

AMERICAN PHARMACEUTICAL ASSOCIATION FINANCES,  
AUGUST 28, 1916.\*

ADDENDA TO THE TREASURER'S REPORT, BY H. M. WHELPLEY, TREASURER.

The annual report of the treasurer for the fiscal year 1916 was printed in the JOURNAL OF THE A. PH. A., vol. v, pp. 640-651. This was prepared in accordance with the by-laws and has been approved by the Auditing Committee. The report covers a period which closed eight months ago. I now submit a report showing the financial status of the Association at the present time and also reviewing some of the activities not recorded in the more formal report.

Following the 1915 meeting, I suggested to the members of the Council that they read the history of the funds as given in the Year-Book and study the Constitution, By-laws, General Rules, Rules of Finance and those of the Council in order to be better prepared to discharge the duties of Council membership. One member resented the intimation that he was not fully acquainted with all of the provisions enumerated. I beg his pardon but still feel justified in urging the entire A. Ph. A. membership to become more familiar with the plan of organization and the executive procedures. This will facilitate cooperation in the Association work.

*The Fiscal Year* formerly dated from July 1 to June 30 inclusive. The Association changed this custom in 1911 so that beginning with January, 1912, the fiscal year has been concurrent with the calendar year. The new plan has facilitated the work of the treasurer in collecting dues. The fiscal year now corresponds with the volume of the JOURNAL and as far as I have observed is without objection or criticism. The former fiscal year caused constant confusion which required much correspondence with members.

*The Professor C. Lewis Diehl Honorarium.*—The Council at the 1915 meeting voted Professor C. Lewis Diehl the sum of one thousand dollars (\$1000.00) "for his work on the National Formulary, Fourth Edition." The motion (see JOURNAL A. PH. A., vol. iv, p. 1377) provided for the payment to be made in two instalments of five hundred dollars (\$500) each. One payment at once and the other "during the year 1916." The first instalment was paid, September 14, 1915 (see J. A. PH. A., vol. v, p. 645). The Council subsequently reconsidered this action and directed that the second instalment be paid "as soon as, in the judgment of the treasurer and the Committee on Finance, the condition of the treasury and the interests of the Association will permit." (See J. A. PH. A., vol. v, p. 93.)

The Committee on Finance approved the payment of the second instalment by voucher check, dated August 19, 1916, so that the condition of the original vote of the Council has been carried out four months earlier than the time limit. This one thousand dollars (\$1000.00) has been charged to the N. F. IV expense account.

*Disposition of National Formulary Net Income.*—The Council at the 1915 meeting adopted the following:

Rule 14. *Disposal of Receipts from National Formulary:* The treasurer shall keep a separate and accurate account of all receipts and disbursements for the National Formulary. Any balance of receipts in excess of disbursements remaining to the credit of this account at the end of any fiscal year shall be credited to the Endowment Fund and become a part thereof (see JOUR. A. PH. A., vol. iv, p. 1376).

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\* Presented at the Atlantic City meeting, A. Ph. A., 1916.

The treasurer desires to know whether this rule became effective the day it was adopted, August 13, 1915, or is it to go into operation with the N. F. IV account and the first payment to the Endowment Fund, made December 31, 1916. The National Formulary receipt for the period, August 13 to December 3, 1915, exceeded the disbursements by forty-five dollars and ninety-five cents (\$45.95). Should this sum be taken out of the current funds and placed in the Endowment Fund? If the National Formulary disbursements for a fiscal year exceed the receipts, should the debit balance be carried over into the next fiscal year? The National Formulary receipts from January 1, 1916, to date, exceed the disbursements by nine hundred dollars and sixty-five cents (\$900.65). If Rule Fourteen becomes operative with the N. F. IV, should the disbursements from the beginning of the expense for this revision be taken into account with the disbursements for 1916? The disbursements for the N. F. IV began in 1908 and amount to about thirty-five hundred dollars (\$3500.00). Should the treasurer continue to carry the National Formulary receipts with the current funds or should he open a separate bank account with the National Formulary?

