

THE AMERICAN INSTITUTE OF ARCHITECTS  
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*Files*

December 21, 1935.

Dear Mr. Frohman:

This will acknowledge your letter of December 16th and the following documents:

Copy of your letter of December 16 to Dr. Ralph Adams Cram;

Copy of your letter of December 17 to Bishop James E. Freeman;

Copy of "Agreement of Association between Frohman, Robb & Little";

Copy of letter of December 18 - E. Donald Robb to P. H. F.;

Copy of letter of December 20 - P. H. Frohman to E.D.R. and H.B.L.

In accord with your letter and our telephone conversation, these documents have been placed in the files of the Institute in that section designated 23-F. This is the file which relates to the personal and professional correspondence of individual members, and is of a more or less historical nature.

No other action has been taken in the matter - which we understand to be in accord with your desires.

Sincerely yours,

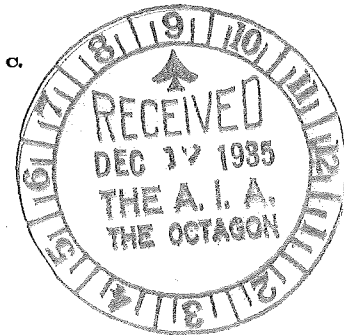
Executive Secretary.

ECK+B

Mr. Philip Hubert Frohman, A.I.A.,  
726 Jackson Place, N. W.,  
Washington, D. C.

FROHMAN, ROBB & LITTLE  
ASSOCIATED ARCHITECTS  
726 JACKSON PLACE, WASHINGTON, D. C.  
250 STUART STREET, BOSTON, MASSACHUSETTS

726 JACKSON PLACE, WASHINGTON, D. C.  
December 16, 1935



Mr. E.C. Kemper, Executive Secretary  
American Institute of Architects  
1741 New York Avenue, N. W.  
Washington, D. C.

Dear Mr. Kemper:

Confirming our conversation this morning, I enclose herewith a copy of my letter of December 16th to Dr. Ralph Adams Cram.

Also, as you were of assistance to us and to Washington Cathedral in determining the terms and compensation provided for in our present contract with Washington Cathedral and as it has always been my aim that my dealings with clients, with other architects, and with my partners or associates shall be in accordance with the canons of ethics of the American Institute of Architects, and, furthermore, as I may file with you some letters pertaining to the recently drawn up agreement of the continuation of association between Messrs. Robb and Little and myself, to which I referred during our telephone conversation, I am therefore sending you a copy of the said agreement. It is possible that I may request from the American Institute of Architects an opinion as to the completeness and justice of the terms of this agreement.

With kind regards,

Yours very faithfully,

*Philip Hubert Frohman*

Philip Hubert Frohman

PHF:ta

December 16, 1935

Dr. Ralph Adams Cram, F.A.I.A.  
c/o Messrs. Cram & Ferguson  
248 Boylston Street  
Boston, Massachusetts

Dear Dr. Cram:

I received a letter from Mr. Robb, dated September 29, 1932, in which he stated that at a time a year or so before the above date you had asked him if it was true that I was "taking the cream off the Cathedral profits".

Will you be so kind as to advise me as to whether you asked such a question, and, if so, your reasons for asking it, and what you meant by its phraseology?

Also, if you asked the said question, will you kindly advise me precisely as to your source or sources of such information as might have lead you to ask the above question?

I trust that this letter may receive your early and complete reply.

Very sincerely,

PHF:ta

Philip Hubert Frohman

Copies to The Bishop, The Dean, and The Members of  
the Building Committee of Washington Cathedral  
Copy to Mr. G. Bowdoin Craighill, Attorney-At-Law  
Copy to Ball & Blum, Certified Public Accountants  
Copy to Mr. E.C. Keeper, Executive Secretary of  
the American Institute of Architects



December 17, 1935

The Right Reverend James E. Freeman, D.D., LL.D.  
Bishop's House, Cathedral Close  
Mount Saint Alban  
Washington, D. C.

Dear Bishop Freeman:

Dean Bratenahl's letter of December 13th, which he was directed by the Building Committee to write to us, advised us that the Building Committee had considered the situation existing between the members of our firm and that they asked that we advise him if we had definitely concluded a settlement of our difficulties.

In my letter of December 15th, I have reported to Dean Bratenahl concerning our progress toward the consummation of an agreement of continuation of partnership on Washington Cathedral and a continuation of association on certain other pieces of work. The said agreement was drawn up with the assistance of Mr. G. Bowdoin Craighill, Attorney-At-Law, and Mr. James S. Ball, Certified Public Accountant. In order that you, as a member of the Building Committee, may be enabled to familiarize yourself with the terms of the said agreement and form an opinion as to the fairness of its conditions, if you so desire, I am enclosing a copy of the said agreement.

In view of the fact that the Building Committee's acquaintance with certain differences which developed between individual members of our firm is due to certain statements which Messrs. Robb and Little made to certain members of the Building Committee, both verbally and in writing, and as it may be possible that Messrs. Robb and Little may have been influenced in certain opinions which they then expressed by reason of some statements which may have been made by others, and as, in justice to all members of the firm, it would be advisable for the members of the Building Committee and of the Chapter of Washington Cathedral to become fully cognizant of such situation as may have existed and of the cause of the said situation, I therefore enclose a copy of my letter to Dr. Ralph Adams Cram, dated December 16, 1935.

I trust that Dr. Cram will cooperate with us in making sure that this matter is duly investigated, and that responsibility is duly fixed for any false or damaging statements which may have been made in regard to any member or members of our firm.

December 17, 1935

I agree with the statement in Dean Bratenahl's letter of December 13th as to the Committee's opinion that it is not in their province to settle or reconcile any differences which may continue to exist between the individual members of our firm. If Messrs. Robb and Little reply to my letter of October 19th advising me that the above agreement meets with their approval, it then seems probable that such differences as at one time existed may be completely and permanently reconciled. However, if that be not the case, and as, as stated above, I agree that it is not in the province of the Committee to settle or reconcile any such remaining differences, I shall therefore request the cooperation of the American Institute of Architects toward bringing this matter to a just conclusion.

From the beginning of my practice in 1909, it has been my aim to make sure that all of my dealings with clients, contractors, and other architects shall be in accordance with the canons of ethics of the American Institute of Architects, and I have implicit confidence in the justice of such opinions as may be rendered by the Institute in regard to any matter concerning the equity or ethics of professional practice.

Although it may not be within the province of a client to settle or reconcile any differences which may exist between the members of a firm of architects whom he has engaged, yet should such differences be brought to his attention by a member or members of such firm, it would be right and just that the client should be come fully informed of facts before taking any action as the result of such differences between his architects. Therefore, when our investigation as to facts has been concluded and such information as we may present can be fully supported by documentary evidence and carefully checked figures, there will be submitted to the Building Committee and Chapter of Washington Cathedral a statement of the said facts.

After the said facts have been duly considered and verified by the members of the Chapter and Building Committee of Washington Cathedral, I am confident that they will arrive at such decision as may be for the best interests of the architectural future of the fabric of Washington Cathedral and which will be just to all parties concerned.

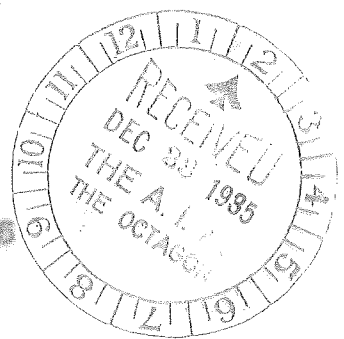
Yours very sincerely,

PHF:ta

Philip Hubert Frohman

2-3  
Frohman

*File  
with previous  
correspondence*



December 21, 1935

Mr. James S. Ball  
Ball & Blus, Certified Public Accountants  
Mills Building  
Washington, D. C.

My dear Mr. Ball:

Enclosed is a copy of a letter which I have received from Mr. Robb in regard to our agreement of association, which I am submitting to you as in it Mr. Robb makes certain statements concerning his impressions as to the finances of the firm and asks certain questions as to why you have asked for certain information as to the cost data of the Boston Office.

