

FOR IMMEDIATE RELEASE

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

Mitchell Slepian
212-596-6177
mslepian@aicpa.org

AICPA OFFERS AMERICANS FINANCIAL ADVICE ON JOB LOSS

New York (October 27, 2008) – CPAs serving on the National CPA Financial Literacy Commission of the American Institute of Certified Public Accountants are offering tips on managing personal finances in the event of a job loss.

The United States lost more than 159,000 jobs in September, a five-year high, according to the Department of Labor. The total number to date for 2008 is 760,000. U.S. unemployment held steady at 6.1 percent in September, according to the Bureau of Labor Statistics

- Conserve cash. If you're paying more than the required payment on your mortgage, auto or student loans, pay only the required amount and conserve your cash for your living expenses.
- Create a new budget. Budget your expenses and figure out which items can be eliminated or at least reduced.
- Assess your financial situation. Review your assets to determine the best sources to tap for your cash needs. Set up a plan for which assets you'll use and in what order if your unemployment is lengthy. Make sure you understand the potential tax consequences of each.

**Jordan Amin, CPA,
Amper, Politziner & Mattia, P.C.,
Edison, N.J.**

-more-

- Consider purchasing medical insurance outside of COBRA. You may find a better deal.
- Obtain a home equity line of credit. If you think you might lose your job, and you will absolutely have to borrow money to see you through, it is easier to get this type of loan while you're still employed.
- Discuss severance benefits with your employer. Ask about severance pay, outplacement services and medical insurance continuation options.

**Adele Brady Bolson, CPA,
Adele Brady Bolson, CPA, PS
Bellevue, Wash.**

- Make sure you have six – twelve months of living expenses. The rule of thumb used to be three – six, but it's a different world now.
- Contact your mortgage lender as well as your credit card companies to explain your current situation and ask them to work with you. If you continue to run up your credit you could end up filing for a bankruptcy and that will stay on your records for a long time, making obtaining future loans that much more expensive.
- Remember that cash is king. It's going to be harder and more expensive to get credit.

**Michael Eisenberg, CPA/PFS,
Eisenberg Financial Advisors,
Los Angeles**

Additional tips can be found at the “Life Crisis” link on www.360financialliteracy.org, the Web site of 360 Degrees of Financial Literacy, a national volunteer effort of the CPA profession to improve the financial education of all Americans.

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 CPA members in business and industry, public practice, government, education, student affiliates, and international associates. It sets ethical standards for the profession and U.S. auditing standards for audits of private companies, non-profit organizations, federal, state and local governments. It develops and grades the Uniform CPA Examination.

The AICPA maintains offices in New York, Washington, D.C., Durham, N.C., Ewing, N.J., and Lewisville, TX.

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

###