

Jimmy Williamson Inaugural Speech

A United Profession, Takin' Care of Business

Thank you, Leslie.

It's a great honor and privilege to be here today with all of you.

As you know, I'm from a mid-sized firm in Alabama. There are fewer than 100 of us in our firm, spread out across five offices. But I have to tell you that long ago when I joined the AICPA, and before that the Alabama Society of CPAs, I came to realize that we CPAs are a vast family of strong, skilled and very able professionals.

Being a member of this great team of 330,000 professionals has benefited me in countless ways. In fact, my very presence here before you today — and even the fact that I am a member of our

great profession — is largely due to the help I received from others.

You see, neither of my parents ever finished high school. And yet, like you, I've had the incredible opportunity to be part of the Governing Council for one of the greatest professions. And now, I'm deeply honored to assume the role of Chair of a hundred-year-old Institution.

Some might wonder how this unlikely result came to pass. But having lived it myself, the answer always was clear to me. It happened because I received financial assistance. Because someone encouraged me and gave me opportunities.

I know how critical it was for me to receive federal and state grants for my college tuition and what a difference it made when a friend suggested that I major in accounting.

But not everyone is as fortunate as I've been. Not everyone gets — as I did — a fair and equal chance to advance. Too many of our colleagues have had to struggle for an equal opportunity.

I'm going to talk more about this in a moment. But let me emphasize this:

I've been blessed with the opportunity to earn a very good living doing what I love.

From the time I joined our profession, it has always motivated and excited me and brought meaning to my life.

However, when I was younger, I had fantasies of making a living dealing with fast cars or possibly hard rock music. I never expected instead to be focusing on fast flights and how to make sure my clients' tax returns are rock-solid.

Following my high school graduation back in the 60's, I floundered around quite a bit. Two major events back then centered me. First, I met Dianne, whom I fell in love with and would later marry. Second, I got drafted for Vietnam.

Getting drafted actually turned out to be a blessing because once the military discovered I was blind in my left eye, they offered me financial assistance if I would attend college.

Well, my mother raised me to know that when someone opens the door to an opportunity like that, you march on in. I immediately got myself into college.

One of my friends who was majoring in accounting told me I should do the same and give up earlier dreams of racing fast cars or fronting a hard rock band at a concert in Madison Square Garden.

However, music is still very important to me, and one of my favorite songs is Bachman Turner Overdrive's "Takin' Care of Business." You know the one I mean. In fact, CPAs and BTO have something in common: We both take care of business every day.

That's what I want to talk about today — takin' care of business and what that means to me, to the profession and to each of you.

To me, takin' care of business means working together.

But for us as CPAs, there's more to it than that. When we take care of business, we do the "right thing." We focus on our core values and mission of serving the public interest. When we do that together, we achieve something great.

I believe in the power of ordinary people to achieve extraordinary results.

Vince Lombardi, one of the greatest football coaches of all time, said, “Individual commitment to a group effort...is what makes a team work, a company work, a society work, a civilization work.”

And for us, individual commitment to a group effort is what makes the CPA profession work.

As CPAs, each of us has enormous responsibilities to the employers, clients, individuals and communities we serve. People depend on us to take care of business by providing assistance that only we can offer. It’s an awesome responsibility — one we can never forget or ever take lightly.

Because this duty is foremost in our minds, it’s essential that we harness our collective power and pull together, harder than ever.

And I don’t have to tell you that the best way to do this is to take advantage of what we already have — the combined strength of the AICPA and the state CPA societies.

I rose up through the ranks of my state society, the Alabama Society of CPAs. I've been an active member for more than 30 years. At the society and in my firm, we've accomplished a lot by collaborative planning and joint action. I'm sure all of you have had similar experiences in your companies and businesses and are proud of the positive results. I am a strong believer that the best results come from serious teamwork and collaboration.

I'll share with you another story. It's about sports. If you haven't noticed already, I think sports offer great lessons about life.

Being involved in team sports has always been important to me. When I was a teenager I loved playing football. I was as passionate about football then as I am today about being a CPA. I loved the crisp cool days when you could smell the grass and the turf in the air and see the leaves turning colors and falling off the trees.

