

The CPA Letter

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A News Report to Members



AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

Highlights of Board of Directors' April Meeting

Here are some of the more significant actions and events that took place at the AICPA Board of Directors' meeting Apr. 19–20:

- **Board members were informed that most positions in the Durham, N.C., office are filled.** In addition, the transfer of intellectual knowledge is virtually completed and has been successful.
- **The board was apprised of the Professional Ethics Executive Committee's comments regarding the International Federation of Accountants' proposal to revise its independence standards** (*The CPA Letter*, Apr.). The committee has recommended that IFAC not mandate that all of the listed entity requirements be applied to non-listed "entities of significant public interest" and to allow IFAC member bodies to work with their regulators to determine whether any such requirements would be appropriate.



- **A detailed report was given on legislative/regulatory activities.** Among the key topics covered were the AICPA's urging Congress to restrict the issuance of patents for tax strategies (*The CPA Letter*, Apr.), the Institute's proposed plan to relieve workload compression and issues surrounding the Sarbanes-Oxley Act.
- **CPA2Biz reported that it is on track to meet its revenue growth targets and that it will be profitable for the third consecutive year.** In addition, CPA2Biz's Next Generation Web Site, which has been under development for the past two years, is in the final quality assurance stage and will be launched shortly. CPA2Biz's new Web site will provide the AICPA membership with a number of new capabilities, and this significant upgrade has been supported by CPA2Biz (www.cpa2biz.com) at no cost to the AICPA.

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This issue of *The CPA Letter* has been published in both electronic and print formats. Next month's issue also will be published electronically and in print.

AICPA Announces 2007–2008 Management Accounting Research Grant Awards

In collaboration with the American Accounting Association's Management Accounting Section, the AICPA has awarded three management accounting research grants. Grants were awarded to the following researchers to study specific business topics critical to the accounting profession:

- **Management Control of Foreign Sourcing Relationships** - Frank H. Selto and Ramiro Montealegre of the Leeds School of Business at the University of Colorado-Boulder and Thomas L.C.M. Groot of Vrije University, Amsterdam, Netherlands.
- **ERM: Critical Success Factors in the Value Creation Process** - Mark Beasley, Bonnie Hancock and Bruce Branson of the North Carolina State University College of Management's Enterprise Risk Management Initiative.

- **Strategic Change, Incentive Systems and Firm Performance: Evidence from Corporate Turnarounds** - Xiaoling Chen and Jianxin Gong of the University of Illinois at Urbana - Champaign.
"For 2008 we increased our budget from \$50,000 to \$75,000 and expanded our scope of topics, identifying strategic management, performance management and risk management as key areas of interest reflecting the challenges faced by our members in business and industry," said John Morrow, AICPA Vice President—Business, Industry and Government. "We are excited to be able to fund these three outstanding projects."
The researchers are expected to complete their work by July 2008 and publish the results in a major academic journal as well as in the *Journal of Accountancy*.

Remember to Renew Your AICPA Membership

It is time to renew your AICPA membership for 2007–2008. Look for your AICPA annual dues statement via U.S. mail this month. For your convenience, you can pay your dues online at dues.aicpa.org. This method is the easiest way to pay and will ensure prompt posting to your account.

CPAs can depend on the AICPA to provide time-saving tools, information and support. The profession has experienced tremendous regulatory changes in recent years, and understanding those changes and complying with standards is easier when you have the latest and most reliable guidance at your fingertips.

As a member, you are entitled to significant discounts on publications, conferences, products, services and top-flight insurance programs. You will find that membership pays for itself in savings throughout the year. Your dues also help support the many AICPA efforts that benefit the profession, the public and the various environments in which CPAs work. See pages 5–12 for a comprehensive rundown of membership benefits and AICPA activities. Page 13 features an updated directory of AICPA services.

The dues statement also provides an easy way for members to make a contribution to the AICPA Foundation, AICPA Benevolent Fund or Political Action Committee (see related article on page 3).

