in applying newly acquired technical knowledges.

Learns by conducting actual field examinations during the 39-day balance of the on-the-job training phase of the basic training program. Carefully selected returns are used for the maximum training benefit they can provide in assisting the trainee to develop skill in identifying questionable items on returns, applying accounting and auditing knowledge, researching and interpreting tax laws, and making effective personal contacts.

The maintenance of good public and taxpayer relations is stressed during the classroom and on-the-job training. The trainee is encouraged to develop traits of fair-mindedness and courtesy along with acquisition of technical skills.

II. SUPERVISION: Supervision is exercised by the instructor. Periodic evaluation is used to gauge development and to enable guidance in attaining acceptable progress. Office interview type examinations are closely supervised. For a brief period, guidance is provided prior to taxpayer contacts in field examinations. The instructor may even accompany the trainee for the initial interview and again at the conclusion of the audit.

III. QUALIFICATIONS: Knowledge of fundamental accounting principles; ability to acquire knowledge of basic tax laws and investigative methods; and potential to make effective personal contacts and progress to more difficult work.

**INTERNAL REVENUE SERVICE -
SPD No. 223
(January 6, 1960)**

Classification: Internal Revenue Agent, GS-512-7
Organizational Title: Internal Revenue Agent (Special Trainee)
Location: District Audit Division Field Group

I. NATURE AND PURPOSE OF WORK: This is the position of a trainee Internal Revenue Agent with higher initial qualifications than agents recruited at the GS-5 level. He receives formal classroom and on-the-job training in office and field examination work under a 6-month training program before assignment to developmental field examination work. (only first 13 weeks of program required for agents recruited with appropriate experience)

Attends classes on a daily basis for approximately 13 weeks of lectures and planned study training. Learns about the principal functions of the Internal Revenue Service and acquires a basic general knowledge of tax laws and regulations governing Service activities. The instructional lectures and study courses include basic income tax law, auditing techniques and report writing, research in tax matters, and employment and excise tax familiarization.

On-the-job training includes an initial 25-day period of learning by conducting actual office audit interview type examinations under the guidance of an instructor. The assignments are carefully selected to provide income tax returns that can be examined by office interview contact and review of information or records furnished by taxpayer to substantiate items questioned. The purpose of the office audit phase of

the on-the-job training is to prepare the trainee for later independent contacts in field examination work by enabling him to quickly gain confidence and ability in meeting with taxpayers and in applying newly acquired technical knowledges.

Learns by conducting actual field examinations during the 39-day balance of the on-the-job training phase of the basic training program. Carefully selected returns are used for the maximum training benefit they can provide in assisting the trainee to develop skill in identifying questionable items on returns, applying accounting and auditing knowledge, researching and interpreting tax laws, and making effective personal contacts.

Subsequent to completion of the appropriate basic training, conducts other field examination developmental assignments of gradually increasing difficulty. For example, assignments include returns reflecting small business operation and others from individuals reporting income from several different sources, with a substantial number of the examinations presenting problems or features of an accounting, tax law or investigative nature. Toward the end of a year of combined basic training and on-the-job experience, assignments are expected to approach those characteristic of the next higher level of work.

The maintenance of good public and taxpayer relations is stressed during the classroom and on-the-job training. The trainee is encouraged to develop traits of fair-mindedness and courtesy along with acquisition of technical skills.

May be called upon to answer limited questions at a counter or over the telephone in taxpayer assistance work and performs other miscellaneous duties as required.

II. SUPERVISION: Supervision is exercised by the instructor and is typically close during the classroom and office examination training. After assignment to a field group, supervision is initially close and exercised by the group supervisor. Contacts with taxpayers and third parties gradually become more independent, except on the more difficult assignments. Guidance from a higher grade agent or supervisor is generally available, and instructions are typically given with assignments. Work is reviewed for accuracy, completeness, validity of conclusions, and for determining job performance capability.