My favorite position was defensive linebacker, and my partners and friends will tell you today, that in many ways, I still have a reckless linebacker mentality, which by the way is not an asset.

On each play, before the opposing quarterback got the ball, I'd try to anticipate his strategy. I'd listen to him call out his signal cadence, and by the time the center snapped the ball to him, I'd be running full speed to where I thought the ball was headed.

Sometimes, I'd be right on the money and break up the play. But other times I'd guess wrong, and the offense would gain ground.

That's when my team had to pull together extra hard to overcome that setback. When we did that as a team, we were takin' care of business. It worked for my football team, and I know it's worked for the AICPA and the state societies many times in the past.

Together, we take care of business.

Finally, takin' care of business means one other thing to me — action. Let me tell you a little story from my childhood that

illustrates what I mean. It's about three frogs sitting on a lily pad.

One of these frogs decided to jump, I was told.

Then I was asked how many were left. Two, I quickly answered.

No, I was told, there still were three — because deciding to jump and actually jumping are not the same.

Here's my point: as the Governing Council of the CPA profession, we don't have the luxury of just talking about takin' care of business. We have to make hard decisions and take hard actions to make sure that our profession remains as vital and as relevant tomorrow as it was a century ago. We must have the courage to jump ahead, without any guarantee that we will land exactly where we intended.

Today, I'm going to pinpoint the areas in which it's critical for us, as a profession, to take action. But I'm also asking all of you to personally own a piece of that action. In your firm, your company,

your university — wherever you are, I ask that you take bold steps to ensure that the profession is constantly moving ahead.

Now before I go any further, I'm going to tell you about the folks who are takin' care of business in my firm, so I can be here with you today.

When your partners believe in the profession's mission to serve the public interest and in the importance of giving back, they do what's necessary to make it possible. I would like to recognize my colleagues and close friends of the last three decades — Jerry Rowe, Ralph Dowdy, Larry Gilley, Chuck Adams and David Harwood.

Please join me in thanking my partners for allowing me to serve as your Chairman.

Our CPA firm has produced four Alabama state society presidents. We have a long history of being involved and supporting our professional associations at both the state society and AICPA levels.

A large part of our success is due to our commitment to working together as a team. Because we're a small firm, my partners are working longer and harder so that I can serve as AICPA chairman.

I also want to thank Bryan Hassler, my friend and longtime mentor, who will retire next year from his post as chief executive of the Alabama Society. When I was its president, we accomplished great things together. For example, in 1992 we created a committee to focus specifically on important issues affecting women and families. This was possible only because I had a colleague like Bryan — an excellent leader, with a clear vision of how to improve and strengthen our profession.

And I owe a debt of gratitude to my predecessors, Leslie Murphy and Bob Bunting, who set an example for me to follow and gave me big shoes to fill. I'm privileged to have had the chance to work with and learn from them.

Leslie and Bob, my thanks to you both for the personal coaching, mentoring, help and support each of you has given me and, I hope, you will continue to offer me in the future.

Leslie has done an outstanding job this year, leading the AICPA. She has led with elegance, strength, passion and commitment. She has also been a great friend to me personally and helped me tremendously as I transitioned from vice-chairman to chairman.

Leslie, thank you for all the long hours, the personal sacrifices you made, and thanks most of all for making our CPA profession better and stronger.

And of course, none of this would have been possible without the love and support of my family. My wife of 35 years, Dianne, has been my sweetheart since high school. We have been blessed with a terrific son and a wonderful daughter: Heath is a civil engineer and Heather is a very talented artist. Two of our four grandchildren were born this year, so that good fortune, combined with the privilege of serving as your chairman for the next year, has made this a wonderful time in my life.

All of these great people have helped me focus on takin' care of business.

Let me get a little more specific about what takin' care of business means for us in the next year.

It means the AICPA and the state societies working together to accomplish great things in four areas.

First, it means ensuring that our profession is constantly responsive to business realities in our fast-moving world. A world in which technology reinvents the workplace each and every day.