As I was under the impression that you had received from Messrs. Robb and Little the data as to receipts and expenditures which you deemed necessary in order to arrive at a final settlement between the members of our firm, will you kindly advise me as to whether you find that the said information which you have received from Messrs. Robb and Little is what you require and as to whether it checks with their annual financial statements, which I assume they have sent to you as requested.

As you will note that in his letter Mr. Robb states that they had withheld their comments on our draft of agreement until after submitting their figures to you and that he hopes that when you produce your final result they may see their way clear to affix their signatures to the said agreement, I therefore trust that the data which you have now received from both offices may enable you to produce the said final result and at an early date to submit your report to the Chapter and Building Committee of Washington Cathedral and to ourselves as to the finances of our offices and the dealings of the members of our firm with each other.

In view of the letters of December 13th which we received from the Building Committee of Washington Cathedral, I hope that you will assist us to get the above matter equitably settled as soon as possible.

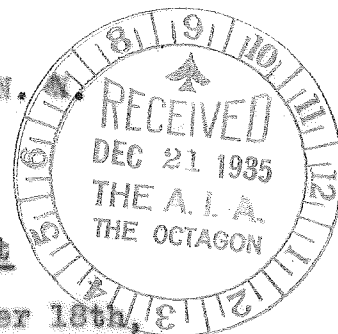
Yours very sincerely,

Philip Hubert Frohman

PHF:ta  
CC: Dr. Bratenahl  
Mr. Craighill  
Mr. Kemper, Secretary of the A.I.A.  
Boston Office of F. R. & L.

COPY

728 Jackson Place, N.  
Washington, D. C.  
December 20, 1935



Dear E.D.R. and H.B.L.:

RE: Partnership Agreement

Please accept my thanks for your letter of December 18th, which I am very glad to receive.

Your letter is precisely the sort of letter which I hoped to receive from you. The comments which you have made are what I anticipated and the questions which you have asked are the very questions which I hoped you would ask, as the answers to the said questions should make certain facts clear, which will, I hope, bring about a permanent settlement of our office difficulties and effectually prevent the recurrence of such difficulties in the future.

Before the end of next week, I expect to write to you explaining the purpose of certain statements or conditions to which you refer and answering fully the questions which you have asked.

In view of the fact that I had not received your reply to my letter of October 19th at an earlier date and because of the statements contained in the letter to us of December 13th from the Building Committee of Washington Cathedral, and as the result of advice which I believe to be sound, I filed with Mr. Kemper, the Secretary of the American Institute of Architects, a copy of the agreement of association and partnership which I sent to you. I am therefore sending to Mr. Kemper a copy of your letter of December 18th and shall file with him copies of our correspondence in regard to this matter. While I trust that there may be no difficulties in our arriving at a satisfactory agreement and an equitable final settlement, yet should we find it impossible to do so, and as in such event certain questions of professional ethics and equity might be involved, I believe that it would be advisable for us to seek the arbitration or advice of the American Institute of Architects.

I wish to thank H.B.L. for his good letter of December 16th and I am glad to be advised that he is pleased with my analysis and solution of the problem presented by the various grades of the caps of the piers of the Crossing and the vaulting shafts in the Nave, with the resulting variations in levels of ridges of the vaulting and changes in radii of arches and ribs. To his letter I shall reply more fully in a few days.

I also wish to thank E.D.R. for the black line prints and for his good letter about the drawings for the model of the Baptistery. To this, I shall also endeavor to reply in a few days, enclosing a sketch for an additional suggested modification in the transition from the upper parts of the buttresses to the pinnacles, which I trust you may like.

December 20, 1935

In the meantime, and as I may not get around to writing another letter before Christmas, I send you my best wishes for a merry Christmas and trust that the new year may be to you a year of greater happiness and prosperity and that the said new year may not have advanced far before we will have arrived at that point where you can see your way clear to affix your signatures to the above agreement and we may be enabled thereby to start afresh with the satisfying thought that our office difficulties are settled forever.

Sincerely yours,

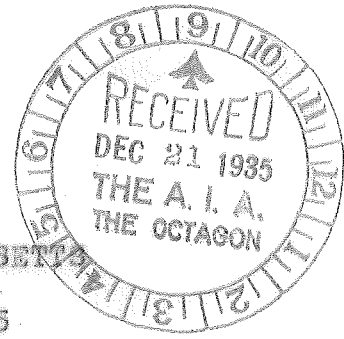
PHF:ta

Philip Hubert Frohman

CC: Dr. Bratenahl and the Members of the Building  
Committee of Washington Cathedral  
Mr. Craighill  
Mr. Ball  
Mr. Kemper, Secretary of the American Institute of Architects



C O P Y



BOSTON, MASSACHUSETTS

December 18, 1935

Dear P.M.F.

Re: Partnership Agreement

It may seem to you that we have taken a long time in sending you our comments on the Agreement of Association. We have had the document for two months. This is not a long time compared with the twenty-one months which you found necessary to revise the agreement prepared by us and sent to you in January 1934. We have gone over it very carefully, and the following are our suggestions for modification:-

The first is a matter of no great importance, but it seems to us that the title does not properly cover our relations as partners as well as associates. Would it not be better to entitle the document "Agreement for the practice of Architecture by Frohman, Robb & Little"? This emphasis on the association to the complete disregard of the partnership occurs at the end of the first paragraph, and at the end of the third paragraph. We do not consider this of great importance, but it would be more accurate to refer to the partnership as well as to the association.

Our next criticism is to be found on page 4, at the bottom of the page. Your statement here is correct, but we wish to remind you that the method of distributing profits, suggested by you during this period, never had our approval. We do not need to remind you that we always considered it too complicated, and could never see the reason why you objected to a simple and reasonable and fair distribution of

12/18/35.

the profits into three equal parts. It was always our contention that equality of authority and responsibility should be accompanied by equal compensation. It was only upon your definite assurance that this system would work out with an equal return for all that we, with reluctance, agreed to give it a trial. However, as this is merely a statement of history, there is no point in changing anything; but we merely mention it in order to record the fact that it is just one of those many things that we have allowed you to carry out in your way, hoping to keep office affairs running smoothly.

On page 6, under the alphabetical list of items required by Mr. Ball, lines D and K, we would like to know why Mr. Ball is interested in overhead, when his calculations are to be based upon, two times time costs plus one time direct cost. Miss MacLean has given this overhead to Mr. Ball as time costs plus fifty per cent. We cannot see at all why Mr. Ball is interested in that fact, as neither you nor he considered it an accurate way to figure it; and of course in this we agree with you, it is merely approximate. What is to be done, therefore, with these two items?

On page 7, paragraph D, here again we do not understand the allusion to the annual overhead as being allocated between Washington Cathedral and other work.

At the bottom of page 7, paragraph J, we believe that in all fairness the interest due on any undivided profits should go back beyond January 1, 1934 to the several dates upon which the several profits were divisible, as nearly as can be determined. According to our statements of annual income submitted on Income Tax sheets, your income began to mount out of all reason beginning January 1928, and

12/18/35.

continued to do so in still more unreasonable amounts over a period of years. A very large part of this difference between your income and ours must have been divisible profits, which should be considered as loans bearing interest from the dates on which they became divisible.

These are all prior to 1934. In order to simplify it we might put the date at January 1932 as being an average date. This is the date suggested in our first draft of this document.

Paragraph "L", page 8,- As to the matter contained in this paragraph we are compelled to offer our objection. Whatever it was that you did, or whatever expense you were under during the time prior to the formation of the firm in 1920 should have been brought out into the light and settled at that time. Both Little and I joined with you, at your suggestion, paid our share of the capital or good-will, without any mention having been made of this matter. We do not to this day know to what you refer. Any work that you did at the Cathedral's request before that date must presumably have been paid for. We might as well ask you how much you would value our experience and training in ecclesiastical design, our time spent in European travel in the study of actual Gothic architecture above yours, and the fact that we were junior partners in the offices of Messrs. Cram & Ferguson, all of which important factors were considered in the formation of our firm, and undoubtedly influenced the Cathedral in the selection of us as architects. Admitting the fact that your contacts with the Cathedral were prior to ours this fact remains, - that the Cathedral work was not given to you alone but to all three of us equally, and for the reason that our several talents seemed to be so happily assorted as to make an ideal combination. Therefore, this paragraph "L" has no place in the firm agreement, and should be omitted.

