

The

Kentucky

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Bulletin of —
The Kentucky Society

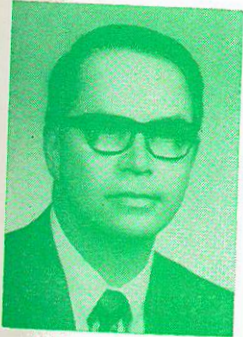
Accountant

of Certified Public Accountants

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A. Kenneth Bunger

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Holiday Greetings

To our members
and friends everywhere
a sincere wish
for a very joyful
Holiday Season
and a healthy and
prosperous New Year.

THE OFFICERS AND STAFF

The ByLaws Revision Committee (ad hoc) has prepared several recommended changes of the Bylaws to which the Board of Directors gave final approval December 9. These changes will be put to a vote of the membership by referendum very soon. Let me outline the proposal.

Article 3, Section 2, would be revised to provide for the election of members to the Board at any meeting of the Society prior to April 1; the elected directors to take office the succeeding May 1. At present the election is supposed to take place at a meeting required to be held in February.

Article 12 would be revised to provide for a Trial Board that may be appointed by the Board of Directors, if justified by a report of the Committee on Professional Ethics. The Trial Board, as proposed, would consist of not less than five active members of the Society. The chairman of the Trial Board would be designated by the Board of Directors. No appointee would be eligible to serve on the Trial Board while he is a member of the Committee on Professional Ethics or the State Board of Accountancy. The members of the Trial Board would serve until the duties for which they were appointed had been fully completed and a report made to the Board of Directors. The Trial Board would hold a hearing after appropriate notice and under appropriate policy and procedures, after which it would render a report to the Board based on a majority vote of its members to reprimand, suspend or expel a member. The actions of the Trial Board would be final and unappealable and would be reported to the members of the Society. The form and content of the report would be determined by the Trial Board including whether or not disclosure would be made of the name of the member or members involved.

Additional changes of the Bylaws include provision for local chapters where an application is made by a group of members located in a city, county or other territorial region of the state that appears proper and convenient for the functioning of chapter activities. A chapter would be identified as "Chapter of the Kentucky Society of Certified Public Accountants." The affairs of the chapter would be conducted by rules and regulations to be defined by the Board.

(Continued on Page 2)

January Meeting Bankers' Night

A January dinner meeting scheduled for Friday, January 21, will be our annual meeting with bankers throughout the state.

Our speaker will be Gayle Gupton, vice president of the Third National Bank of Nashville, Tennessee. Mr. Gupton is known as the "Andy Griffith of the banking profession," and in past years has appeared as a speaker for both the West Kentucky Conference on Accounting and the Institute on Accounting in Lexington. Last year he addressed over 100,000 people in 18 states.

Members of the Robert Morris Associates in Kentucky will be invited, and all Society members are urged to make a date now with their bankers and bring them to this dinner meeting. Watch for the meeting notice and make your reservations!

The release date of grades in
the November 1971 CPA
Examination is
February 3, 1972

Published by
**THE KENTUCKY SOCIETY
 OF CERTIFIED
 PUBLIC ACCOUNTANTS**

310 West Liberty, Louisville, Ky. 40202

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Executive Director

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New "Life" Program

Study the brochure recently sent you on the Society's special life insurance program for members and their employees; Available without physical examination—Pays for death from any cause. Enrollment open now!

This new plan does not in any way change the present Society Plan of Life Insurance for members through the National Insurance Agency nor the American Institute of CPAs Plan.

**DO WE HAVE
 YOUR CORRECT
 ADDRESS???**

EDUCATION AND MEMORIAL FOUNDATION ANNOUNCES SCHOLARSHIP PROGRAM

The Education and Memorial Foundation of the Kentucky Society of CPAs is offering scholarships with a total value of \$2,500 to students currently enrolled as seniors in Kentucky high schools. The purpose of the awards is to encourage promising students to seriously consider careers as certified public accountants. **DESCRIPTION OF SCHOLARSHIPS:** Five (5) scholarships of \$250 (each renewable for a second year) will be offered to current school seniors scheduled to graduate in the spring of 1972. All seniors in Kentucky high schools are eligible to apply. Grants will be made on the basis of scholarship and other facts which demonstrate that the candidate has an unusual potential for contribution to the profession and to the community. Winners will receive a partial scholarship valued at \$250 towards their tuition and other costs of attending a Kentucky college or university of their choice. (Students selecting out-of-state institutions will not be eligible to receive grants.) The funds will be placed to the credit of the individual winners' account at the particular college or university chosen. Winners will have to be enrolled in the fall of 1972 in the regular academic program leading to a degree in accounting at a Kentucky institution of higher learning effective in the fall of 1972 to be eligible to receive the awards.