*The A. Ph. A. Deposits.*—Funds have been placed in the Boston Penny Savings Bank since 1903 and to-day that institution has Eighteen thousand and ninety-seven dollars and seventy-nine cents (\$18,097.79) to the credit of the A. Ph. A. In 1908, the Council approved the recommendation of the Committee on Finance and in accordance with the same the account of the Current Fund was opened with the International Bank of St. Louis. The Committee on Invested and Trust Funds has approved of placing additional accounts with this bank. To-day, the total amount to the credit of the A. Ph. A. in the International Bank of St. Louis is fourteen thousand three hundred and sixty-five dollars and four cents (\$14,365.04).

Under date of December 2, 1915, W. B. Day, Chairman of the Committee on Invested and Trust Funds, wrote the treasurer, as follows:

I have made inquiry through my bank, regarding the International Bank of St. Louis and the Boston Penny Savings Bank. I have also had Messrs. E. G. Eberle and Charles Holzhauer make inquiry. All responses have been favorable. I have no doubt our funds are thoroughly well protected.

When I first learned that the Boston Penny Savings Bank paid 4 per cent. interest while the first-class savings banks in Chicago paid but 3 per cent., I wondered if it was as good and safe and conservative as our banks here, but I am informed that the savings banks in Massachusetts are very well guarded by the provisions of the banking law and that this bank, particularly, is an old established and strong one. I think we have no cause whatever for any uneasiness in regard to the safety of our funds.

The registered bonds, certificate of deposit, A. Ph. A. certificate of incorporation, Ebert will, and other important papers are deposited in Box No. 4227 of the Title Guaranty Trust Co. safe deposit vault, at Seventh and Chestnut Streets, St. Louis. This action has been approved by the Council but the security of the vaults should be investigated each year.

Of course, the treasurer will continue these deposits until otherwise instructed. I feel that the treasurer should be relieved of all responsibility in this matter. The Council should through the proper committees (Finance and the one on Invested and Trust Funds) keep well informed regarding the depositories for the A. Ph. A. funds and records and annually instruct the treasurer. What are the wishes of the Association for the ensuing year?

*Separate Funds and Accounts.*—The A. Ph. A. now has nine bank accounts, as follows: Life Membership Fund, Centennial Fund, Ebert Prize Fund, College Prize Fund, Endowment Fund, Procter Monument Fund, Rice Memorial Fund,

Ebert Legacy Fund, Current Cash. One certificate of deposit and twenty-six thousand dollars in registered bonds are also in the care of the treasurer. Separate ledger accounts are kept with the National Formulary, badges and bars and also buttons and pins.

*The Ebert Lot.*—The written report made to the treasurer on the Albert E. Ebert Legacy, December 11, 1909, did not include a lot at Winnetka, Illinois, but a verbal statement mentioned such a lot. The bills for general and special taxes on this lot came to the treasurer and were paid each year until 1915 when it developed that the lot was sold by the executors, October 14, 1912. Owing to the death of one of the executors and also the legal counsel the sale was not reported to the association. When these facts were established, the surviving executor paid the treasurer five hundred dollars (\$500.00), the sale price of the lot, and one hundred and nineteen dollars and eighty-one cents (\$119.81), the amount of general and special taxes paid by the Association since the lot was sold. These sums have been added to the Ebert Legacy Fund (J. A. P. H. A., vol. v, p. 648).

*The Ebert Jewelry.*—The executors of the Albert E. Ebert estate turned over to the treasurer jewelry which has been valued by two appraisements, one in Chicago and one in St. Louis, at about four hundred dollars. It is too old to sell as jewelry and not old enough to be valued as antiques. The value mentioned is for the old gold and the precious stones. Should the treasurer continue to hold this jewelry or be authorized to sell it?

*The A. Ph. A. Button.*—This emblem adopted in 1914 was placed on sale in March of that year. It has become very popular and over four hundred have been sold. The treasurer advertises them in his correspondence.