III. QUALIFICATIONS: Knowledge of basic general accounting principles, ability to acquire knowledge of basic tax laws and investigative methods, and potential to make effective personal contacts and progress to more difficult work. Must have additional special qualifications such as one of the following: graduation in upper rank of college class; completion of one year of graduate study in accounting; one year of experience in accounting or auditing work; or possess a certificate as a Certified Public Accountant obtained through a written examination.

**INTERNAL REVENUE SERVICE -
SPD No. 224
(January 6, 1960)**

Classification: Internal Revenue Agent, GS-512-7
Organizational Title: Internal Revenue Agent (Advanced Trainee)
Location: District Audit Division Field Group

I. NATURE AND PURPOSE OF WORK: This is the position of an advanced trainee Internal Revenue Agent who has completed a six-months' basic training program and is assigned developmental field examination work.

Conducts field examination developmental assignments of gradually increasing difficulty. For example, assignments include returns reflecting small business operation and others from individuals reporting income from several different sources, with a substantial number of the examinations presenting problems or features of an accounting, tax law, or investigative nature. Selected training assignments include cases expected to present various accounting, tax law, or investigative problems. Examples of examination include returns from individuals with several sources of income or with business-type operations and problems such as proper tax reporting requirements or obtaining adequate substantiation for allowable deductions of various kinds. While some returns examined contain audit features of generally routine or limited importance or difficulty, assignments on the whole

normally tend toward increasing variety or complexity. Emphasis is on the acquisition of sufficient knowledge and skill to successfully perform work characteristic of the next higher level, usually by the end of one year of field examination work experience.

May be called upon to answer limited questions at a counter or over the telephone in taxpayer assistance work, and perform other miscellaneous duties as required.

II. SUPERVISION: The work is under the close supervision of a group supervisor who assigns the cases and is available for instruction and guidance on matters of tax law interpretation, accounting application, or investigative approach. Contacts with taxpayers and third parties gradually become more independent, except on the more difficult examinations. Specific and detailed instructions are given. Supervisory review is made and guidance provided as appropriate or necessary to ensure adequate development of facts. Work is reviewed for accuracy, completeness, validity of conclusions, and for determining job performance capability.

III. QUALIFICATIONS: Knowledge of basic general accounting principles and auditing work; aptitude in applying basic knowledge of tax laws and examination techniques; ability in report writing and correspondence; and skill in courteous, tactful, yet effective dealing with the tax-paying public. In addition, ability to progress to more difficult work.

**INTERNAL REVENUE SERVICE -
SPD No. 225
(January 6, 1960)**

Classification: Internal Revenue Agent, GS-512-9
Organizational Title: Internal Revenue Agent
Location: District Audit Division Field Group

I. NATURE AND PURPOSE OF WORK: This is the position of an Internal Revenue Agent responsible for conducting field examinations limited in variety or complexity. Periodically he receives additional training and developmental assignments designed to enable him to achieve full independent performance on examination work characteristic of the next higher level.

Representative assignments will frequently include various individual, partnership, or corporation tax returns reflecting income from professional, service, or retail business activity. For example, some may involve substantial personal compensation; dental, medical or legal practice; farm or ranch operation; trading, insurance, real estate or investment activity; or other similar smaller scale business operations. From time to time, other special assignments may concern employment, documentary stamp, offer-in-compromise, claims, collateral, and other miscellaneous investigations generally comparable or related as to examination techniques employed in regular assignments.

Developmental assignments made at the discretion of the supervisor typically include a variety of individual, partnership, and corporation returns with features or problems selected to broaden experience and to enable on-the-job improvement of tax law and auditing knowledge, and investigative skills. Some exam-

inations may range from a small professional or business activity primarily local in significance or with no organizational complexity to other large varied enterprises which present tax, accounting, or investigative problems of substantial complexity and training importance.

As required, furnishes assistance to the public in answering questions relating to tax matters, assists in returns classification work, and performs other miscellaneous duties.

II. SCOPE AND EFFECT: Except for developmental assignments some of which may tend to approximate the next higher level work, the tax consequences in usual examinations are comparatively limited and the scope of economic activity represented is relatively narrow and typically of local significance or importance. Enforcement impact is chiefly upon the taxpayer involved. Normally the display of competence, tact, courtesy, and fairness can be expected to result in encouraging taxpayers to fully cooperate in disclosure of pertinent facts concerning tax liability.