SCHOLARSHIPS ARE RENEWABLE: Each \$250 scholarship granted is renewable for a second year, depending on the performance of the applicant and assuming he continues his accounting studies.

PUBLIC ACCOUNTING INTERNSHIPS: Member firms of the Kentucky Society of CPAs will offer assistance towards placing scholarship students in part-time work in public accounting following the completion of their second year of college. There is no guarantee that each scholarship student will definitely be placed. It is hoped, however, that most, if not all, scholarship winners will be offered an internship arrangement.

APPLICATION PROCEDURE: Applicants should submit the following—

- (1) Letter stating—
 - a. *Career goals.* Reason for applicant's interest in becoming a CPA.
 - b. *Choice of college(s).* (More than one college or university may be listed here if the applicant has applied to two or more institutions.)
 - c. *Basis of need.* Note: Need will generally be considered only when judging between equally qualified students.
 - d. *Name, address and telephone number* of applicant.
- (2) Transcript of high school grades.
- (3) One letter of recommendation from an educator.

All items, 1 to 3 above, should be addressed to:

Education and Memorial Foundation
 Kentucky Society of Certified Public Accountants
 310 West Liberty Street
 Louisville, Kentucky 40202

All materials above must be postmarked June 30, 1972 or earlier in order to be accepted.

President's Message Continued From Page 1)

Two major changes in our Bylaws enable the Society to more realistically enforce the rules of professional ethics and to provide formal recognition and authority to the area groups over the state which have been or will be organized. These changes are good for the Society, and I urge you to vote favorably for them. When you receive your ballot, study the proposed changes and return your vote promptly.

New Members, AICPA

The following have recently been elected to membership in the American Institute:

Butler—David L. Anneken

Frankfort—Robert E. Faesy, Jr.

Glasgow—Skip R. Campbell

Hopkinsville—Michael Lee Toms

Lexington—Fred V. Brown, Robert Ben O'Daniel, Edgar L. Howe, Jr., Theodore R. Renaker, Jr., Steven D. Singleton, George Rodney Wolford

Louisville—Thomas L. Adams, Lawrence M. Brotzge, James Allan Elkin, B. J. Hall, Thomas M. Kamer, John William Lindemeyer, Bernard R. McGinnis, Leslie W. Perkins, Jr., A. Ronald Turner, James W. Underwood

Mayfield—William Lloyd Bryan

Middlesboro—Ulam Wayne Greene

Richmond—J. Thomas Moore

Notice On Tax Returns

District Director Robert J. Dath announced that individual income tax returns filed on or after January 1, 1972 should be sent to the new Internal Revenue Service Center, Memphis, Tennessee 38110.

Business returns, excise tax returns, social security, income tax withholding, etc., should be filed with the Internal Revenue Service Center, Cincinnati, Ohio 45298 until July 1, 1972.

This is an effort to equalize the processing workload.

FORM 1099—This form has now been changed for 1972. Three different form 1099's will be used. Form 1099-DIV to report dividends, 1099-INT to report interest, and 1099-MISC to report rents, royalties, commissions, prizes, etc.

Since dividend and interest payments are to be reported on separate forms for 1972 payers may not combine these items on the single substitute form.

Reproducible copies of the new forms 1099 are available from the Internal Revenue Service, A:FM:P, Washington, D.C. 20224.

Around The State

Erwin A. Court has been elected a director of the Marshall County Chamber of Commerce.

James Underwood, formerly with the Jewish Hospital in Louisville, has accepted a position on the staff of Cotton and Allen, Louisville.

William B. Peden has been selected as a speaker by the Practicing Law Institute of programs to be held in Louisville in February, Memphis in March and New York City in March — his subject "Practical Will Drafting."

Robert Poynter was the recent speaker at the Glasgow Rotary Club meeting; his topic "Taxation."

Ernest Sammons spoke to the Winchester Kiwanis Club on "What To Do When the Revenue Agent Calls."