12/18/35.

On page 10, line 12, omit "beyond and to the west of the transepts and crossing". We can see no reason why we should be deprived of work on small scale and large scale working drawings and full size details for work east of and including the transepts and crossing, as is implied in this sentence. Why, for example, should we not participate in drawings for the completion of the Library, the Girls' School or any other building outside the Cathedral but east of the crossing; or work inside the Cathedral,- the remainder of the chancel furnishings, the crossing itself or the south transept. This is indeed a strange condition, and without doubt is not exactly in accordance with your understanding.

On page 12, fifth line from the bottom,- Here again is a reference to overhead, and in this instance it seems to be overhead in excess of two times the time cards and one time the direct costs. Should not these two words "plus overhead" be omitted?

On page 14 in the middle of the page, some difficulty may arise over the definition of the term "final payment". For example, we understand from you that there is still a final payment due on Trinity College Chapel; but were we to write to Dr. Ogilby he would, we are sure, state positively that nothing more would be paid the architects on the contract for the Chapel. This situation should not be construed as meaning that you are entitled in any way to withhold profits on this work, stated by you on one occasion to "amount to \$30,000",- or to any other work.

The remainder of the agreement seems to us to be satisfactory; but our willingness to sign the paper, even after the above changes are made, will depend upon the result of Mr. Ball's calculations. This is in accordance, as you will remember, with one of the provisions of our signed agreement with you, made at Washington on January 10, 1934.

Mr. P. H. Frohman - 5.

12/18/35.

It is based upon the very obvious fact that you owe us a large sum of money, determined by you yourself at one time to be approximately \$27,000. And even this sum, if paid, does not reduce our incomes to equality. It is this equal, or approximately equal distribution of office salaries among the three partners having equal authority and responsibility that we still insist upon as being the only fair method as settling these financial difficulties.

It was with this in mind that we have withheld our comments on your draft of agreement until after submitting our figures to Mr. Ball. We sincerely hope that when Mr. Ball produces his final result we can see our way clear to affix our signatures to the paper, and start afresh with the satisfying thought that our office difficulties are forever settled.

Sincerely yours,

(s.) E. Donald Robb

Copies to Dr. Bratenahl  
Mr. Craighill

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parts of the United States, and have also practised  
architecture independently of each other on certain projects;  
between

AND WHEREAS FROHMAN, ROBB & LITTLE, desire to continue  
practice in such ASSOCIATED ARCHITECTS  
a firm or association having two offices, one office being  
managed by one member and the other office being managed by

THIS AGREEMENT OF ASSOCIATION made this day  
of 1935, by and between PHILIP HUBERT

FROHMAN, a resident of the State of Maryland; E. DONALD ROBB,  
a resident of the State of Massachusetts, and HARRY B. LITTLE,  
a resident of the State of Massachusetts, associates in an  
architectural practice hereinafter called collectively the  
"firm," trading under the name of "Frohman, Robb & Little,  
Associated Architects," hereinafter called the "firm name,"  
witnesseth:

WHEREAS the firm of Frohman & Robb was formed in  
July, 1919, succeeding to and continuing the practice of  
Frohman & McIntosh, Architects, and of Philip Hubert Frohman,  
Architect, at 20 Pemberton Square, Boston, Massachusetts;

AND WHEREAS the firm of Frohman, Robb & Little  
was formed in June, 1920, succeeding Frohman & Robb, and  
practised under the name of Frohman, Robb & Little until  
January, 1928, since which time the members of the firm have  
practised under the name of "Frohman, Robb & Little, Asso-  
ciated Architects," Boston, Massachusetts, and Washington,  
D.C.;

AND WHEREAS the said parties have been associated  
as stated above in the practice of architecture in connection  
with the designing and construction of Washington Cathedral  
in the District of Columbia and other buildings in various

2. BANK ACCOUNTS - Each Office shall have a bank  
account in the name of the firm and payments received by  
each Office shall be deposited in its own bank account.

parts of the United States, and have also practised architecture independently of each other on certain projects;

AND WHEREAS the parties hereto desire to continue practice in such manner as shall be reasonable and just for a firm or association having two offices, one office being managed by one member and the other office being managed by two members;

NOW, THEREFORE, the above named parties hereby mutually covenant, promise and agree to and with each other to continue to be partners on Washington Cathedral and to practise architecture, as associates on certain projects, as well as independently on other projects, upon the terms and conditions hereinafter set forth;

1. Boston and Washington Office to be operated as separate units - The firm shall continue to maintain an office in Boston, hereinafter called the "Boston Office," and an office in the District of Columbia, hereinafter called the "Washington Office." The Boston and Washington Offices shall be financed and operated as completely independent units. With respect to the Boston Office, Robb and Little shall be responsible for the lease, for the hiring and discharging of employees, for the purchase of fixtures and supplies, for the negotiating and paying of bank loans, for the manner in which the business and work of that Office shall be conducted, and for the performance of all duties pertaining to the operation of that Office. Frohman shall likewise be responsible for the discharge of all similar duties and obligations pertaining to the operation of the Washington Office.

2. Bank Accounts - Each Office shall have a bank account in the name of the firm and payments received by each Office shall be deposited in its own bank account.

Each of the three associates shall be authorized, so far as the banks are concerned, to draw checks on both bank accounts, but Frohman shall not draw checks on the Boston bank account without the knowledge and consent of Robb or Little and neither Robb nor Little shall draw checks on the Washington bank account without Frohman's knowledge and consent.

3. Indebtedness incurred in operation of Offices -

Each associate is hereby given the right to sign notes payable by the firm for the purpose of financing the work of his Office, but Frohman shall save harmless Robb and Little from the payment of debts so contracted by Frohman. Likewise Robb and Little shall save harmless Frohman from the payment of debts so contracted by either Robb or Little.

4. Individual liability of associates - Each

associate shall be just and faithful to the others in all accounts, entries, dealings and transactions and shall not use the firm name or deal with the property thereof for purposes other than said practice of architecture. Each associate shall at all times pay and discharge his private debts and liabilities and shall save the other associates harmless from all debts and claims on his separate account. No associate, individually or in the name of the firm, without the previous written consent of the other associates, shall become an endorser, guarantor or surety to or for any other person, nor in any way use the firm name or credit, either directly or indirectly, except for firm business. Each associate shall be liable individually to make good any loss occasioned by his failure to conform to this agreement.

5. Accounting - In each office time cards have been kept and each Office will continue to keep time cards on file showing the amount of time devoted by each associate and by each employee to each project, and the rate of compensation applicable and paid to each associate or employee.



Hereafter, in all cases, the time shown on the time cards shall cover all divisions of the work, whether chargeable to conferences, preliminary sketches, working drawings, large scale or full size details, or to supervision of construction. In each office, books of account have also been kept and, in the future, shall be kept, showing accurately and completely all receipts and disbursements of each office and each associate, his attorneys and accountants, shall have access to and the right to examine at any time, during business hours, any and all such books, accounts and records of both the Washington and Boston Offices. Throughout this agreement, the term "travelling expenses" shall include the cost of travel of each associate and employee, including hotel expenses, while travelling between Office and the site of the work upon which he may be engaged and while making trips to inspect material, but shall not include the cost of transportation between his home and Office, it being agreed that no associate or employee shall be entitled to reimbursement for the latter cost. Trips back and forth between Washington and Boston shall be considered part of such "travelling expenses." In every case, where travelling expenses or engineering services are chargeable to a client, the associate or Office advancing the money therefor is to be reimbursed promptly upon receipt of payment from the client.

a. Period prior to January 1, 1934 - From the formation of the firm until after the removal of Frohman's residence to Washington and the opening of an office for the firm on the Cathedral premises in 1923, all net profits of the Boston Office were divided equally between the three partners.