If you have any questions, contact the AICPA Service Center at 888/777-7077 or e-mail service@aicpa.org. We look forward to another year of serving you.

Report of Nominations Committee Available

The full Report of the Nominations Committee for the 2007–2008 committee year is available online at www.aicpa.org/download/members/report_Nominations_Committee.pdf. The report will be presented to the AICPA's governing Council at its

Fall 2007 meeting for consideration and voting. If the AICPA has your e-mail address on file, you should have received an e-mail announcement with a live link to the report as part of an *AICPA News Update* late last month.

Business and Promotional Merchandise in Accessories Collection Proudly Sport "CPA" Logo

Tens of thousands of members visibly display the "CPA" logo on their business cards, letterhead, promotional literature, signage, and even on lapel pins (for the AICPA's logo/tagline artwork and usage guidelines, visit www.aicpa.org/cpamarketing). In addition, many members use business gifts and giveaway merchandise that also tastefully feature the "CPA" logo. The AICPA's accessory collection includes such items as travel mugs, sweatshirts, golf balls and a Cross Creek cotton golf shirt, all of which carry the "CPA" logo.

To purchase these or other logo products, use the CPA Accessories Collection order form that appeared on page 7 of the printed Apr. *CPA Letter* (the form may be photocopied). Be advised that the distribution company does not have copies of the order form. You may also obtain the form through:

 www.biggameamerica.com/cpa.html


Send in Nominations for Individual, Firm Public Service Awards

The AICPA Individual and Firm Public Service Awards help recognize individual CPAs and firms who have distinguished themselves in the area of community service. Eligible candidates for the Public Service Awards are submitted by individual members of the AICPA, state CPA societies, or associations of CPA firms.

Often, award recipients have been involved in less traditional areas, such as

urban development initiatives, housing, education, youth programs, cultural activities and health care and disabilities. Almost any public-service related activity will count, except for professional services related to accounting organizations, which are not considered in determining the award winner. In evaluating the Public Service Award for Firms, consideration will be given to the size of the firm in relation to its contribution to the community it serves.

Submissions are due Sept. 28, 2007. For more information regarding the AICPA's Public Service Awards, contact Jay Rothberg (212/596-6005; jrothberg@aicpa.org). You also may download the Overview & Guidelines and the Nominations Form from our Web site at:

 www.aicpa.org/About+the+AICPA/Membership+Information/Public+Service+Award+Nomination+Forms.htm

How to Obtain Permission to Reprint CPA Letter Articles

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PUBLIC MEETING NOTICES

Accounting & Review Services Committee: June 13–15, New York

Accounting Standards Executive Committee: July 10–11, Washington, D.C.

Professional Ethics Executive Committee: July 19–20, Costa Mesa, Calif.

Tax Executive Committee: June 4–5, Denver

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Consider Giving Back to Your Profession for CPAs Now and in the Future

As a member of the AICPA, you are likely well aware of the professional and advocacy activities of the AICPA. However, what you may not be aware of are the programs and services the AICPA offers its members and the profession through the AICPA Foundation, AICPA Benevolent Fund and the AICPA Political Action Committee.

Foundation

The AICPA Foundation was established in 1922 to advance the science of accountancy and accounting education. It continues to support programs and services that impact the profession and the public it serves. Currently the AICPA Foundation is focusing on three major initiatives:

- **Accounting Faculty Shortage** - The growing shortage of accounting faculty threatens the future of the accounting profession. The AICPA Foundation is initiating an effort to increase the supply of accounting Ph.D.s and facilitates the transition of seasoned accounting professionals to the college classroom.
- **Diversity** - Minorities continue to be underrepresented within the accounting

profession. The Foundation provides direct assistance and specialized programs to encourage qualified minority students to enter the profession.

- **Financial Literacy** – The Foundation is committed to funding programs to help overcome the financial illiteracy epidemic plaguing the American public. The Foundation seeks to further the reach of successful state and local programs offered as part of the 360 Degrees of Financial Literacy effort.