III. SUPERVISION: Guidelines include the Internal Revenue Code, regulations, rulings, and precedent decisions, all of which are generally applicable to the work and the source of primary technical guidance. The group supervisor gives occasional instructions and is available for advice and assistance. Generally, he will provide closer supervision on the more difficult cases or in unusual situations arising from developmental assignments. Occasionally, the supervisor may accompany the agent to observe work methods and contacts. Also, from careful review of examination reports, he checks on the improvement

in essential tax law knowledges and investigative skills. The examination reports and related case memoranda are given a further and final technical review by the Review Staff for completeness, conformance with applicable regulations and policies, and accuracy in the application of tax laws and accounting principles.

IV. MENTAL DEMANDS: Applies accounting, auditing, business practice and tax law knowledges in determining such matters as adequacy of accounting records, proper treatment of income or expense items, reasonableness or business necessity for deductions. From study of assigned returns and related schedules and research of guidelines, develops the ability to exercise initiative and resourcefulness in deciding what items are to be questioned, the extent of examination, and the investigative approach to be followed. Searches for and relates facts and rebuts misstatements or erroneous tax law arguments whenever encountered. Studies changes in guideline material and endeavors to develop current knowledge and improve skill in examination work. Judgment and audit ability are essential in determinations concerning such matters as net operating loss

deductions, family transactions, deferred payment practices, assignment or sale of leasehold and fair market value of property where special studies or technical knowledge of other fields is not required.

V. CONTACTS: Initiates personal contacts with a variety of people, some as individual owners or operators of businesses and others as corporation officials, employees, representatives, etc. Requests records or other information essential to conduct of examination. Questions taxpayers and others having knowledge of facts and data relevant to cost, valuation of property, and of other matters concerning income, deductions, and unusual items appearing on returns. Participates in informal conference and presents views in any case in which taxpayer disagrees with findings and requests review of proposed changes.

VI. QUALIFICATIONS: General knowledge of accounting and auditing principles and practices, tax laws and regulations, business and trade practices, and investigative procedures. Ability to acquire the necessary knowledges and skills essential to performance at the next higher level.

**INTERNAL REVENUE SERVICE -
SPD No. 226
(January 6, 1960)**

Classification: Internal Revenue Agent, GS-512-11
Organizational Title: Internal Revenue Agent
Location: District Audit Division Field Group

I. NATURE AND PURPOSE OF WORK: This is the position of a broadly qualified Internal Revenue Agent who conducts independent field examinations of a wide range of income tax returns or other audit investigations which can be expected to involve a general variety of tax law, accounting, or investigative problems.

Representative assignments include returns from individuals, partnerships, fiduciaries, and corporations requiring the application of usual audit and investigative procedures in the review of business activities and records to determine correct tax liability. For example, some returns are of sizeable retail businesses such as automobile dealers, department stores, etc.; small manufacturing operations such as of apparel, furniture, jewelry, luggage, etc.; and varied retail and wholesale trade. In addition, other returns assigned may be from individuals reporting substantial to high income from one or more sources or presenting problems of family or business relationships affecting proper determination of tax liability.

Assignments may be expected to include from time to time other types of tax returns requiring similar field examination techniques or investigative inquiry. Makes other special investigations such as those pertaining to claims, offers-in-compromise, or collateral requests. As required, conducts investigations

jointly with a Special Agent and completes audit portion, furnishes tax information assistance to the public, trains agents in lower grade, classifies returns, serves as administrative officer in charge, or performs other special duties. When designated holds informal conferences on cases from other examiners that did not result in agreement and taxpayer desires a further hearing. Discusses the case issues with the taxpayer and the examiner and seeks to compose differences where possible and arrive at a proper determination of the facts and application of pertinent provisions of laws and regulations. Prepares an informal conference report to explain action taken and to provide the basis for any necessary revision of the examiner's report.