*Photographs and Autobiographies of Members.*—The Council at the 1915 meeting (J. A. P. H. A., vol. iv, p. 1376) adopted the following:

*Resolved,* That every member of the Association be requested by the treasurer to furnish the historian of the Association a recent photograph and a brief autobiography.

Since the beginning of the present year, I have mailed with each certificate receipt a request that the dues-paid members comply with the above resolution. The historian will report results to date. I think this plan of solicitation should be continued as long as it brings results.

*The Collection of Dues.*—Eight years ago, the Association was carrying delinquents who owed from one to five years' dues. To-day no one owes for more than eight months. This change was not brought about without some friction and much personal attention to those who look upon the payment of Association dues as a favor to be granted at some convenient time. The officers and more than a score of lay members annually care for lists of local delinquents who are not amenable to the efforts of the treasurer. The general membership intends to be prompt but many are like the man who said:

Your fifth letter is before me and here is your "V." It is evident that others are often as negligent as I have been. This I regret, for your always courteous manner deserves prompt attention to your bills.

Some fail to comprehend the conditions of membership or the obligation of the treasurer to prosecute each account to a conclusion. I can best illustrate this fact with a few quotations from delinquents who had heard from the treasurer many times.

1. "I joined for only one year. Let me alone."
2. "If I wanted to be a member, I would have paid the first bill. Can't you take a hint?"
3. "You have no claim on me, for I never paid a cent. Some one put up for me. Your letters annoy me."

4. "You must enjoy dunning. Well, I have had enough of it and will not open your next letter."

5. "I am afraid you will use up all of the postage in St. Louis, so I write to tell you I have no desire nor intention of remaining a member."

*The Certificate Form of Receipt for Dues.*—This document,  $8\frac{1}{2} \times 5\frac{1}{2}$  inches was adopted in 1912 in lieu of the ordinary receipt formerly used. Many members frame and display their annual certificates. Since these certificates are serially numbered, the treasurer can at a glance tell how many members have paid their dues. At this date, I have issued 2075 certificate receipts for 1916 and eighty-nine for 1917. One member has paid for 1918.

*Residence Unknown Members.*—The treasurer is in constant touch with the pulse of the membership and is hindered in his work by the "residence unknown" members. The office of the Surgeon-General supplies some addresses. The secretaries of the state boards of pharmacy are frequently consulted and render useful information. The itinerant character of our membership is indicated by an average of one percent of the total number being on the "residence unknown" list.

*Life Members.*—The payment of dues for thirty-seven consecutive years (by-laws, Chap. VIII, Art. IV) places a person on the life membership list. Ten thus became life members in 1916, making a total of one hundred and twenty-eight (128) who receive all of the benefits of contributing members. At the present time when the expenses equal or exceed the income from the Association dues the life members cost about one thousand dollars per year. The interest on the Life Membership Fund, established in 1870, is about seven hundred dollars per year. This is available for current expenses during the year (Const., Art. IV), but none has been so used since the two years 1900 and 1901. The last fee paid into the fund was in 1913. The Life Membership List has nearly doubled the past ten years. Should the by-laws be amended?

*Life Members, Old Style.*—Under the old constitution, prior to 1887, it was customary to elect a class of life members who did not receive any of the publications of the Association. This has been continued by occasional elections during more recent years. We now have thirteen such names on the list. They are of no expense to the Association. The treasurer writes them annually to make certain that the list is correct.

*The A. Ph. A. Membership,* August 15, 1916, numbered 2585, which is fifty more than on July 29, 1915. The present membership consists of 2436 active and 149 non-paying members. The non-paying are eighty honorary, thirteen life, old style, and 128 regular life members. During the above period, we have suspended 189, while 161 have resigned and 38 were lost by death. This is a total loss of 388 members since July 29, 1915.