Benevolent Fund

Since 1933 the AICPA Benevolent Fund has been helping members and members' families through difficult financial times. Whether it is due to an illness, accident or death, the Fund has been able to help members and their families get back on their feet. Typically the Fund is approached when a colleague has fallen through their personal safety net and when government assistance is either very limited or unavailable. It represents a way for CPAs to support those who have gone before them in the profession and to reach out to "take care of their own."

PAC

Your personal contribution to the AICPA's PAC will help ensure the accounting profession has a strong voice in our nation's capital. By joining forces with your fellow AICPA members through the PAC, you can maximize the profession's political clout and help ensure that what is being legislated is productive to your business interests. Contributions go directly to helping pro-business candidates win elections to Congress. Last election cycle, AICPA members serving as legislative contacts across the country personally delivered checks to their members of Congress, and the bi-partisan PAC was able to help elect 11 new House representatives and 1 new Senator.

Suggested voluntary contribution amounts have been added to your upcoming dues bill and your support is greatly appreciated. While you are under no obligation to make these contributions, it is through the generosity of our members that the Institute is able to continue with these initiatives.

AICPA Vice President-Small Firm Interests Receives Financial Services Champion of the Year Award from Small Business Administration

Jim Metzler, Vice President of Small Firm Interests, has received the U.S. Small Business Administration's New York District Office 2007 Financial Services Champion of the Year Award. Metzler was cited for his significant contributions in helping small businesses obtain the accounting services they need to succeed.

Metzler serves as the AICPA's advocate for small firms on practice, regulatory, legislative and professional matters and is the chief liaison for member firms, helping them deliver high-quality services to clients. He also oversees the AICPA Private Companies Practice Section and the Management of an Accounting Practice Committee along with specialized

practice communities, including personal financial planning, business valuation, information technology and forensic and litigation support.

Second Annual BVFLS Call for Papers; Free Conference Attendance to Winners

Now is your opportunity to gain recognition from your peers and demonstrate your expertise – and get a free trip to the BV or FLS Conference to present your winning paper. Submit your paper on either a Business Valuation or Forensic &

Litigation Services topic. Submissions will be reviewed by the BVFLS Editorial Advisory Board.

The top submissions in BV and FLS will be presented by their authors at the 2007 AICPA National BV Conference and 2007 AICPA Conference on Fraud & Litigation Services, respectively. Winners receive gratis travel, hotel and conference registration. **Deadline for submissions is June 30.** Submissions must be from current BVFLS Section members. More information on submission guidelines is available at:



www.aicpa.org/bvfls

member
news



By Jimmy L. Williamson, CPA, Cr.FA, DABFA
Chairman, AICPA Board of Directors

When problems arise that affect CPAs and the public interest, it's our responsibility to speak out. One troubling example is the tax gap — the difference between what taxpayers legally owe and what is actually collected. It is now estimated, based on 2001 tax returns, at \$290 billion annually on a net basis. This clearly is an area in which the profession can help to make a difference for the national good.

The Institute recently offered the profession's insights on the tax gap at a public hearing of the IRS Oversight Board, an independent group that oversees IRS administration and management and provides input. The Oversight Board has said the tax gap can best be addressed through a

Chair's corner

collective effort that would include Congress, the administration and other stakeholders, including the AICPA. While the Institute did not endorse any specific recommendations in its comments on options for closing the tax gap, we are ready to play a pivotal role in solving this pressing public interest problem.

The Oversight Board has proposed six strategies for reducing the tax gap:

- Simplifying the tax code.
- Improving information reporting and enforcement.
- Enhancing customer service, including additional funding for IRS collection and examination personnel.
- Developing a long-range plan for research.
- Ensuring a more productive partnership between the IRS and the tax administration community.
- Placing more emphasis on personal integrity in making tax decisions.