II. SCOPE AND EFFECT: The work is usually of general variety and broad scope. There is the risk of significant error in some cases, but it is normally expected that issues will be brought into fairly good focus. Adjustments or tax changes proposed are important although varying in number, kind, and amount in given cases. Not infrequently, enforcement impact of work extends beyond the immediate taxpayer involved to other similar taxpayers and business associates through tendency of word to get around.

III. SUPERVISION: General supervision over work is exercised by the group supervisor who issues occasional instructions, reviews progress or general aspects of the work, and is available from time to time for consultation in unusual, unprecedented, or sensitive matters. Supervisory review of reports submitted is cursory, depending upon the time available for this purpose, and the need for ensuring that any

special problems are recognized and considered. Final technical review of the case file is made by the Review Staff, and this is a comprehensive check on the full technical aspects involved.

IV. MENTAL DEMANDS: Determines the probable extent of examination or investigative inquiry necessary through study of the return, schedules, and other information attached. Devises a general plan for the audit subject to revision after initiating contacts, and further study of preliminary findings from review of taxpayer records or investigative developments and from problems arising. Exercises alertness in detecting indications of fraud during the course of examinations. Problems or questions encountered and resolved independently largely on accounting, tax law, or other basis such as business practice, precedent, policy, etc., are varied and require a good knowledge of the Code and regulations and of accounting and auditing procedures. Examples are general issues such as capitalization vs. expense treatment, reasonableness of deduction, business necessity for expenditure, basis in property, depreciation or depletion practices, method of accounting, reserves, interpretation of contracts, leases and similar business documents, and other features such as machine accounting, bankruptcy

or receivership, closely held corporations, indications of inadequate records, and patents, royalties or copyrights.

V. CONTACTS: Initiates varied personal contacts with taxpayers and representatives, business associates, real estate agents, appraisers, bank officials, employees, etc., to obtain or verify information concerning operations, transactions, business records, etc., necessary for determining proper tax liability. Many of these contacts are distinguished by the variety or complexity of issues, multiplicity of business transactions, or circumstances of business association or relationship. A substantial number of the taxpayers contacted may be represented by tax counsel; others may be intimately familiar themselves with tax matters under discussion.

VI. QUALIFICATIONS: Good knowledge of accounting and auditing, tax law, and general investigative methods; ability to determine the most effective avenue in conducting field examinations of returns from many different individuals and businesses, and to solve most audit problems independently. Skill in the interpretation, discussion, and application of tax laws, regulations and court decisions. Ability to prepare complete and lucid reports of examinations completed.

INTERNAL REVENUE SERVICE -
SPD No. 227
(January 6, 1960)

Classification: Internal Revenue Agent, GS-512-12
Organizational Title: Internal Revenue Agent
Location: District Audit Division Field Group

I. NATURE AND PURPOSE OF WORK: This is the position of an Internal Revenue Agent with considerable experience and skill who conducts independent examinations of income tax returns which contain special audit features or anticipated accounting, tax law, or investigative problems of more than usual difficulty or complexity.

Actual assignments include various returns of large businesses and others having several operating subdivisions or deriving income from many sources; those individuals with high income and others from tax-paying entities with considerable gross income, assets, financial interests, etc. Some examples are: holding and investment companies; banks; insurance companies; security and commodity exchanges; mail order houses; machinery, aircraft, electronics manufacturing; and electric, water, gas companies.

As required, conducts examinations of other kinds of tax returns and special investigations such as those of offers-in-compromise, claims, collateral requests, etc., or of the audit features in important suspected fraud cases. A number of these special assignments are comparable to the regular assignments as being of approximate difficulty and complexity, and requiring similar field examination techniques.

When designated, holds informal conferences on cases from other examiners that did not result in

agreement and taxpayer desires a further hearing. Discusses the case issues with the taxpayer and the examiner and seeks to compose differences where possible and arrive at a proper determination of the facts and application of pertinent provisions of laws and regulations. Prepares an informal conference report to explain action taken and to provide the basis for any necessary revision of the examiner's report. As required, serves as senior agent or administrative officer in charge, trains agents in lower grade, classifies returns for audit, assists taxpayers by providing technical tax information, acts for the group supervisor and performs other duties.