Steve Singleton represented the Kentucky Society at career day activities at Falmouth High School on December 9.

Robert Turner, formerly with Time Finance Company, is now controller of James H. Pence Company.

Robert B. Wheeler has been re-elected treasurer and director of Excepticon, Inc. of Lexington.

Charles C. Shields spoke to the Bluegrass Chapter, American Society of Women Accountants, at their November meeting on "The Lighter Side of Accounting."

Carl F. Pollard has been promoted to Executive Vice President-Finance of Extencicare, Inc.

Clifford Koblhepp conducted a seminar for the Cincinnati Chapter, American Society of Chartered Life Underwriters on "The Positive Approach to Sub-chapter S" on November 19.

Milton Switow is the new president of the Suburban Optimist Club. He was also elected a director of the U of L Business School Alumni Association.

Alan E. Rhodus, formerly on the staff of Haskins & Sells, Louisville, is now controller and assistant treasurer for Sunstate Builders, Inc., Tampa, Florida.

Benjamin Bernstein, formerly with offices in Cincinnati, Ohio, has moved to Florida — his new address 1965 South Ocean Drive, Hallandale, Florida 33009.

CPAS AS CHIEF FINANCIAL OFFICERS

Nearly a third of the chief financial officers in major United States corporations are certified public accountants, according to a nationwide survey recently completed by Heidrick and Struggles, Inc., a Chicago management consulting firm.

This study was conducted by sending questionnaires to the top financial executives of the 747 leading corporations listed in the latest annual "Fortune" survey. Fifty-nine per cent of the questionnaires were completed and returned. Of the financial officers responding, 55 percent hold undergraduate degrees in business administration with accounting the most frequently listed major.

CPA — Twenty years diversified experience in audits and management services; seeks affiliation or per diem work. Write The Kentucky Accountant, Box F.

Chester P. Shelly, partner, Ernst & Ernst, Louisville, addressed a recent meeting of the Louisville Financial Executives Institute on the subject "Problems in Preparing Interim and Annual Reports."

Robert J. Fitzpatrick was the chairman of the Education Night Meeting of the Financial Executives Institute in October.

Edward Rothschild has become a part-time instructor; he is teaching a two-hour course at the University of Louisville on "Federal Estate and Gift Tax Laws."

Leigh A. Jones served as a faculty member on workshops held in Pittsburgh, St. Louis and New Orleans on "Fund Accounting for Colleges and Universities," sponsored by the National Association of College and University Business Officers.

Thomas H. Hayden, Jr., formerly with National Industries, Inc., is now associated with Brinley-Hardy Co. as vice president-finance.

Meet The New Members

Thomas L. Adams, born in Hickman, Ky., is a graduate of Murray State University. He is on the staff of Ernst & Ernst, Louisville.

David L. Anneken was born in Elsmere, Ky. and is a graduate of Villa Madonna College. He is associated with Griffin Industries, Inc., Butler, Ky.

William B. Arthur, Jr., born in Ashland, Ky., is a graduate of the University of Kentucky. He is associated with Ligon Specialized Hauler, Inc. in Madisonville, Ky.

Lawrence M. Brotzge is a native of Louisville and a graduate of Bellarmine College. He is on the staff of Ernst & Ernst in Louisville.

Fred V. Brown was born in Wurtland, Ky., and graduated from U of K. He is associated with Ernst & Ernst in Lexington.

William Lloyd Bryan, born in Versailles, Ky., is a graduate of the University of Kentucky. He is on the staff of George H. Reed & Co., Mayfield.

Allen L. Burress was born in Campbellsville, Ky. and graduated from Bowling Green College of Commerce. He is an individual practitioner in Campbellsville.

Skip R. Campbell, born in Campbellsville, is a graduate of Campbellsville College. He is on the staff of Jones, Harris & Poynter, Glasgow, Ky.

James T. Cauley was born in Oakville, Ky., and graduated from the University of Kentucky. He is an individual practitioner in Pikeville, Ky.

Paul A. Criscillis, Jr., born in Knoxville, Tenn., is a graduate of the University of Kentucky. He is on the staff of Haskins & Sells in Cincinnati, Ohio.

Robert T. Cunningham was born in Madisonville and graduated from U of K. He is associated with the Louisville office of Ernst & Ernst.