A world in which cross-border commerce grows at double-digit rates year after year.

A world in which it simply makes good sense to allow CPAs to deliver their valuable services across state lines without worrying about the burdens imposed by unnecessarily complex and conflicting state regulations.

Second, it means developing private company financial reporting standards that serve the needs of private companies and those who do business with them. These are companies for whom some of us work and whom many of us serve as clients. These companies are in many ways the backbone of the American economy.

Third, it means opening the doors of our profession to all who aspire to meet its challenges and share its commitments. It also means clearing the career ladder for anyone who has the ability and determination to climb it.

And fourth, but not least, it means promoting financial literacy among the American public, who are having a hard time managing their personal finances and need our help.

Now let's get specific about what we're going to do in each of the four target areas.

Here's the first way we'll take care of business. We'll work to make sure that all states observe uniform licensure requirements, which would be a huge improvement from current practice. I'll give you a real-life example of the unreasonable burden on practitioners who want to do business in more than one state.

One CPA had moved his practice from one state to another.

Now because the two states' rules vary so greatly, this CPA had to change his legal name and — instead of setting up his own practice — had to work in someone else's CPA firm for a year. That kind of regulation doesn't protect the public interest. Instead, it prevents qualified professionals from providing services American businesses and individuals need and want.

To identify and promote solutions to this problem, former AICPA chairman Scott Voynich is leading an Institute committee on mobility that will work toward making it easier for firms and CPAs to do business in multiple states.

Because interstate mobility is so important to our profession and those who rely on us, we'll work with you throughout the coming year to educate members on its urgency. This isn't merely about uniformity of accounting laws or practice convenience. It's about

making it possible for CPAs to better serve the public interest. And to do that, we must be able to provide — wherever we practice — the services our clients and employers need.

Second on our list of business to take care of is private company financial reporting.

It's time to develop a set of financial reporting standards for private companies, most of which operate in a far different environment than public companies.

My firm's clients are a good example. They own private businesses whose stock isn't held by outside investors. The banks and lenders know the owners of these businesses personally. Users of private company information have less complex needs than the users of public company information. As Leslie Murphy said last year at this time, "One size does not fit all."

AICPA research confirmed this. Interviews of 3,700 private company owners and financial managers, CPAs in public practice, lenders, investors and a former member of a standard setting body all agreed that current GAAP does not always meet the needs of private company financial reporting constituents.

So the AICPA and FASB are attempting to address this issue, as evidenced by the recently proposed model.

The most important part is a committee that will make recommendations to FASB about whether there should be changes in current and prospective accounting standards for private companies based on user needs and cost/benefit considerations.

To that end, the Institute is recruiting a staff member to assist the committee with its work.

We have taken the first steps. But your support is crucial if we are to continue making progress. As Barry Melancon recently noted,

the importance of nonissuers to our capital markets cannot be overstated. While there are approximately 17,000 companies registered with the SEC, more than 20 million companies are privately held and play a critical role in expanding our nation's economy and creating new jobs.

Third, and a personal passion of mine, is improving the diversity of our profession.

Today diversity is strengthening our nation. But while the face of America has changed, the face of our profession has not. We have to fix that — now.

Promoting diversity is something we all should take an active and personal interest in. This is a challenge not to our material wealth, but rather to our core values and the reasons why we entered a career dedicated to public service.

The issue is one of equal access to what should be available to everyone who aspires to be — and demonstrates the ability to be — a CPA.

I'm talking about access to fair and equitable career growth.

I'm talking about a profession in which people advance according to the value and measure of their contributions and achievement.

Of course, the AICPA has made and will continue to make substantial contributions to that goal.

The AICPA Foundation recently doubled its annual financial support for the Ph.D. Project, which is recognized as the most comprehensive and successful program to attract people of color to a doctoral program in business. The project has created a rich supply of students ready to enter the AICPA's faculty development

programs. Over the last 30 years, these fellowships have helped dozens of people earn Ph.D.'s in accounting.