II. SCOPE AND EFFECT: Examinations are in the nature of a comprehensive inquiry into the business, accounting, and tax practices of the taxpayers involved, and as such are of substantial importance both in terms of potential tax consequences and enforcement impact. For example, concerns or business activities represented are often of public interest in the community. Adjustments have important recurring effects in subsequent tax years of the taxpayer and a rather strong deterrent effect upon other taxpayers and tax practitioners in the area.

III. SUPERVISION: Receives general supervision from the group supervisor who assigns work, routes new guidelines, and other materials, checks completed cases for general conformity to policies and propriety of recommendations, and is available at least periodically for consultation in unusual matters or issues and instances of unclear precedents. Final technical review is made by the review staff and

involves a thorough consideration of the entire case file with special attention as appropriate for unusual features and the application of precedents.

IV. MENTAL DEMANDS: Determines the most effective manner to conduct investigations in instances where extensive operations or voluminous accounting records make a detailed audit impractical. Exercises initiative and resourcefulness in making examinations involving complex accounting, tax law, business practices, and similar problems or issues. Many such issues are controversial and not clearly covered by guidelines, necessitating the evaluation of the facts in a given case in terms of other cases having similar issues for use as precedents. Some examples are partial liquidations, associations and trusts taxable as corporations, improper accumulation of surplus, transferee, and tax treaty problems.

V. CONTACTS: Personal contacts are with a variety of taxpayers and accounting and legal representatives of taxpaying entities. A substantial number of these contacts include very prominent, or well-to-do individual taxpayers and officials and

tax counselors of corporations or business enterprises of considerable importance. Information or issues discussed are sometimes controversial and sensitive so that considerable tact, technical competence, and skillful negotiations are necessary to avoid adverse taxpayer or public attitudes.

VI. QUALIFICATIONS: Comprehensive knowledge of accounting and auditing practices. Skill in reconciling various intercompany transactions and in analyzing financial relationships and business practices in the light of tax law requirements. Ability to solve revenue problems in field examinations where the guidelines are not clear and few precedents exist. Familiarity with a variety of accounting systems, including those peculiar to certain businesses and industries. Skill in the interpretation, discussion, and application of tax laws, regulations, court decisions, Service policies and procedures, and in judging the relative merits of arguments concerning net income. Ability to write clear, comprehensive reports of examinations to serve as the basis for changes or adjustments proposed in cases of considerable importance or complexity.

**INTERNAL REVENUE SERVICE -
SPD No. 228
(January 6, 1960)**

Classification: Internal Revenue Agent, GS-512-13
Organizational Title: Internal Revenue Agent
Location: District Audit Division Field Group

I. NATURE AND PURPOSE OF WORK: This is a position of an Internal Revenue Agent with comprehensive knowledges and experience who also utilizes special accounting ability and understanding of tax law and business practices in conducting independent examinations and audit investigations of income tax returns filed by large and complex business organizations.

Actual assignments include any of a variety of business activities typically corporate in nature and which have extensive or large scale operations conducted on a branch, subsidiary, or other similar basis. Examples are large banks, insurance and public service companies, mercantile, manufacturing, and natural resource concerns, and other similar examinations containing special issues and problems such as involved in matters of LIFO, consolidations, spin-offs and split-offs, Western Hemisphere corporations, and foreign corporations and subsidiaries.

As required, conducts examinations of other kinds of tax returns and special investigations such as the audit features of major suspected fraud cases of individuals, partnerships, corporations or combinations thereof. Some of these assignments are comparable to the regular assignments in difficulty and complexity, and require similar field examination techniques.

When designated, holds informal conferences on cases from other

examiners that did not result in agreement and taxpayer desires a further hearing. Discusses the case issues and views with the taxpayer and the examiner and seeks to compose differences where possible and arrive at a proper determination of the facts and application of pertinent provisions of laws and regulations. Prepares an informal conference report to explain action taken and to provide the basis for any necessary revision of the examiner's report. Performs other duties as required, including acting in the absence of the group supervisor, serving as administrative officer in charge, classifying returns for audit, providing technical tax information, and training agents in lower grades.