b. From 1924 up to January 1, 1928, the following method of distribution of profits was employed in accordance

with Frohman's request and as the result of expert advice he had obtained as to the most equitable method to employ in the case of there being three partners having two offices, one office managed by two partners and one office managed by one partner:

c. Frohman to retain 50% of the net profits earned by the Washington Office, the remaining 50% to be equally divided between the three partners. Robb and Little to retain 50% of the net profits of the Boston Office, the remaining 50% to be divided equally between the the three partners.

d. In 1927 Frohman resigned as a partner of Frohman, Robb & Little, Architects, but agreed to continue with Robb and Little on the basis of an association known as Frohman, Robb & Little, Associated Architects, the members of the firm to continue as partners on Washington Cathedral, but to be associates on all other work on which they might agree to collaborate. It was agreed that from January 1, 1928, all payments received from Washington Cathedral and from other work on which the former partners were associated, which were in excess of two times time costs and one times direct costs such as engineering fees and travel expense, would be regarded as divisible profit and, upon completion of each construction contract, would be divided equally between the three partners.

e. During this time, the annual overhead was allocated between different jobs in proportion to their respective time costs.

f. Accounting and Adjustment to insure equitable division of profits accrued up to January 1, 1934 - In as much as there has been some disagreement between the members of the firm as to the methods of determining their respective shares of profit and as there have been disagreements between

of the firm as of January 1, 1934 and which should be con-

the bookkeepers of both offices as to the profits made on various undertakings and as to the amounts which have been received by the partners, it is therefore agreed that there shall be a final accounting and settlement determined to insure an equitable division of profits and to obviate the possibility of further disagreements in matters of profit sharing or cost accounting.

g. With this end in view, Frohman made the request that the books of both offices be audited by a firm of certified public accountants for the nine years ending December 31, 1933. To this request Robb and Little agreed on January 10, 1934. However as it appears that such an audit would be expensive and, as it is possible to arrive at an equitable settlement from the basis of certain totals of receipts, time costs, direct costs and net profits which the parties hereto are willing to accept as being correct, the three partners have agreed to have their own employees, with such expert help as may be necessary, make up a statement for the six year period from January 1, 1928, to December 31, 1933, covering all work, including Washington Cathedral, upon which the three partners have been associated and which shall give the following data for the Boston Office and for the Washington Office:

- A. Total receipts from Washington Cathedral
- B. Total time costs for " "
- C. Total direct costs for " "
- D. Total overhead for " "
- E. Total costs for " "
- F. Total net profit from " "
- G. Total taxable income derived from Washington Cathedral
- H. Total receipts from all other work
- I. Total time costs for " " "
- J. Total direct costs for all other work
- K. Total overhead for " " "
- L. Total costs for " " "
- M. Net profits from " " "
- N. Total taxable income derived from all other work

h. The adjustment to be made between the members of the firm as of January 1, 1934 and which should be con-

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summed by or before December 31, 1936, shall be as follows:

- A. Should the above statement show that either office had accumulated a balance of "divisible profit" on Washington Cathedral which had not been equally shared between the associates as previously agreed and above stated as being the method of profit sharing to be employed from January 1, 1928 to January 1, 1934, then such adjustment shall be made between the associates as shall cause the said "divisible profits" to be equally shared as agreed.
- B. Should the above statement show that either office has accumulated a balance of "divisible profit" on the total of all other work from January 1, 1928 to January 1, 1934, then such adjustment shall be made between the associates as shall cause the said "divisible profit" to be equally shared as agreed.
- C. It is further agreed that the above statement and final settlement figures shall be prepared by James Ball, Certified Accountant, to whom each office shall furnish such data as he shall request as being required for the preparation of the above statement and verification of the accuracy of its totals.
- D. The annual overhead is to be allocated between Washington Cathedral and other work in proportion to their respective time costs plus direct costs.
  - i. Should there have been any costs by reason of litigation with a client or any costs in repairs to a building resulting from faulty structural design or negligence on the part of a member or employee of the firm, then the said costs shall not be included in items of direct costs affecting the amount of divisible profits.
  - j. Should it be found that any associate has received more than his rightful share of profit should have been under the terms of this agreement up to January 1, 1934, then he shall make payment to the other associates of such sum as shall be required to effect such settlement as should have been made by or before that date. Should he be unable to make payment of such indebtedness immediately, then he shall give to the other associates his demand note dated January 1, 1934, or such earlier date as may be determined as being the date when the above payment was due and payable

under the terms of this agreement, and the said note shall bear interest at the rate of 6% from its date and shall be paid in one payment or in a number of payments as soon as possible, but said note shall not be sold nor hypothecated. It is further agreed that any interest which may have accrued up to the date of the signing of this agreement shall be paid within thirty days of the said date and that from then on interest shall be paid monthly.

k. Each associate shall pay one-third of any reasonable expense that may be incurred in the preparation of said financial statement as of January 1, 1934.

l. In making the above adjustment or final settlement, due allowance shall be made for any time costs or expenses that an associate may have had in the obtaining, financing or carrying on any work prior to the formation of the firm in 1920 and which he brought into the firm and in the profits of which work the other partners have participated without bearing any share in the above costs incurred prior to the establishment of the firm in 1920 or the establishment of the firm of Frohman & Robb in 1919. Therefore in making the above adjustment or settlement Robb and Little shall determine what value they place on Frohman's services in securing certain work for Washington Cathedral prior to the establishment of the firm of Frohman & Robb and what they regard as an equitable compensation for such of his time and expenses from 1915 to 1919 as were expended for the express purpose of becoming identified with Washington Cathedral.

m. Period after January 1, 1934 - Beginning as of January 1, 1934, profit and loss shall be computed in the same manner as set forth in the settlement statement to be prepared by said Ball, above described. Early in January of each year, each Office shall prepare a statement showing all receipts and disbursements of that Office, during the pre-

ceding calendar year, in so far as they may relate to projects on which the two Offices have been associated, and such statements shall be exchanged as soon as possible after January 1st of each year.

6. Washington Cathedral - Frohman was first consulted by the authorities of Washington Cathedral in the spring of 1918, at which time he made certain tentative sketches for revisions in the design of the Cathedral and recommendations concerning the said revisions. In the autumn of 1918, Frohman was requested by the Dean of the Cathedral to make certain designs and drawings and submitted a letter of agreement setting forth the terms of payment which were to apply to the said drawings and professional services. The said agreement was approved by the Building Committee and the firm of Frohman & McIntosh was authorized to proceed with the said work in accordance with the said terms of payment. The said work was undertaken and carried on by the firm of Frohman & McIntosh from January, 1919, until June 12, 1919, when the said firm was dissolved and the practice of the said firm continued by Frohman until the establishment of the firm of Frohman & Robb in July, 1919. The said work and additional work for the Cathedral was then undertaken and carried on under the same terms by Frohman & Robb from July, 1919, to June, 1920, and by Frohman, Robb & Little from June, 1920, up to December 1921, when the Cathedral, being prepared to let construction contracts, entered into a contract with Frohman, Robb & Little appointing them as permanent architects for the Cathedral and authorizing them to prepare working drawings for the foundations and first choir and crypt contracts.