*Auditing the A. Ph. A. Accounts.*—General Rules of Finance Nos. 7, 8, 9 and 10 relate to the auditing of the accounts of the Treasurer and of the General Secretary. It would facilitate the work if these officers were given to the fifteenth of February instead of the fifteenth of January in which to close the books for the auditors. This will give time for the return of bank checks. The heaviest payment of dues comes in January and increases the work at that time. Chapter V, Article IV, instructs the treasurer to present his report for auditing at the annual meeting of the Council. This obsolete By-law is very old and should be revised to accord with the Rules of Finance and the present order of procedure. I also suggest that, since the editor of the JOURNAL handles much more money than does the General Secretary, his books and accounts be audited. The following reports are submitted in conformity with the Rules of Finance.

REPORT OF THE A. PH. A. AUDITING COMMITTEE FOR 1915.

To the Officers and Members of the American Pharmaceutical Association:

We have examined the books of Henry M. Whelpley and William B. Day, respectively Treasurer and General Secretary of the American Pharmaceutical Association for the fiscal year 1915, and compared the records with the vouchers and found them correct. We have found a proper accounting for all of the funds of the association. The cash balance to January 1, 1916, corresponds with the books of the International Bank of St. Louis and the Massachusetts State and the St. Louis City registered bonds and the International Bank of St. Louis certificate of deposit in the hands of Treasurer Henry M. Whelpley.

Auditing Committee,

OTTO F. CLAUS, *Chairman.*

F. G. UHLICH.

St. Louis, Mo., April 12, 1916.

REPORT FOR 1915 A. PH. A. INVESTED BONDS.

St. Louis, Mo., April 12, 1916.

To the Officers and Members of the American Pharmaceutical Association:

We, the undersigned, have, in accordance with Rule 8 of General Rules of Finance, examined the securities contained in the Association Box (No. 4227) at the Title Guaranty Trust Co., St. Louis, and found the following:

*Ebert Legacy Fund Bond.*

1 St. Louis City Registered 4 percent Bond (No. 766) ..... \$2000 00

*A. Ph. A. General Fund Bonds.*

5 St. Louis City Reg. 4 percent Bonds (Nos. 705, 706, 707, 708, 709) ..... \$5000 00  
 1 St. Louis City Reg. 4 percent Bond (No. 717) ..... 5000 00

Total ..... \$10,000 00

*A. Ph. A. Centennial Fund Bonds.*

1 Massachusetts Registered 3 percent Bond (No. 1705) ..... \$1000 00

*A. Ph. A. Life Membership Fund Bonds.*

1 Massachusetts State Registered 3 percent Bond (No. 1701) ..... \$10,000 00  
 3 Massachusetts State Reg. 3 percent Bonds (Nos. 1702, 1703, 1704) ..... 3000 00

Total ..... \$13,000 00

*A. Ph. A. Procter Monument Fund.*

Certificate of Deposit No. 63,008, dated December 31, 1915, International Bank of St. Louis (Due June 30, 1916) (Principal) ..... \$5004 96

H. M. WHELPLEY, *Treasurer.*

OTTO F. CLAUS, *Member, Auditing Committee.*

Subscribed and sworn to before me this 22nd day of August, 1916.

(SEAL) JOHN R. BIRCHER,

*Notary Public, City of St. Louis.*

My term expires January 19th, 1920.

*The Year-Book.*—The membership does not fully understand that the Year-Book cannot be published during the current fiscal year, as it represents the entire twelve months and cannot be closed during the year of the date it represents. Some wonder why the Year-Book for 1916 has not been published. This is easily explained but it is difficult for the treasurer to satisfy the delinquent who

has received a half dozen requests for his 1916 dues but no Year-Book for 1914 or 1915. Some members have said that they complain because we do not give what we promise. One man wrote, "I never look at the Year-Book, but I want all that is coming to me before I pay my dues to the polite but persistent treasurer." The Year-Book, including the salary of the Reporter on Progress of Pharmacy, costs more than one-third of the income from annual dues. The printing of both the 1914 and the 1915 volumes this year will bring the series up to date and add about three thousand dollars (\$3000.00) to the expense account, which sum should have been an item in the budget of a previous year, when no year-book was printed. The income from the sale of year-books and proceedings thus far this year amounts to thirty-six dollars and forty-five cents (\$36.45). It should be remembered that the Reporter on Progress of Pharmacy has, on a salary reduced from twelve to six hundred dollars, prepared two instead of one year-book since his election at the 1915 meeting.

