

NEWS RELEASE

Contact: Joel Allegretti
212-596-6111
jallegretti@aicpa.org

RETIREMENT SAVINGS A KEY CONCERN FOR AMERICANS, AICPA SURVEY OF CPA FINANCIAL PLANNERS SHOWS

Life Decisions in Limbo Because of Finances

NEW YORK (January 22, 2008) –Having enough money to retire and pay for major life needs - healthcare and education - are top concerns of Americans facing financial pressures, according to CPA financial planners surveyed by the American Institute of Certified Public Accountants.

In responding to an open-ended question, nine out of 10 CPAs surveyed said their individual clients were concerned about retirement. Costs associated with health care and education were ranked by respondents as the second (59 percent) and third (47 percent) financial concerns of clients.

“Many Baby Boomers are discovering their retirement kitty is not as big as it needs to be to fund a comfortable retirement and that they are going to have to work longer than they had intended,” said James Metzler, AICPA vice president.

The results of the poll were released today at the AICPA’s 2008 Advanced Personal Financial Planning Technical Conference in Las Vegas.

Respondents included CPAs who hold the Personal Financial Specialist (PFS) credential, which the AICPA offers exclusively to CPAs who are committed to financial planning as a practice discipline and have demonstrated expertise in a number of areas of financial planning.

For Some, Life Decisions on Hold

Nearly a third of the respondents (32 percent) reported that clients who are approaching retirement age are postponing leaving the workforce for financial reasons.

As many as one-third of CPAs with clients between the ages of 25-34 are seeing individuals foregoing buying a home, having children and even saving for retirement.

-more-

More Credit Card Debt

One third of the CPA planners said their clients were carrying more credit card debt than they did five years ago, with excessive discretionary spending pinpointed as the primary culprit. The median level of increased credit card debt is \$8,333.

"With so many people in debt because of unnecessary spending, Americans of all ages need education and guidance about how to improve their financial well-being," said Carl George, chair of the AICPA's National CPA Financial Literacy Commission.

In 2004, the AICPA launched the 360 Degrees of Financial Literacy effort, which has a dedicated consumer website, www.360financialliteracy.org, containing hundreds of tools and resources to help Americans improve their financial understanding. A related campaign, Feed the Pig (www.FeedthePig.org), is designed to help Americans aged 25 – 34 save for long-term financial security.

Methodology

The survey was conducted in December via a questionnaire emailed to members of the AICPA Financial Planning Membership Section. Of the 427 respondents, 44 percent manage more than \$10 million in assets; 10 percent manage \$5 million to \$10 million in assets; 21 percent have \$1 million to \$5 million in assets under management. Eight percent of respondents are managing between \$500,000 and \$1 million, and 17 percent have less than \$500,000 in assets under management. The margin of error was plus-or-minus 4.5 percentage points.

About the AICPA

The American Institute of Certified Public Accountants (www.aicpa.org) is the national, professional association of CPAs, with more than 350,000 members, including CPAs in business and industry, public practice, government, and education; student affiliates; and international associates. 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 develops and grades the Uniform CPA Examination.

The AICPA spearheads 360 Degrees of Financial Literacy (www.360financialliteracy.org), a national public-education effort of the CPA profession designed to improve the financial understanding of Americans at all age levels. Feed the Pig, a related campaign, (www.feedthepig.org), co-sponsored with the Ad Council, is designed to help Americans aged 25 – 34 save for long-term financial security.

The AICPA maintains offices in New York, NY; Washington, DC; Durham, NC; Ewing, NJ; and Lewisville, TX.

Media representatives are invited to visit the AICPA Online Media Center at www.aicpa.org/mediacenter.

###