From the latter date, the architectural work for the Cathedral has been done under the firm name of Frohman, Robb & Little, each of the three partners having, in so far

therein, which have been or may be made. As requested by

as possible, equal authority and responsibility, and it is their desire and purpose to continue equal in authority and responsibility and to work together in full cooperation in an earnest effort to promote the best interests of the Cathedral. In dividing the work, unless otherwise specially arranged by mutual agreement, Frohman will prepare preliminary sketches of each contemplated project in consultation with the Cathedral's Building Committee and others, including Robb and Little, either with or without the assistance of draftsmen. In so far as possible, small scale and large scale working drawings and full size detail drawings for future work beyond and to the West of the Transepts and Crossing shall be made by or under the direction of Robb and Little in the Boston Office, with the help of frequent consultations with Frohman. When desirable, preliminary drawings, begun by Frohman in Washington, may be completed in the Boston Office. In no case, shall changes be made in the work of either Office by those in the other Office without the full knowledge and consent of all parties, and then only after full consideration, except when immediate decisions have to be made and there is not time or opportunity for consultation, in case, for example, of illness or absence abroad of one of the partners. Under such circumstances, information as to changes made by either Office shall be promptly sent to the other Office. Superintendence of construction is to be carried on principally by Frohman with frequent visits by Robb and Little. As requested by Frohman, accounting on the Cathedral work is to be done by the Boston Office, time and expense accounts incurred by Frohman and others are to be sent to the Boston Office, which will thereupon render firm bills monthly on a per diem or commission basis to the Cathedral Foundation, as provided in the firm's present contract with the Foundation, dated March 14, 1931, and any amendments thereto and changes therein, which have been or may be made. As requested by

Frohman, unless otherwise agreed, all payments are to be made by the Cathedral Foundation to the Boston Office, which will issue all checks distributing the funds so received from the Foundation. In the case of Cathedral work done on a non-deductible per diem basis, all per diem compensation received from the Foundation shall be retained or sent to the Office doing the work and the other Office shall have no claim thereto. In the case of Cathedral work done on a commission basis, for which payments on account are made on a per diem basis, the payments received from the Foundation are to be distributed, in the first place, by the Boston Office reimbursing each Office for sums advanced for travelling expenses and engineering services, chargeable to and paid by the Foundation under its contract, and dividing the per diem compensation between the two Offices in proportion to the total amount shown by the time cards for the period covered by such payments, but the "divisible profit" as hereinafter defined, shall be divided in three equal parts and one part shall be paid to each of the three partners, as and when final payment in full on a commission basis shall have been received from the Foundation upon completion of construction of each Cathedral contract and work thereunder which has been built in accordance with the drawings for which payments have been made on a per diem basis. The "divisible profit" shall be computed by deducting from the total of the payments received from the Foundation the following: (a) all amounts paid for engineering services and travelling expenses and other costs directly chargeable to this work and which are not included in overhead costs; (b) two times the total amount shown by the time cards of both Offices.

7. Firm work for clients other than Cathedral Foundation - All work, other than work for the Cathedral Foundation upon which all three partners were associated,



prior to or after January 1, 1934, and all work obtained prior to January 1, 1934, or hereafter obtained, upon which all three partners may, by mutual agreement, be associated, shall be conducted under the firm name of Frohman, Robb & Little, Associated Architects, but no associate shall have the right to use the firm name in connection with work hereafter obtained, unless the other two associates give their written consent thereto. All work bearing the firm name shall have the benefit of the advice and criticism of all three associates and shall have their combined approval. To this end, whenever it is difficult to have personal consultations, blue prints of designs shall be exchanged and criticism invited. All partial payments received from any client for any such firm work shall be applied, first, to reimburse each Office for travelling expenses and cost of engineering services advanced by such Office, and the balance shall be divided monthly between the two Offices in proportion to the total amounts shown on the time cards relating to the project of the said client, and, upon receipt of the final payment from the client, the "divisible profit" shall be divided in three equal parts and one part shall be paid to each partner. Such "divisible profit" shall be computed by deducting from the total amount received from the client the following: (a) all amounts advanced for engineering services and travelling expenses and other costs directly chargeable to the client or his work; (b) two times the total amount shown by the time cards of both Offices relating to such project. If the total of the above expenses and time costs, plus overhead should exceed the total payments finally received from the client on account of said project, then the total commission shall be divided between both Offices in a manner proportional to the said expenses of each Office. Profits and losses are to be computed separately on each pro-

ject. Should there be any costs because of litigation with a client or by reason of repairs or alterations to a building as a result of faulty structural design or due to negligence on the part of a member of the firm or an employee of the firm, then the said costs are to be born solely by the Office responsible for such litigation or for the design or supervision of construction of such building, even though the plans may have been submitted to the other office for criticism and suggestions. In case of litigation against a client, all three associates must agree upon instituting such litigation. If they do not agree, then the associate, or office, initiating such litigation against a client must bear the entire expense incident to such litigation.

8. Individual Work - Each associate may enter into contracts for and perform architectural services in his own name and receive the entire compensation therefor, the other two associates having no interest in or responsibility for such work. If the associate performing such independent services desires to employ the other Office for drafting or other assistance, he will pay the other Office twice the amount of its time costs therefor together with engineering costs or other direct expenses and will not be chargeable with any of the overhead expense of the other Office allocable to such work. Similarly any two associates may jointly enter into contracts and perform architectural services under their own names and the third associate will have no interest in or responsibility therefor. Such independent work shall not be handled under the firm name.

9. Rights surviving upon Death of an Associate - It being understood that Frohman has no claim to the furniture, fixtures, library, bank account and supplies of the Boston Office and that Robb and Little have no claim to the



of the death of an associate, the estate of the deceased  
the resignation of the associate, the estate of the deceased  
final payment from the client. In the event of a postpone-  
ment of construction work, for which working drawings shall  
have been completed by or under the direction of an associate  
associate, who subsequently died, the estate of the decedent  
shall be entitled to a full one-third of any profit that  
may be realized upon receipt of the final payment from the  
client. Upon the death of an associate, all drawings and  
specifications, correspondence, contracts, records and other  
documents pertaining to work upon which all three associates  
shall have been associated, shall become the property of  
the surviving associate or associates, and the estate of the  
deceased associate shall have no right thereto.

The above schedule of profits payable over a five  
year period applies only to such work as has been obtained  
by the firm, but not to work which an individual member may  
have obtained from a former client and which he may have  
brought into the firm during the three year period from  
June, 1920 to June, 1923. In the cases of the continuation  
of work brought into the firm during the said period or work  
done or to be done for or brought into the firm by a former  
client for whom the deceased may have rendered professional  
services prior to 1919, then, should the firm render any  
further professional services on such work or for such client,  
his estate shall be entitled to a full third of the net  
profits resulting from the said work. It is therefore agreed  
that there shall be prepared and attached to this agreement  
and made a part of the same, Exhibit A, being a list of all  
work brought into the firm by each associate during the above  
three year period or which has been done by the firm for one  
of his former clients.

10. Resignation of an Associate - Any associate  
may withdraw from the firm and his resignation shall become  
effective upon the expiration of two months from its date,

...has been considered as of record the description of the  
 ...of construction work for which the firm is now  
 ...from the firm: in the event of a resignation  
 provided the resigning associate promptly delivers, or sends  
 by registered mail, written notice of such resignation to  
 the other associates. In such event, the resigning associate  
 shall be entitled to a share of profits received on firm  
 work during the five years following the effective date of  
 his resignation, equivalent to the share of profits to which  
 the estate of the deceased associate is entitled, under above  
 Paragraph 9, during the five years following the death of  
 such associate. The resigning associate shall have no  
 interest in and may decline to permit his name to be used in  
 connection with any new work obtained by the continuing  
 associates after the date of his resignation, but the con-  
 tinuing associates may complete, under the firm name and  
 without any interference from the resigning associate, all  
 work obtained or begun by the firm prior to such resignation,  
 and the continuing associates shall have complete ownership  
 of all drawings, documents, and records relating to firm  
 work, upon which all three associates shall have been thereto-  
 fore associated, although the resigning associate may obtain  
 prints or copies of all such drawings, documents and records.

IN WITNESS WHEREOF the said three associates,  
 PHILIP HUBERT FROHMAN, E. DONALD ROBB and HARRY B. LITTLE,  
 have hereunto subscribed their names and affixed their  
 seals on the day and year first hereinbefore written.

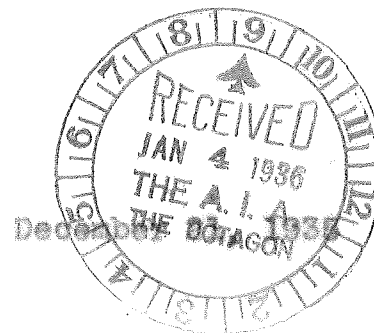
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 \_\_\_\_\_  
 \_\_\_\_\_

(SEAL)  
 (SEAL)  
 (SEAL)

In the presence of:

\_\_\_\_\_  
 as to P.H.F.  
 \_\_\_\_\_  
 as to E.D.R.  
 \_\_\_\_\_  
 as to H.B.O.