*The A. Ph. A. Journal.*—The Bulletin of the A. Ph. A., established in January, 1906, and published without advertisements, became the JOURNAL OF THE A. PH. A. in January, 1912. It was placed on a subscription and advertising basis. It was understood at the time of the change from a bulletin to a journal that the enlarged periodical would combine the PROCEEDINGS and the BULLETIN. Also, that the income from advertising would at least cover the expense of publishing and editing the JOURNAL. Editor E. G. Eberle has materially increased the volume of advertising for 1916 but the net expense of the JOURNAL for this year will be about one-third of the Association income from annual dues. The JOURNAL as well as the Year-Book is of material aid to the treasurer in collecting dues. The extent to which it is valued by the members is indicated by the fact that we have only thirteen who do not subscribe for the periodical. Most of these "dues only" members have access to the JOURNAL coming to a relative or partner who pays the full fee of five dollars per year.

*The A. Ph. A. Income.*—Since the establishment of the JOURNAL, the Association has had three main sources of income. First, the annual dues; second, advertisements in the JOURNAL; third, the net profit on the National Formulary. Since it has been decided to add the National Formulary earnings to the Endowment Fund, that steady income is no longer available for general expenses. The volume of advertising business is increasing without materially adding to the JOURNAL expenses. With an increased membership, the value of advertising space will be greater and the JOURNAL may eventually become almost self-supporting. Increased membership adds some to the overhead expenses of the Association but in a much greater proportion to the net income. A greater membership will thus directly and individually increase the two main sources of revenue, which now are dues and advertising.

*The A. Ph. A. Account for 1916.*—The receipts thus far for 1916 exceed the disbursements by \$4138.18. Of this amount, \$1000.00 is in payment for the use of N. F. IV text and is not available for Association expenses. We may receive \$1000.00 more from annual dues. The amount depends largely on the number of new members. The income from advertising will about meet the expense of printing and mailing the JOURNAL. The expense for the rest of the year, if only one Year-Book is published, will include \$3000.00 for Year-Book No. 3, \$2500.00 for salaries and perhaps \$1500.00 for other expenses. With \$4000.00 to meet this total of \$7000.00, we are likely to be about \$3000.00 short by the end of the year. This does not take into consideration the \$10,000.00 of current fund now in St. Louis bonds nor the \$700.00 interest on the Life Membership Fund, both

of which are available for current expenses, but the treasurer cannot use them without authority from the Council. A deficiency at the close of 1915 was avoided by carrying over some of the bills until the dues for 1916 became available. The rough estimate I have made does not contemplate using any of the income from the N. F. IV.

*The A. Ph. A. Assets.*—The funds grow steadily and the association has a better cash balance than was reported on January 1.

*Permanent Funds.*

Life Membership Fund .....	\$21,611 46
Centennial Fund .....	2908 10
Ebert Prize Fund .....	1105 94
Endowment Fund .....	6434 61
Ebert Legacy Fund .....	4086 65
<b>Total Permanent Funds .....</b>	<b>\$36,146 76</b>
Cash on hand .....	4225 43
Bonds which belong to Current Fund .....	10,000 00
<b>Total Current Funds .....</b>	<b>\$14,225 43</b>

*Funds Held in Trust.*

College Prize Fund .....	\$37 68
Procter Monument Fund .....	7878 15
Rice Memorial Fund .....	174 81
<b>Total Funds Held in Trust .....</b>	<b>\$8090 64</b>
Current Fund .....	14,225 43
Permanent Funds .....	36,146 76
A. Ph. A. Assets .....	\$50,372 19
Funds Held in Trust .....	8090 64
<b>Total .....</b>	<b>\$58,462 83</b>

Since my annual report (JOURNAL A. PH. A., vol. v, page 649) the Current Fund has increased by \$4,138.18. The Permanent Funds are \$742.52 larger so the A. Ph. A. is \$4,880.70 richer in assets than on January 1, 1916.