We believe that all of these steps are critical elements in any attempt to narrow the tax gap. In fact, the profession has long been an outspoken advocate of improvements to the tax system that would benefit the public. For example, we are on record saying that the complexity of the tax code hinders compliance and that tax simplification should be a high priority of any government action in the tax area. A 1995 AICPA study focused on flat taxes and consumption taxes. In 2005, our update report on the nation's tax system,

Understanding Tax Reform: A Guide to 21st Century Alternatives (www.aicpa.org/taxreform), included a number of simplification recommendations. Here are some of them:

- Repealing the individual and corporate alternative minimum taxes.
- Consolidating education and retirement savings incentives.
- Simplifying the earned income tax credit.
- Eliminating phase-outs and temporary provisions when drafting tax legislation.

We recognize that accomplishing any real reform or improvement takes money and manpower. Providing the IRS with the necessary resources must be a key component of any tax gap strategy that ensures the tax laws are followed and the tax revenues are collected. We have urged the Oversight Board to maintain its support of a fully funded IRS budget as Congress and the administration consider the fiscal year 2008 budget.

The Institute is committed to continuing to work with the IRS and the Oversight Board, offering technical expertise and comments as needed, and to serve as a resource of information. The CPA profession represents a tremendous wealth of knowledge and experience in the tax area. We are eager to work with government to share this expertise as just one of the ways the profession works in the public interest.



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AICPA Co-Sponsoring Tax Gap Conference in D.C. this Month

The **National Conference on the Tax Gap** on June 21–22 on Capitol Hill will bring together leading experts and government officials to discuss the appropriate definition and measurement of the tax gap, causes and behavioral issues underlying compliance and non-compliance with the tax law, and possible practical solutions to those issues. Other organizations joining the AICPA as co-sponsors are the American Bar Association Section of Taxation, American Tax Policy Institute, Tax Executives Institute and American College of Tax Counsel. Look to an upcoming *CPA Letter* for a post-event report.

As a result of an investigation of alleged violations of the Codes of Professional Conduct of the AICPA and state CPA societies, the following ethics case has been resolved by settlement agreement under the Joint Ethics Enforcement Program:

- **Wayne R. Sulak** of Fort Worth, Texas, suspended from membership in the AICPA and the Texas Society of CPAs for a period of one year, effective Mar. 26, 2007.

Under the automatic disciplinary provisions of the Institute's bylaws, the following members have had their AICPA memberships:

—*Terminated* following revocation of his CPA certificate by the

disciplinary actions

North Carolina State Board of Certified Public Accountant Examiners:

- **Clark A. Clifford** of Raleigh, N.C., effective Mar. 16, 2007. —*Suspended* following suspension of his license to practice by the Washington State Board of Accountancy.
- **Henry Chi Yin Lam** of Hong Kong, suspended coincident with the duration of the suspension period imposed by the state board of accountancy.

Details on these disciplinary actions can be accessed through:



www.aicpa.org/TheCPALetter

embarked on an initiative to adapt the FASB's current standard-setting process to better meet the financial reporting needs of private company financial statement users. The most recent step in that process has been creating the Private Company Financial Reporting Committee (www.pcfrr.org) to examine the issues. The committee, which held its first meeting in May, consists of four CPA practitioners, four financial statement preparers and four users of private company financial statements.

- **The PCPS Technical Issues Committee continues to act as an advocate for small firms and their clients in the standard-setting process.** In 2006, TIC wrote 14 comment letters to groups including the Financial Accounting Standards Board, Auditing Standards Board, Professional Ethics Executive Committee and Governmental Accounting Standards Board. Standard setters seek out TIC's input and carefully consider or implement TIC's suggestions. For more information on TIC, go to <http://pcps.aicpa.org/Resources/Technical+Issues+Committee+and+Communications>.
- To help members with the challenge of implementing a significant new standard, **PCPS created a SAS 112 Toolkit.** This resource, which centers around Statement on Auditing Standards No. 112, *Communicating Internal Control Related Matters Identified in an Audit*, not only provides information for members but also contains letters and presentations CPAs can use in explaining the SAS to clients. It can be found at <http://pcps.aicpa.org/Resources/Keeping+Up+With+Standards/SAS+No+112+Toolkit.htm>.
- While CPA firm partners believe compensation is the main element in a new recruit's decision to join and stay with an organization, young professionals say growth opportunities are the principal factor when they pick a firm. Those differing perspectives were among the key findings of **the PCPS Top Talent Study, which unveiled the differences and agreements in firm and staff expectations** (www.aicpa.org/pcps).