II. SCOPE AND EFFECT: Examinations often involve special audits of large corporate organizations or individual taxpayers who conduct extensive business activities through complex organizational or inter-related operational entities. The examinations conducted are of major significance, because substantial revenue may be at stake as well as issues of precedent-establishing nature or because potential widespread enforcement impact is anticipated due to prominence or leadership influence of the taxpayer involved.

III. SUPERVISION: Serves under the general supervision of the group supervisor although the majority of duties are conducted without direct technical supervision. Guidelines are not available in a number of instances and occasionally it is necessary to consult with the supervisor in matters such as determining the appropriateness of recommendations which can be expected to result in the establishment of a precedent. Other discussions with

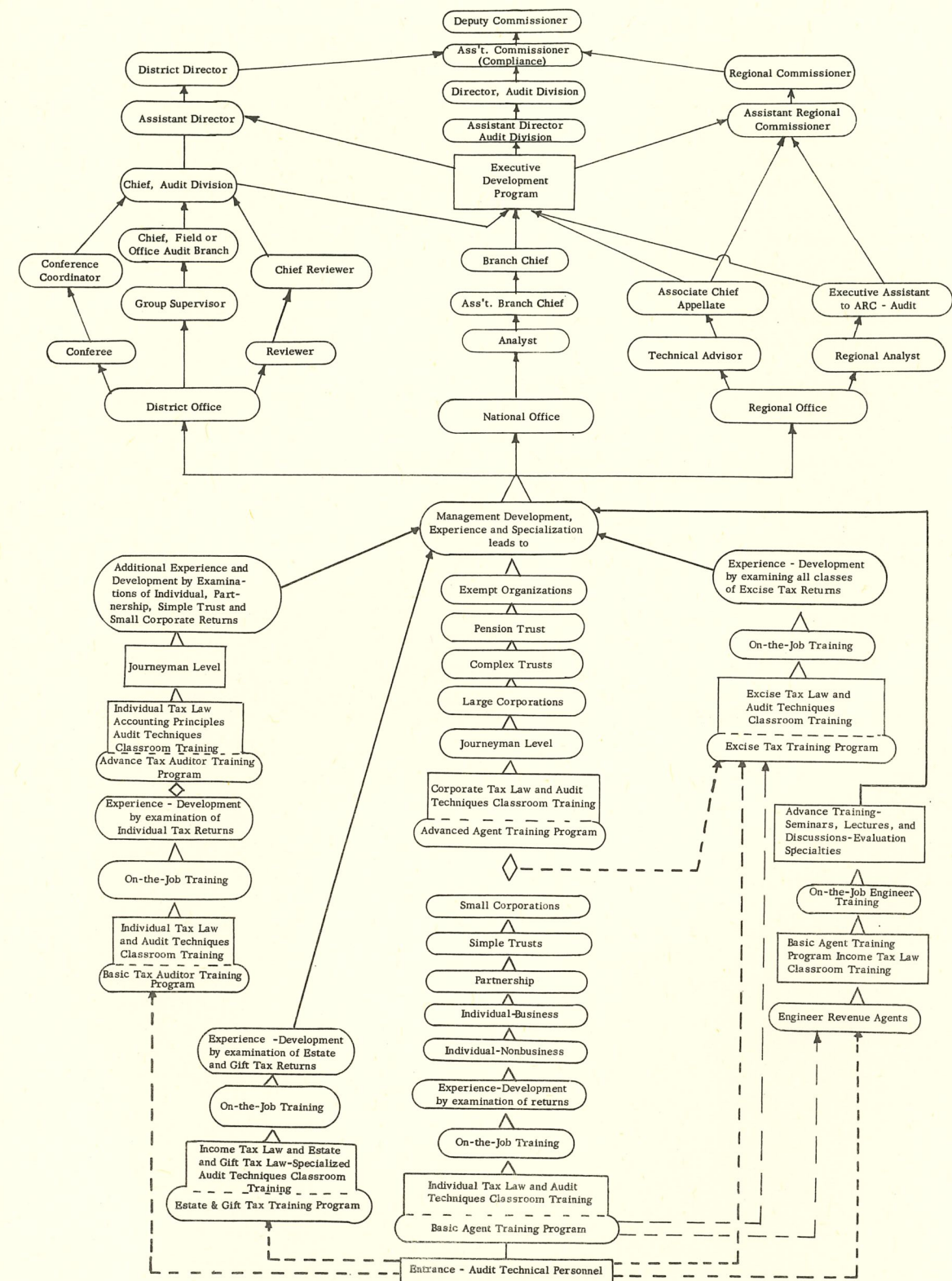
the supervisor may concern policy interpretations and the selection of appropriate alternatives in important key cases. Supervisory review of completed work is cursory except in instances of matters without precedent, such recommendations being carefully reviewed for propriety and sufficiency before approval. The Review Staff makes a final review with special attention to features of precedent-establishing nature, or tax avoidance schemes reported, or other questionable tax practices appearing to develop.