For convenience in studying the financial situation, I submit a summary of the receipts and disbursements from the first of the year to the date of August 28, 1916.

*A. Ph. A. Receipts from January 1 to August 28, 1916.*

Cash on hand January 1, 1916 .....	\$87.25
Annual dues and Journal, 1914 .....	\$15 00
Annual dues and Journal, 1915 .....	380 00
Annual dues and Journal, 1916 .....	8265 00
Annual dues and Journal, 1917 .....	455 00
Annual dues and Journal, 1918 .....	5 00
Annual dues and Journal, 1916 (January 1, 1916, to July 1, 1916) .....	7 50
Annual dues and Journal, 1916 (January 1, 1916, to April 1, 1916) .....	1 25
Dues only of the A. Ph. A., 1916 .....	\$9128 75
4 Paper Certificates of Membership at \$3.00 .....	52 00
National Formulary III .....	12 00
National Formulary IV .....	582 24
	1000 00

Proceedings and Year Book .....		\$36 45	
Journal Advertising .....		3451 27	
Journal Subscription .....		151 45	
Interest on St. Louis Bonds in Current Funds .....	\$400 00		
Interest on deposits in International Bank of St. Louis.....	50 15	450 15	
Bank Exchange paid by Members .....		74	
Reprint, Journal .....		8 00	
Sale of 9 Gold Membership Buttons @ \$1.00.....	9 00		
Sale of 19 Plated Membership Buttons @ 25 cents.....	4 75		
Sale of 7 Gold Membership Pins @ \$1.00.....	7 00		
Sale of 5 Plated Membership Pins @ 25 cents.....	1 25	22 00	\$14,895 05

*Cash Received and Placed in the Funds.*

Centennial Funds (Int. on Massachusetts State Bonds)....	\$30 00		
Life Membership Fund (Int. on Mass. State Bonds).....	390 00		
Ebert Legacy Fund (Int. on St. Louis Bonds).....	40 00	460 00	

*St. Louis International Bank Interest on Funds from January 1, 1916 to August 25, 1916.*

Ebert Legacy Fund .....	\$34 60		
Procter Monument Fund .....	46 65		
Rice Memorial Fund .....	1 55	82 80	542 80
Receipts from Jan. 1 to Aug. 27, 1916 .....		\$15,437 85	
Total .....			\$15,525 10

*Summary of A. Ph. A. Disbursements January 1 to August 28, 1916.*

Salaries .....	\$4733 36		
Journal .....	3828 65		
Printing, Postage and Stationery .....	618 11		
Clerical Expenses .....	272 00		
National Formulary III .....	131 84		
National Formulary IV .....	533 70		
Drayage Freight and Express .....	2 46		
Miscellaneous Expenses .....	245 17		
Badges and Bars .....	14		
Journal for Reporters on Progress of Pharmacy .....	19 96		
Committee on Membership .....	188 54		
National Drug Trade Conference .....	99 18		
Section on Scientific Papers .....	7 00		
Committee on Unofficial Standards .....	30 92		
Recipe Book .....	10 50		
Section on Education and Legislation .....	11 75		
Year Book .....	6 74		
Women's Section .....	16 85	\$10,756 87	

*Cash Received and Placed in the Funds.*

Centennial Fund .....	\$30 00		
Life Membership Fund .....	390 00		
Ebert Legacy Fund .....	74 60		
Procter Monument Fund .....	46 65		
Rice Memorial Fund .....	1 55	542 80	

Total Disbursements to August 28, 1916 ..... \$11,299 67 \$11,299 67