- **The Small Firm Corner** (www.aicpa.org/pcps) offers insights into emerging issues affecting practitioners and practical advice on tackling tough practice problems. Each column highlights free AICPA resources specially designed for small practitioners.



- **PCPS launched new benefits to help its member firms address practice management challenges.** The online **Practice Management Forums** feature a live PowerPoint presentation and question-and-answer session led by a well-

known speaker discussing common practice or technical problems. *Seasonality Success, Winning Strategies for Profitable Firms* is a quarterly electronic newsletter that contains practical tips to help practitioners achieve profitable busy seasons.

Fraud Prevention and Detection

- The **AICPA Antifraud & Corporate Responsibility Resource Center** provides the tools, technical information and guidance CPAs need to combat fraud, whether they serve as auditors or in business or the academic community. This center (www.aicpa.org/antifraud) has resources to help educate the profession, investors and others about fraud, promote ethics and integrity in the workplace and establish clarity in reporting procedures.
- If you work with audit committees or serve on them, you can benefit from several AICPA resources. The **Audit Committee Matching System** provides members with opportunities to serve on boards of directors and, as a public service, matches qualified, credentialed candidates with boards and their audit committees. Three **Audit Committee Toolkits**—corporate, not-for-profit and government—contain a broad sampling of checklists, questions, reports and guidelines developed to help audit committees achieve best practices in managing their role. These and other resources can be found in the AICPA Audit Committee Effectiveness Center at www.aicpa.org/audcommctr/homepage.htm.
- In response to members' requests, **the AICPA Business, Industry and Government team is working to create a private company version of the AICPA Audit Committee Toolkit.**

Audit and Accounting Enhancement Efforts

- **The Institute regularly monitors and comments on developments of importance to members. One example is an exposure draft on auditor independence standards from the International Federation of Accountants** (<http://www.ifac.org/Guidance/EXD-Details.php?EDID=0075>). Under the ED, the independence restrictions applicable to auditors of listed entities would be extended to a potentially broad group of "entities of significant public interest." Among other requirements, all firms would be required to rotate partners on audits of these entities. The AICPA expressed its concerns about these requirements in its comment letter.
- **The Institute continues to create resources to help with implementation of the Risk Assessment Suite of auditing standards** (Statement on Auditing Standards Nos. 104 through 111). They include an audit guide, *Assessing and Responding to Audit Risk in a Financial Statement Audit*; Technical

Practice Aid TIS 8100.01, “Determining the Effective Date of a New Statement on Auditing Standards for Audits of a Single Financial Statement,” and TIS 8100.02, “Determining the Effective Date of a New Statement on Auditing Standards for Audits of Interim Periods”; two *Journal of Accountancy* articles; and tracks on implementation of the standards planned for several upcoming conferences. To learn more, go to www.aicpa.org/Professional+Resources/Accounting+and+Auditing/Audit+and+Attest+Standards/Risk+Assessment.