And in 2006 the AICPA Minority Scholarship Program awarded \$423,000 to students at 98 universities. And it was money well spent: These students' overall grade point average was nearly straight A's. Nearly 80% of the funds went to seniors or graduate students. In the last 15 years, the Institute has awarded more than \$8 million to 1,600 students. And that's why it's important for this work to continue and expand.

These kinds of achievements are milestones on our path to being greater and more inclusive. But we still haven't reached that goal. We will not — must not — rest until our profession reflects the changing face of America.

And there's another area of diversity we have to address. I have a daughter, and I want her to have the same opportunities that men do in this world.

When I was president of the Alabama Society, I decided to improve something that had always bothered me — the fact that in Alabama significant numbers of women hadn't had a chance to rise to leadership positions in the profession. In fact, in some situations, they weren't even encouraged to become CPAs. When I became the President of the Alabama Society of CPAs back in the early 90's, the CPA profession in Alabama was still somewhat a male-dominated society. Not unlike many other state societies at that time.

But today more than 40% of the Alabama Society's members are women — a vast improvement.

Our profession offers incredible flexibility and opportunity. And women are taking advantage of that opportunity.

Statistics show that more than 50% of the college graduates in accounting and new employees in CPA positions are female. Yet only 19% of public accounting partners are women. You might say the glass ceiling has been cracked, but not shattered.

I am challenging all of us, as members of what I consider to be one of the best professions for women, and as one of the best professions — period, to continue working to find the right mix of flexibility in our companies and to ensure continued upward mobility for women.

We need to improve our overall recruitment and retention policies. During her tenure, Leslie Murphy announced an AICPA initiative directed exclusively to young professionals. Called the Young CPA

Network, the program offers resources tailored to this group, including a new Web site and a dedicated monthly newsletter.

The network ensures young people understand the different choices and opportunities awaiting them as they move forward in their careers as CPAs. It will help to build a new generation of leaders, inspiring the next cadre of students to join our profession and benefit from its rewards.

I haven't the slightest doubt that we all recognize these important issues. But we must rededicate ourselves and our firms and companies to doing the right thing.

There's one final area where we have to take care of business, and it's particularly close to my heart — increasing average Americans' financial literacy. It's our professional responsibility to show Americans how to take charge of their financial destiny, fulfill their dreams and secure the bright future their children deserve.

Financial illiteracy is a problem that threatens our nation's future.

And that's why it's a problem for our entire profession. We are the right people — the right profession — to tackle this important mission.

Two million people declared personal bankruptcy last year as a result of making poor decisions about their personal finances.

They're filing for bankruptcy because they're spending a dollar and twenty-two cents for every dollar they earn. You don't have to be a CPA to know that doesn't add up. And it goes a long way toward explaining why Americans' savings rates now are as low as they were during the Great Depression.

There is another — even more alarming — dimension to this problem. Children are being given credit cards in high school, and many of them are declaring bankruptcy just as they enter college.

These children and their parents need our advice and guidance, and

we're getting the word out. But it'll take more than talk to overcome this challenge.

In May 2004, the AICPA and the state societies launched 360 Degrees of Financial Literacy, a nationwide effort to advance Americans' financial understanding. For nearly three years you've been hearing plenty of good news about this program.

Thousands of CPAs are donating their time and expertise, benefiting hundreds of thousands of Americans.

For leading us to these achievements, we are indebted to Carl George and the Financial Literacy Commission. Carl and each member of the commission, we thank you.

The campaign's Web site has had more than 15 million hits and we've achieved 500 million media impressions. These numbers are

great. But because CPAs can achieve even more, we're striving to extend the program's reach.

I'm excited to announce today that the AICPA has joined forces with the Ad Council to launch a national public service campaign focused on financial literacy.

Now the Ad Council, for those who may not have heard of it, is the premier national voice for public service messages. It is renowned for its ability to make a difference. It creates campaigns that not only raise awareness about significant public issues, but also promote action. Its record is one of repeated success.

For example, more than fifty years ago the Ad Council created Smokey Bear to stamp out wildfires. Now the idea at the time, like many great ideas, wasn't instantly embraced as the icon for fighting forest fires. But yet today, I would guess that every one of us has heard of Smokey Bear.