IV. MENTAL DEMANDS: Determines the most effective avenue for investigation and review of the operations of large-scale businesses where the size of the operations and the extensive or massive accounting system used makes a comprehensive or detailed audit practically impossible. Copes with situations and problems of substantial importance or controversy where precedents are conflicting or nonexistent. Resolves problems arising from coordination of scattered data and inter-related questions of fact or tax law and accounting in matters such as reorganizations, mergers, or other similar business activities, or transactions typically engaged in by the larger size concerns. Intensive and extensive research of guidelines and reference materials is frequently necessary to locate cases even remotely similar in order to gauge their usefulness as potential precedents.

V. CONTACTS: Personal contacts include persons with national reputations in business, legal, or accounting circles. Many of these are officials of very large or prominent corporations and others of outstanding political, social, or economic importance and influence. Complex issues and controversial matters are often involved in many of the contacts and great care is necessary to obtain complete information as to facts and to properly furnish effective personal contacts for the prolonged periods of examinations.

VI. QUALIFICATIONS: Special as well as comprehensive knowledge of accounting and auditing, tax law, court decisions, etc., and of one or more major industries. Ability to conduct appropriate research and to uphold the correctness of the Government's position while confronted with adverse viewpoints and able arguments advanced by capable tax counsel in cases where precedents appear to be conflicting, vague, or in favor of taxpayer in some specific instances. Skill in applying the tax laws in cases of great significance and importance to the revenue including key cases and those with issues of considerable complexity, controversy, or sensitivity. Ability to write clear, comprehensive reports of examinations conducted of major type businesses and render expert judgment as to tax effects of various kinds of complex business transactions.

AUDIT CAREER OPPORTUNITIES IN THE INTERNAL REVENUE SERVICE



April 1

substitute 258

BILL NO. _____

By _____

AN ACT authorizing payment by state agencies from appropriations for salaries and wages and other similar funds for participation on behalf of certain state employees in a group insurance coverage plan covering hospital, medical and/or surgical and other health services for such state employees and providing for participation in such group insurance coverage plan by state employees on behalf of their dependents; amending K.S.A. 1968 Supp. 75-3707d, and repealing said original section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 1968 Supp. 75-3707d is hereby amended to read as follows: 75-3707d. The executive director of the department of administration of Kansas is hereby directed to require the proper division of the department to make periodic deductions from state payrolls to cover that portion of premiums for a group insurance coverage plan covering hospital, medical and/or surgical and other health services payable by any, state officer or employee when authorized to do so by a such state officer or employee: Provided, That such division shall make deductions only for the plan having statewide application, for which the state shall have contracted.

Section 2. The state shall provide and pay for additional coverage for qualified state employees under the broadest option offered by any group contract to provide hospitalization, medical and/or surgical and other health service insurance now in existence pursuant to K.S.A. 1968 Supp. 75-3707d or hereinafter to be purchased under this act to supplant such present contract.