James Allan Elkin, born in Winchester, Ky., is a graduate of Eastern Kentucky University. He is on the staff of Lybrand, Ross Bros. & Montgomery in Louisville.

R. Barry Farmer is a native of Louisville and a graduate of U of K. He is associated with Haskins & Sells, Louisville.

James Donald Franklin, born in Marion, Ky., is a graduate of the University of Missouri. He is on the staff

of Ernst & Ernst, Lexington.

B. J. Hall, born in Louisville, is a graduate of Western Kentucky University. He is associated with St. Anthony Hospital in Louisville.

Louis M. Hardman, Jr., born in Owensboro, Ky., is a graduate of Memphis State University. He is on the staff of Lybrand, Ross Bros. & Montgomery in Lexington.

Edgar L. Howe, Jr. was born in Memphis, Tenn. and graduated from Murray State University. He is associated with Young Industries, Inc., Lexington.

H. Shane Jones, born in Jenkinjones, West Virginia, is a graduate of Western Kentucky University. He is associated with Vermont American Corp., Louisville.

Thomas M. Kamer was born in Buckner, Ky., and is on the staff of Christen, Brown & Rufer. He is a graduate of the University of Louisville.

John W. Lindemeyer is a native Louisvillian and a graduate of Bellarmine College. He is associated with Lybrand, Ross Bros. & Montgomery, Louisville.

William L. Marshall, born in Lexington, is a graduate of the University of Kentucky. He is associated with Laurence T. Summers, Lexington.

Robert Ben O'Daniel was born in Ashland, and graduated from Morehead State University. He is on the staff of Ernst & Ernst, Lexington.

Leslie W. Perkins, Jr., born in Louisville, is a graduate of Bellarmine College. He is associated with Compton, Kottke & Brown, Louisville.

Theodore R. Renaker, Jr. was born in Cynthiana, Ky., and graduated from the University of Kentucky. He is on the staff of Alexander Grant & Company in Lexington.

Ronald Joseph Schade is a native Louisvillian and a graduate of the University of Louisville. He is associated with the New Albany firm of Monroe Shine & Conn.

Raymond Jay Schwartz was born in Philadelphia, Pa., and is a graduate of Pennsylvania State University. He is on the staff of Touche Ross & Co., Louisville.

Theodore C. Stiles is a native of Louisville and a graduate of Bellarmine College. He is associated with Touche Ross & Co., Elizabethtown, Ky.

J. Michael Sullivan, born in Frankfort, Ky., is a graduate of George Washington University. He is on the staff of Lybrand, Ross Bros. & Montgomery in Louisville.

Michael Lee Toms was born in Hopkinsville, Ky., and graduated from Murray State University. He is associated with George H. Reed & Co., Hopkinsville.

A. Ronald Turner, born in Tompkinsville, is a graduate of the University of Kentucky. He is on the staff of Ernst & Ernst, Louisville.

James W. Underwood, born in Clarksville, Tenn., is a graduate of Brescia College. He is associated with Cotton & Allen, Louisville.

David R. Walden was born in Paducah, Ky. and graduated from Murray State University. He is on the staff of Potter, Hisle, Sugg & Nolan, Lexington.

Robert Watson Walker, born in Greenup, Ky., is a graduate of University of Kentucky. He is associated with the Ashland, Ky. firm of Kelley, Galloway & Goolsby.

John Edward Willis was born in Bowling Green and graduated from Western Kentucky University. He is on the staff of James R. Meany & Associates, Bowling Green.

George Rodney Wolford, born in Lebanon, Ky. is a graduate of the University of Kentucky. He is associated with Ernst & Ernst, Lexington.

John Edward Chilton, born in Louisville, is a graduate of the University of Tennessee. He is on the staff of Lybrand, Ross Bros. & Montgomery in Louisville.

John N. Craft was born in Richmond, Ky. and graduated from Eastern Kentucky University. He is associated with Adams and Warren, Richmond.

Robert Louis Elliott, born in Owensboro, Ky., is a graduate of Western Kentucky University. He is on the staff of Alexander Grant & Company in Louisville.

Samuel Smith Francis was born in Peewee Valley, Ky. and graduated from Western Kentucky University. He is associated with Peat, Marwick, Mitchell & Co., Louisville.

Robert E. Lawson, Jr., born in Danville, Ky., is a graduate of University of Southern Mississippi. He is on the staff of Peat, Marwick, Mitchell & Co., Louisville.