

NEWS RELEASE

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CORPORATE AMERICA BELONGS AT THE PUBLIC POLICY TABLE, ACCORDING TO CPA EXECUTIVES

NEW YORK (August 22, 2007) – Should corporate America play a leadership role in national policy issues such as healthcare, Social Security and the environment?

Many CPAs serving as C-suite financial executives say “yes.” In fact, according to a survey by the American Institute of Certified Public Accountants (AICPA), more than half of these CPAs (56 percent) believe businesses and their executives should take a leadership role in helping shape public policy on these issues.

“CPAs make important decisions that help shape our economy,” said Ken Witt, AICPA Technical Manager, Business, Industry and Government. “It is not surprising that professionals committed to serving the public interest believe companies and their executives should play a role in public policy issues.”

Of the remaining survey respondents, 37 percent feel their companies should be involved in policy issues that relate to their strategic objectives. Only a small minority (7 percent) said companies and their executives should focus solely on providing returns to their shareholders.

The respondents’ views were consistent across job position and industry, though there was a notable difference among those working for private organizations and those employed by publicly traded companies. Fifty seven percent of executives from closely held entities expressed a preference for a leadership role in policy, compared to 47 percent of those from public companies. The difference among respondents from Government, Education and Non-Profits was even greater, with 61 percent favoring a leadership role.

The CPA executives weighing in on this question were polled in connection with the third quarter 2007 AICPA Business and Industry Economic Outlook Survey.

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Outlook on the Economy

Consistent with a softening noted in the second quarter of 2007, less than half the respondents (47 percent) have an optimistic view of the US economy, primarily citing the housing and mortgage markets as the reason. Those affiliated with large companies (more than \$1 billion in annual revenue) tended to be more optimistic than those with small organizations (less than \$10 million in annual revenue).

In contrast, respondents continue to be more optimistic about the outlook for their own organizations than the economy as a whole, with 65 percent indicating they were optimistic or very optimistic about their own prospects over the next 12 months. Respondents from the service sectors – professional, scientific, technical, financial and insurance – had the most favorable views. Those working in the retail trade and construction were the least optimistic.

Methodology

The survey was conducted by the AICPA's Business, Industry & Government group between July 10 and July 31, 2007, and represents the views of 1,470 AICPA members across a wide spectrum of industries. Of that number, 50 percent serve as CFOs, 20 percent were controllers and 15 percent were CEOs or COOs. Sixty-five percent of respondents came from privately owned entities, 16 percent were from public companies, 11 percent came from government, education and not-for-profits, and 6 percent were from foreign-owned companies. Ten percent came from organizations with annual revenues of 1 billion or more, 21 percent from organizations with \$100 million to under \$1 billion in annual revenues, 44 percent from organizations with \$10 million to \$100 million, and 25 percent from organizations with under \$10 million in revenues.

The complete survey results are available on the AICPA Financial Management Center Web site at <http://fmcenter.aicpa.org/>

The American Institute of Certified Public Accountants (www.aicpa.org) is the national, professional association of CPAs, with approximately 330,000 members, including CPAs in business and industry, public practice, government, and education. It sets ethical standards for the profession and U.S. auditing standards for audits of private companies; federal, state and local governments; and non-profit organizations. It also develops and grades the Uniform CPA Examination.

Headquartered in New York, the AICPA also maintains offices in Washington, D.C.; Durham, N.C.; Ewing, N.J. and Lewisville, TX.

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