And that's not the half of it. The Ad Council has shown uncontested leadership in developing creative, attention-getting campaigns that address key public concerns. Their tagline is: Public service advertising that makes a difference.

That's a tagline that they have every right to claim. Among the other famous campaigns, images and memorable taglines the Ad Council has developed are:

- "Friends don't let friends drive drunk."
- "Take a bite out of crime."
- "A mind is a terrible thing to waste."
- "People start pollution; people can stop it."

And they created unlikely icons that have since become part of popular culture:

- Rosie the Riveter, created in the 1940s.
- “The Crying Indian,” which first aired on Earth Day in 1971.
- McGruff the Crime Dog, a 1979 campaign.
- Crash Test Dummies, which was introduced in 1985 and is associated with a 65-percent increase in seat belt usage — saving an estimated 86,000 lives.

These powerful campaigns have changed our country for the better, and I am proud that the Ad Council has chosen to partner with the AICPA to address the financial literacy crisis in America.

Another key benefit of working with the Ad Council is that — unlike with paid media — there is no charge for placing these messages in any kind of publication, broadcast or other medium.

Last year, the Ad Council was able to secure \$1.86 billion in donated media — yes, I said “billion.”

In view of its extraordinary success, the Ad Council clearly was the right choice to help us tackle the complex challenges of financial illiteracy.

While we know that all Americans need our help, this campaign targets 25-34-year-old working men and women, known as “career builders.”

Their need is particularly great. These young people have been called Generation Debt. On average, they leave college with more than \$20,000 in combined student loan and credit card debt.

Research indicates that if they’re given the right message and the right motivation, these career builders are likely to change their saving and spending behaviors.

And because their retirement is in the relatively distant future, their current financial decisions have a greater impact — positive or negative — on their long-term financial security.

Finally, career builders are often grappling with monumental new life stages, such as marriage and parenthood. As a result, they're beginning to think about their own retirement or their parents' future health. These are all critical life stages requiring specific financial knowledge and actions.

The Ad Council and AICPA intend for this campaign to begin a new movement within our country. A movement that will revitalize individual accountability for saving and improve Americans' long-term financial security. Because to get Americans moving in the right direction, we have to start a movement.

The campaign draws upon a traditional image of savings, one we all know from childhood: the piggy bank. The new campaign,

which is being unveiled today, takes that icon and makes it relevant for young Americans. It is time for the piggy bank to grow up. It is time for us to make savings a healthy habit.

You'll hear more about our ground-breaking campaign this afternoon, but let me emphasize the campaign's clear message: Young working Americans cannot afford destructive financial behaviors. They must take steps to improve their finances and prepare for the future.

Focus groups have shown that this message resonates with our target audience, but we need your help to make this movement sweep the country.

I'm calling on all of you today to carry this message into your communities. Maybe we'll begin to see savings move in the right direction. Who knows what we can accomplish when we work together to take care of business?

Over the next few weeks, months, even years, you'll see these public service announcements in magazines, on billboards and on television. You'll hear them on the radio. You may see them on the top of taxis and the side of buses.

If we can unite on financial literacy, we can help Americans develop the skills they need to change their own financial destiny.

We all joined this profession because we wanted to provide public service. And when we act in unison, we're unbeatable. So every member of the AICPA and of every state society should work together to achieve our common public service goals. Some of you will have more involvement in certain areas than in others. But each and every one of us must do his or her part for us to succeed.

We are overwhelmingly effective when the AICPA and the state CPA societies work together to leverage the power of

volunteerism. It's hard to beat 330,000 CPAs, all working as a team. That's the real power of our profession. It enables us to give our fellow citizens the financial know-how they need. When that happens, we'll help them realize their dreams. And we will help the nation win a great victory.

If we confidently step forward on the right path, we'll empower our fellow citizens to chart their own financial destiny. And the future will be bright for the next generation of CPAs and for men, women and children in communities across America.

That's what our united profession can accomplish when we make up our minds to take care of business every day, every way.

Thank you!