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Messrs. Frohman, Robb & Little,  
250 Stuart Street,  
Boston, Mass.

Dear Sirs:

I have given very careful study to the figures recently sent in by your office to enable me to compute a statement of the accounts of your firm for the years 1928-1933 inclusive. Kindly refer to my letter of October 30, 1935 in which I requested certain data for the purpose in view, for a better understanding of the following comments.

Your bookkeeper, Miss McLean, has gone to a great deal of trouble to prepare the accounts sent me in full detail, but the figures as requested in the aforesaid letter are not supplied in the form requested. While the figures sent in are interesting, they will be of but partial use in settling the accounts.

Let me outline briefly the set up of the data which is necessary for the purpose in view:

**For all work on Washington Cathedral:**

Total receipts for each of the above years  
 Total time costs for each of the above years  
 Total direct costs for each of the above years  
 (Engineers' services, travel expense etc.)  
 Total overhead charged against the the Cathedral work  
 for each of the above years.  
 The sum of the above three items will give the total  
 cost charged against the Cathedral work for each of the  
 above years  
 Deducting the total cost from the total receipts will give  
 the total net profits from the Cathedral work for each  
 of the above years  
 (Please note that details as to what the Cathedral  
 work consisted of are not required, but totals  
 for each year, only)

**For all other work (except Washington Cathedral work)**

Same figures as outlined above are required in totals  
 for each of the above years. Details as to jobs not required.

**Financial Statements (one for each of the above years)**

These have been supplied me in the data sent by your  
 office but not exactly in the form desired. The total receipts  
 should include all receipts, itemized as to loans negotiated  
 and as to any other items not representing income for services

or to reimburse for direct expenses paid. Also, amounts paid the Boston Office by the Washington Office should be shown separately from the other receipts in order that I may compare such figures with those stated to have been sent to Boston in the reports of the Washington office.

I have asked the Washington office to make a segregation of its remittances to the Boston office into three classes, i.e. receipts for work performed in Boston, collected by Washington and retransmitted to Boston; payments to Boston account profits; and payments to Boston account amounts claimed to be due from Washington by Boston over and above amounts transmitted in due course. They are now preparing these figures for me.

Accordingly, I find I must ask your office to furnish me with a similar breakup of amounts received from Washington, i.e.

Amounts received from the Washington office, for each of the years 1928 to 1933 inclusive, divided under the following heads:

For work done by Boston, billed and collected by Washington  
For distribution of profits of the Washington office  
For receipts in settlement of amounts claimed over and above profits distributed.

In addition, the distribution of your expenses should be fully detailed so as to add to the total of checks issued, showing amounts paid on notes, interest and remittances to the Washington office in separate items, the latter divided to show:

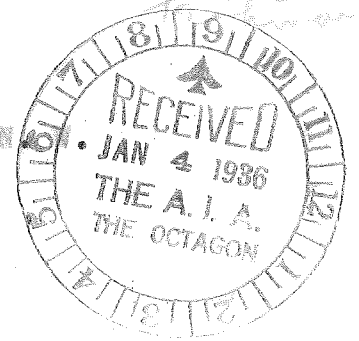
Amounts paid Washington for work and expenses done in that office, billed and collected by Boston  
Amounts paid Washington for distribution of profits of the Boston office  
Amounts paid Washington in settlement of claims over and above profits distributed.

I trust I have made the needs in the case clear but, if not, kindly let me know.

Very truly yours,

WSE:hs

736 Jackson Place, N.W.  
Washington, D. C.  
January 2, 1936



Dear E.D.R. and H.B.L.:

In my letter to you of December 30th, acknowledging receipt of yours of the 18th, I said that I expected to write further in more complete reply to yours of the 18th before the end of last week.

In making the above statement, I understood from your letter that you had submitted your figures to Mr. Ball and I naturally assumed that the said figures were those which he asked for in his letter of September 30th. However, after receiving your letter, I was advised by Mr. Ball that you had not sent him the data which he requested, and, furthermore, that what you had sent does not contain such figures as would enable him to ascertain the items or totals for which he asked. I may therefore wait to make a full reply to your letter of the 18th until I am informed by Mr. Ball, either that you have sent him the data which he requested from your office, or that you have written to him explaining the reasons for your not having done so.

In the meantime, and in answer to one of the statements in your letter of the 18th, let me assure you that you need not have any uneasiness as to the possibility of my defining or interpreting the term "final payment" in a manner which would be unfair to you. I had no thought of withholding from our final settlement computations any profits which may have been made on Trinity College Chapel. All receipts and expenditures in connection with Trinity College Chapel were included in the statement which was furnished Mr. Ball for his estimating of our divisible profits. The said statement for this office was sent to Mr. Ball on October 11th and contained all of the data which he had requested from both offices in his letter of September 30th. The said data was in tabulated form and, we believe, included all receipts and expenditures of this office for the number of years required. Among the receipts and expenditures which would determine the amount of divisible profit, I included the receipts and expenditures on such undertakings as Grace Methodist Church, Baltimore, on which we have not received "final payment", and on which construction may not be started for some years, but on which we have received payment of our commission for preliminary drawings, working drawings, and specifications, based on the estimated cost of construction. It is not my intention or desire to use any technicality or definition as a pretext to deprive anyone of any sum to which he may be justly entitled. All that I want is to arrive at a final settlement which will be correct as to its amounts and which will be regarded as just in principle by any honest and capable business man or by any architect who is qualified to build up and conduct the business of a successful practice.

As, in your letter of December 18th, you have stated that you



January 2, 1936

are unable to see why Mr. Ball has asked for certain information as to your overhead expenses, as you have asked what is to be done with certain items, and also as you say that you do not understand the stipulation as to allocation of annual overhead, I have therefore sent Mr. Ball a copy of your letter and trust that his explanation of these matters may be clear to you. However, we do not see that the fact that you or your bookkeeper may not understand Mr. Ball's reasons for asking you for certain figures need cause any delay in your furnishing him with the said amounts.

It did not seem to Mr. Ball that the data for which he asked each office in his letter of September 30th would require any explanation, as he merely gave a list of certain items and totals which should be readily ascertainable from our books and require no complicated calculations. They were merely such figures as he would expect to be immediately available from the books of both offices, if the members of our firm had any knowledge as to their net profits and individual incomes derived from Washington Cathedral during any year or period of years.

As, in your letter of the 18th, you state that your willingness to sign an agreement, even after the above changes are made, will depend upon the result of Mr. Ball's calculations, and as you had not sent him the data asked for in his letter of September 30th which would enable him to start his computations for your office, and in view of the letters recently received from the Building Committee of Washington Cathedral, I would suggest that you make no further delay in submitting the said figures to Mr. Ball.

I trust that we may have your cooperation toward enabling Mr. Ball to begin the computations for your office and to conclude his statement for the final settlement of both offices at as early a date as possible.

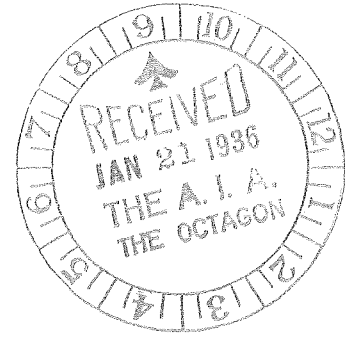
Yours very truly,

Philip Hubert Frohman

PHF:ta

CC: Dr. Bratenahl  
Mr. Craighill  
Mr. Ball  
Mr. Kemper

C O P Y



January 16, 1936

Mr. Philip Hubert Frohman,  
726 Jackson Place, N. W.,  
Washington, D. C.

Dear Mr. Frohman:

I enclose a copy of a letter just received from Messrs. Robb and Little. Please note the remarks about your profit sharing basis in the third paragraph. Do you agree to this? If so, I must ask your office to prepare an itemized statement for each of the years 1928-1933 inclusive, showing receipts, time costs, direct costs, overhead, and net profit or loss on each job worked on in your Washington office.

Sincerely yours,

(s.) James S. Ball

Encl:

JSB:ws

Also, I enclose a copy of my reply.

(s.) J.B.