A state employee to be qualified for coverage under such group hospital, medical and/or surgical and other health services plan as authorized by this act shall be an employee of any state agency working at a position requiring one thousand (1,000) hours of work.

per year and which is not a temporary or seasonal position. Provided, That student employees of a state institution of higher learning shall not be deemed to be qualified employees hereunder. A "student" for the purposes of this act shall be defined as a person regularly enrolled in resident work of the institution primarily for the purpose of pursuing a standard course of study and whose employment by the institution is always incidental to his course of study. Employees who work under employment customs within the college and universities requiring less than a full calendar year of service shall not be considered temporary or seasonal. An employee on such a position enrolling in any insurance plan as authorized by this act on behalf of himself, his dependents, or both, shall pay a premium to continue such insurance in force during the months such employee is not on the payroll and such payment shall be made or withheld from wages in a manner prescribed by the state controller.

State agencies having employees enrolled in an insurance plan as hereinabove authorized shall pay from any funds available to such agencies for salaries and wages, a sum for each such enrolled employee equal to the single member premium for the broadest coverage option available, but not to exceed eight dollars and thirty-five cents (\$8.35) per enrolled employee per month during the fiscal year commencing July 1, 1969, and thereafter not to exceed the amount budgeted by the agency therefor. Payment by state agencies for such employees insurance coverage and withholding from wages of such employees for coverage of dependents shall be in accordance with procedures prescribed by the state controller, and payments from public funds for individual employee coverage shall not be deemed a payment or supplement of wages notwithstanding any other provision of law or regulation relating to wages of any state officer or employee.

Section 3. As used in this act the term "state agency" shall mean any state office or officer whether elected or appointed, department, board, commission, institution, bureau, authority or any agency, division or unit within any office, department, board or other state authority.

Section 4. Any contract for the purchase of group hospital, medical and/or surgical and other health services insurance purchased to replace such group insurance contract now in force heretofore purchased under authority of K.S.A. 1968 Supp. 75-3707d, shall be purchased by the director of purchases in the manner prescribed for the purchase of supplies, materials, equipment or contractual services under K.S.A. 75-3738 to 75-3744 inclusive, and to establish specifications for the purchase of such insurance, said director of purchases may request the assistance and advice of the state commissioner of insurance, the attorney general or any other state officer or employee having special knowledge of such insurance coverage.

Section 5. K.S.A. 1968 Supp. 75-3707d is hereby repealed.

Section 6. This act shall take effect and be in force from and after July 1, 1969, and its publication in the statute book.

SENATE BILL No. 115

By Committee on State and Local Affairs

AN ACT authorizing regional councils of governments and defining the composition, powers and duties thereof.

Be it enacted by the Legislature of the State of Missouri:

Section 1. *Definitions.* As used herein, the following definitions shall apply:

(1) "Governing body," the board, body or persons to whom the powers of a ~~municipality or county~~ ^{public agency} are vested.

(2) "Public agency," the governments included within the term "public agency" as defined in K.S.A. 1968 Supp. 12-2903.

Sec. 2. *Establishment.* The governing bodies of any two or more ~~counties or municipalities~~ ^{public agencies}, who determine they have major regional problems and interests in common by appropriate action, may enter into an agreement with each other, or with the governing bodies of any ~~counties or municipalities~~ ^{public agency} of any other state to the extent that laws of such state permit, for establishment of a regional council of governments, which shall be a voluntary association of such governments as choose to enter into such agreement.

Sec. 3. *Membership.* Membership of the council shall consist of ~~one~~ ^{or more} voting representatives from each ~~county or municipality~~ ^{public agency} entering into the agreement. ~~The~~ ^{One} representative from each member ~~county or municipality~~ ^{government} shall be the chief elected executive of the member ~~county or municipality~~ ^{government}, or, if such ~~county or municipality~~ ^{public agency} does not have a chief elected executive, a member of its governing body chosen by such body to be its representative. The agreement or by-laws of such organization may provide for other members and alternates. Any ~~county or municipality~~ ^{public agency}, which has become a member of the council may withdraw upon sixty (60) days notice subsequent to formal action by its governing body.

Sec. 4. *Powers and duties.* (a) The council shall have the power