January 10, 1936.

Mr. James S. Ball,  
Messrs. Ball, Blum & Co.,  
Hills Building,  
Washington, D. C.

Dear Mr. Ball:

We trust that the figures Miss MacLean has sent to you are now arranged as you wished to have them, and give you full information on the items covered in your request to us for data on the work of this office. We assume that you are working for the firm of Frohman, Robb & Little, and not for either of our offices individually, and are trying to establish a fair picture of what has happened, and incidentally to establish the amount that Mr. Frohman owes the Boston Office.

We do not feel that from the data you have requested either of these objectives can be fairly reached. To complete the picture of inter-office finances there should be added to your report a table showing the total amounts drawn in each year by each partner, from the funds of the firm either as salary, profit, drawing account, loan or in any other way, except traveling expense which has been charged and accounted for in the records you now have. From the Income Tax Sheets, records of which we have here, we arrive at the following table:-

Totals	\$109,754.29	\$ 58,010.70	\$ 53,747.17
<u>Year</u>	Mr. Frohman	Mr. Robb	Mr. Little
1928	\$18,296.76	\$ 14,457.46	\$ 14,997.45
1929	18,363.35	13,001.31	11,681.30
1930	16,634.66	7,309.66	6,169.66
1931	37,728.84	13,244.94	11,824.94
1932	11,832.13	6,600.00	5,760.00
1933	<u>6,898.65</u>	<u>3,397.33</u>	<u>3,313.82</u>

We do not feel that from the data you requested, you can arrive at the sum Mr. Frohman owes the Boston Office. Our agreement made with him on January 10, 1934, two years ago, was for an immediate complete audit of the books; but with the office figures arranged as you or Mr. Frohman have now called for them, and as we sent them to you several days ago, it is impossible to tell which pieces of work, outside of the Cathedral, have made profits or have made losses, or to what amount. As a result of this, it is quite possible that in any one year, losses on one or more jobs would appreciably diminish the profit shown that year, earned on one large or exceptionally profitable piece of work. Figured in your way this would diminish the amount of properly divisible profit between the offices; but this is not the method by which the two offices divide their profit, as it was our agreement that only profits were divisible, each office standing its own losses.

1/10/36

Therefore, unless the profit is figured on each job showing profit, and not on the annual lump sums of income and costs, the true picture of what Mr. Frohman owes the Boston Office cannot be arrived at. This figure should, we feel, approximate the sum obtainable by balancing the amounts drawn from the firm by each member of the firm as shown in the foregoing table; as the two Boston partners have never recognized anything in our partnership but equal authority, and equal responsibility, which should also mean equal, or approximately equal remuneration.

At a meeting of the three partners in Boston, in the spring of 1931, more than four years ago, Mr. Frohman made the suggestion that the two offices interchange the figures on all principal jobs in each office since the opening of the branch office in Washington, and to this we agreed. We promptly listed jobs, giving total costs of same and receipts, with profits or losses. Mr. Frohman then wrote saying that what he wanted was to have all the figures subdivided to show separately the costs for preliminary work, working drawings and specifications and detail drawings and supervision, in order to ascertain of which part of the work profits or losses were made. This, also, we did promptly; but we did not give him the figures for Washington Cathedral, for these figures were, or should have been equally available in the Washington office. Although frequently promised, we have never received a single figure from him for his work outside the Cathedral; this in spite of his agreement made with us, and the fact that, the work being done under the name of Frohman, Robb & Little, we have every legal right to the information.

We feel that before you can issue any report on the figures you have asked for from both offices, and which, as we have pointed out above - does not give the information regarding the profits or losses on the various pieces of work, without which no true estimate of divisible profit can be made, you should require Mr. Frohman to live up to his agreement and furnish you and us with a list of all his work for the years under scrutiny, in similar form to that we furnished you December 11, 1935.

Before we can sign any agreement, or accept any financial statement of Mr. Frohman's indebtedness to us, we should have the above information, and your computations should be made with reference to it. It must be remembered that in January 1934 we agreed to a complete audit of the books and records of both offices. The method now being followed is not in accordance with that agreement. Therefore, if your report does not show the very important information requested above, which would have been disclosed by a complete audit, then your work is an incomplete picture. If you are not able to present us with the complete picture, then we shall demand either a thorough auditing of the books, or a settlement based on a balancing of the table of Income Tax figures previously given.

Very truly yours,

Frohman, Robb & Little

E. Donald Robb

Harry B. Little

January 16, 1936

Messrs. E. Donald Robb,  
and Harry B. Little,  
250 Stuart St., Boston, Mass.

Dear Sirs:

Your letter of January 10, 1936 has been received.

My understanding is that I have been engaged by the firm of Frohman, Robb & Little and not by any individual member, to attempt to establish the accounting and financial facts regarding the transactions of the firm for the years 1928-1933 inclusive. I cannot agree with your premise that I am, incidentally, to set forth what Mr. Frohman owes the Boston Office or what any partner owes or is owed. The facts alone will determine this.

Your figures on net taxable income for the years to be reviewed are most interesting and will doubtless help in my determination, but you must realize that they are not conclusive.

Regarding the complete audit which was taked of in 1934, I had not idea but what this had been abandoned when the financing details could not be met by your firm. A complete audit, in my opinion, will be the most exact and the figures resulting therefrom would be unquestionable.

Your statement that the two offices of your firm are each to stand its own losses is news to me. I am writing Mr. Frohman at once as to this. You are quite right in the statement that this provision will make it necessary to have data on each job from the Washington Office. Does this apply also on Washington Cathedral jobs?

I should appreciate very much your understanding of the essentials of the agreement under which your firm operated in 1928, 1929, 1930, 1931, 1932, 1933. If I can get the minds of all of your firm to meet on this question and to so state in writing, it would help.

Please understand that my sole purpose is to set forth the facts in the light of information furnished me. This is not an engagement I have sought and I only accepted it as a professional duty.

At any time any one of your firm is unsatisfied with my actions in this matter, and will so notify me, I shall be happy to resign the engagement.

Very truly yours,

JSB:ws



January 18, 1936

Mr. James S. Ball  
Ball, Blum & Co.  
Mills Building  
Washington, D. C.

Dear Mr. Ball:

Please accept my thanks for your letter of January 18th, enclosing copies of Messrs. Robb and Little's letter to you of January 10th and of your reply of January 16th.

As I concur in all of the statements contained in your letter to Messrs. Robb and Little, it is therefore not possible for me to agree with certain statements contained in their letter to you, which appear to be inconsistent with each other, or in which they presume to advise you as to your proper methods of procedure as a certified public accountant. While I feel that you are fully justified in being annoyed because of certain statements made in letters which you have received from Messrs. Robb and Little and from their bookkeeper, and because of what appears to you to be a tendency on their part to confuse the situation and to make it more difficult for you to arrive at accurate and conclusive results within a reasonable time, yet I trust that you will be so good as to exercise as much patience as may be humanly possible and not to consider resigning from this work, as suggested in your letter to Messrs. Robb and Little. I feel that you are particularly well qualified to determine the precise nature of all data which may be required in order to enable you to arrive at the desired result of a report

Mr. Ball

2

January 18, 1936

which will give a true picture of the business of both offices and the financial dealings between the members of our firm and a final settlement which will be considered just by any competent business man or by any fair-minded person who has a knowledge of common legal principles.

In reply to your question in your letter to me of January 16th, I do not agree with the idea of having any final settlement which would be based on the sort of arrangement suggested in the third paragraph of Messrs. Robb and Little's letter, to which you refer. We did agree that each office was to finance its operating costs independently and that in the event of one office sustaining a cash loss on an undertaking, the other office would <sup>not</sup> be required to participate in such loss to the degree of making a cash payment to the office sustaining such loss for its share in financing such loss. This was reasonable, and avoided the possibility of either office being suddenly embarrassed by some loss sustained by the other. However, I had no thought that such a singular thing could be proposed as our having the final adjustment or settlement between both offices based on a statement giving profits on profitable work only and not deducting any such losses as might have reduced net profit and resulting income on any given job or during any given year. It does not seem to me that such a settlement could be in accordance with ordinary principles of equity.

However, notwithstanding my disagreement with Messrs. Robb and Little's recent suggestions as to such novel method of final settlement, I shall be very glad to furnish you with an itemized statement for the years already covered, showing receipts, <sup>time costs,</sup> direct costs, overhead, and net profit or loss on each job separately.



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Such statement will check with the statement I have given you, which gave the items and totals which you required by years, as it will be compiled from the same data. It will therefore also check with my statements of annual income, which I sent you on October 11th. Referring to Messrs. Robb and Little's letter of January 10th, in which they gave you a table setting forth the annual incomes of the three members of our firm during the years under consideration, it is strange that they did not realize that this was not information in addition to that for which you had asked both offices, and which you had received from this office, as my net taxable income from the business was given in the above annual financial statements which I had sent you, as well as in the separate statements in which were tabulated the items and totals for which you had asked. Also, they should have been aware that if the data which they have sent you correctly gives the information which you had asked for from their office, they also would have supplied you with the same data as to their annual incomes from the business. I therefore agree with your opinion that they did not understand the data for which you asked, nor did they appear to realize the results which you would be able to obtain from it. I shall be especially glad to supply you with the above statement giving profits or losses of this office by jobs, in addition to the above statements which I supplied giving profits or losses of the said jobs by years, as, not only because Messrs. Robb and Little have requested it, and it has been my desire that they should be supplied with precisely such a statement from this office at the proper time, but also because it may be helpful to

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you and to others in comparing the bookkeeping methods employed by the two offices, to have your report accompanied by parallel statements from both offices showing receipts, expenses, profits and losses by jobs, as well as by years, and by a statement prepared by you showing whether the items and totals of the said statements by jobs, as taken from the records of both offices, coincide with the totals given in the annual financial statements submitted by both offices. Anything which may more completely disclose the reasons for what appears to be a serious divergence in the accounts of both offices will be helpful toward the desired result.

I should be glad if, at as early a date as you can conveniently do so, you could write to both offices reporting as to whether you have found any appreciable differences between the results as to annual receipts, expenses, and profits or losses which you obtained from the statements given by jobs, which Messrs. Robb and Little sent me several years ago, and which I turned over to you, the statements of individual jobs which you have recently received from them, and their annual financial statements giving taxable income, which you requested from both offices on September 30th, <sup>and which</sup> /I assume will check with the totals of taxable income derived from the business given to you in Messrs. Robb and Little's letter to you of January 10th. If you find that the above items and totals which you have received from Boston cannot be reconciled, or if you find that the information given to you in a letter which you received from the bookkeeper of our Boston Office, in which she gave you the total of payments which I had sent them for their share of profits or commission over and above payments for per diem charges differs to any serious degree

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from the total obtained from the statement giving the said payments of profit or commission sent to Messrs. Robb and Little, which has been prepared by our bookkeeper here, which we have verified by bills received from the Boston office, by our monthly distribution sheets, and by my checkbooks, and which I shall be glad to support by my cancelled checks, I shall request that a complete audit of the books of both offices be made by you in accordance with my original demand to Messrs. Robb and Little that such an audit be made.

Yours very sincerely,

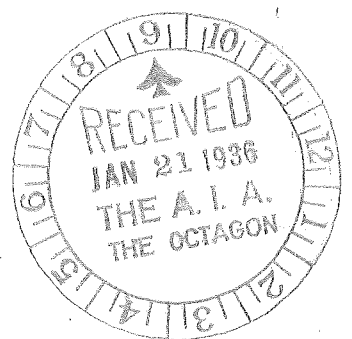
Philip Hubert Frohman

PHF:ta

CC: Dr. Bratenahl  
Mr. Coughill  
Mr. Kemper

Frohman

*File*



January 20, 1936

Mr. James S. Ball,  
Ball, Slum & Co.,  
Hills Building,  
Washington, D. C.

Dear Mr. Ball:

In accordance with your request, we enclose a statement in tabulated form giving annual totals for the six-year period of the amounts sent by Mr. Frohman to the Boston Office in payment of the bills of the Boston Office for per diem charges and expenses and the amounts sent by Mr. Frohman in payment of Messrs. Robb and Little's share of profit or commission on the Cathedral work over and above the said per diem charges and expenses.

As soon as I can make typed copies of the itemized statements, giving amounts of all payments and numbers of checks, I shall send the same to you.

I may take ~~me~~ a few days longer to make the typed copies of the above statements, as they consist of a considerable number of items. However, I am sending the totals of the said statements to you now, in order that you may ascertain whether there is any serious difference between the information which you have received from the bookkeeper of the Boston Office as to the total of payments Mr. Frohman has made to Messrs. Robb and Little of their shares of commission or profit on Washington Cathedral and our records in regard to the same.

As I have run these totals up on the adding machine after checking all of the items with monthly bills, distribution sheets, and with the stubs of the checkbooks, I believe that they are correct.

Mr. Frohman says that if the information as to the above totals which you received from Miss Maclean does not coincide with the totals obtained from the statement which I am enclosing, he would be glad to furnish you with our bank statements and cancelled checks, so that you may audit our books and records as to the payments sent to the Boston Office.

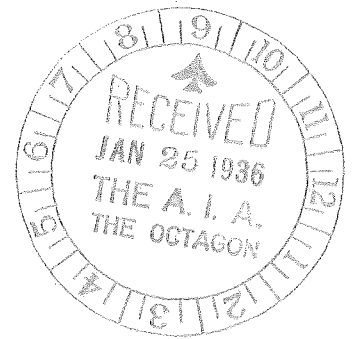
We will be glad to furnish you with a statement similar to this on all other jobs handled by this office.

Yours very truly,

tia  
CC: Dr. Bratenahl and Mr. Craighill  
Secretary to Mr. Frohman

*File*

2 3  
*Jan 25 1936*



January 23, 1936

The Very Reverend G.C.F. Bratenahl, D.D.  
Washington Cathedral Offices  
Mount Saint Alban  
Washington, D. C.

Dear Dr. Bratenahl:

This is in reply to your letter of January 22nd.

Mr. Kemper is the Secretary of the American Institute of Architects.

I have sent Mr. Kemper duplicates of certain letters, because a question of professional ethics has been involved by reason of certain statements which have been made and published by Messrs. Robb and Little and certain statements which Mr. Robb claimed Dr. Gram had made. The said statements made by Messrs. Robb and Little were of such nature as to appear to be violations of certain canons of ethics of the American Institute of Architects by which members of the Institute are prohibited from making statements which are damaging to the reputation of a fellow architect. It is incumbent upon any architect who is a member of the Institute to call to the attention of the Institute any such violations of professional conduct which may have been called to his attention, whether the said unprofessional conduct has been directed against himself or someone else.

If certain claims made by Messrs. Robb and Little are true, then I have been guilty of unprofessional conduct in depriving them of due credit for certain work which they have done, in depriving them of work to which they were entitled, and, in addition to this,

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I would have been guilty of the grossest form of unprofessional conduct, namely, of dishonesty in my practice and of depriving fellow architects of sums of money to which they were entitled. If I were guilty of any or all of such forms of unprofessional conduct, it would be only just that I should be reprimanded and expelled by the Institute. If it is found that any other architect has been guilty of making false accusations against me in regard to any or all of the above matters, then it would be proper that the said architect or architects should be duly reprimanded by the Institute, the findings of the Institute in regard to such matter being published in the reports of the Institute and in "The Octagon", which is the journal of the American Institute of Architects.

The charges against me have been of such a serious nature, and their results have been so increasingly serious in their consequences, that it is only right that, if I am innocent of such charges, I should be publicly exonerated by the American Institute of Architects.

I am writing you a separate letter in regard to the present status of Mr. Ball's examination and checking of the financial data which he has received from the bookkeepers of our Boston Office and of our Washington Office during the past three months, together with a statement as to such conclusions as would seem to be inevitable if certain totals which Mr. Ball has obtained from the above figures are approximately correct.

Yours very faithfully,

Philip Hubert Frohman

PHF:ta

CC: Mr. Ball  
Mr. Craighill  
Mr. Kemper