- To foster a more efficient and effective peer review process, an **exposure draft proposes one set of standards and interpretations within the AICPA Peer Review Program for all AICPA members subject to peer review.** The proposed revisions to the AICPA *Standards for Performing and Reporting on Peer Reviews (Standards)* and Interpretations to the *Standards* include a reengineered reporting process, changes to engagement and report reviews, and more principles-based *Standards*. For more information, go to www.aicpa.org/members/div/practmon/index.htm.
- As international audit and attest standards gain greater worldwide acceptance, **the Auditing Standards Board is actively working with international standard setters to foster cooperation and maintain the profession’s leadership in financial reporting and assurance.** In one example of that effort, ASB members have served as representatives to the International Auditing and Assurance Standards Board and to international committees focusing on small company auditing issues.

Audit Quality Centers

- **The Center for Audit Quality was established this year to better address the issues surrounding public company audits** (www.thecaq.org). It is an expansion and replacement of the AICPA’s Center for Public Company Audit Firms.
- The AICPA is committed to helping its members achieve the highest standards in performing quality governmental audits. The **Governmental Audit Quality Center** (www.aicpa.org/gaqc) promotes the importance of quality governmental audits and the value of such audits to purchasers of governmental audit services, as well as provides CPAs with resources, events and community activities to enhance the quality of a firm’s governmental audits.
- The **Employee Benefit Plan Audit Quality Center** (www.aicpa.org/ebpaqc) helps member firms conduct high-

quality ERISA audits through timely, comprehensive technical and educational resources as well as represents firms in advocacy initiatives.

CPAs on the Corporate Side

- **CPAs can now download Management Accounting Guidelines free from the AICPA Financial Management Center.** The action-oriented MAGs, developed by the AICPA, CMA-Canada and the Chartered Institute of Management Accountants, help CPAs in business and industry address current challenges. In addition, **the AICPA MAG Infocast Series, offered in collaboration with CMA-Canada and CIMA, offers a valuable overview of the guidance in the underlying MAGs.** For more information about these benefits, visit www.aicpa.org/fmcenter.
- **In its Business and Industry Economic Outlook Survey, the AICPA surveys CPA decision makers in executive functions about their views on the economy.** The survey, which is conducted quarterly, gathers information on the decision maker’s overall outlook for the economy, overall outlook for his or her organization, growth expectations and other projections and expectations as well as current challenges. The results of the surveys are disseminated to the media, positioning CPAs as economic thought leaders.
- CPAs are equipped to assist their organizations with a wide variety of business concerns. To help businesses get a better handle on privacy issues, **the AICPA and the Canadian Institute of Chartered Accountants published *Generally Accepted Privacy Principles (GAPP)—a Global Privacy Framework*** (<http://infotech.aicpa.org/Resources/Privacy/Generally+Accepted+Privacy+Principles/>). GAPP was developed to help businesses address the challenges of disparate privacy laws by referencing significant domestic and international privacy regulations. It incorporates them into a single privacy objective supported by 10 privacy principles as an aid to businesses with international transactions and CPAs in private practice.

Financial Literacy Across America

- **The 360 Degrees of Financial Literacy CPA Resource Center** enables CPAs to access free information and tools for educating consumers on key financial issues. To help CPAs organize and conduct financial literacy presentations, the Resource Center features a free online two-hour CPE course on financial literacy issues to ensure CPAs are prepared to be successful volunteers; a user guide featuring sample invitations, flyers and timeline for planning an event; and 11 mobilization kits that focus on specific life events and include a PowerPoint presentation with speaker’s notes and handouts.

Visit www.aicpa.org/financialliteracy/index.asp for these free resources. **CPAs who want to get involved in the profession's financial literacy effort** can add a 360 Degrees of Financial Literacy Web banner (available in the "Resources for all Volunteers" section) with a link to the 360 consumer site (www.360financialliteracy.org) to their firm or company Web site.

- The profession's **efforts to promote financial literacy** have met with tremendous success, bringing needed information to the public and promoting CPAs as trusted financial advisers. The AICPA was selected as one of six sponsors when Congress proclaimed Apr. as National Financial Literacy Month and held a special day on Capitol Hill to raise awareness of the need for financial education.
- **Mar. 1 was the first annual National Pig Day, part of the AICPA's well-received new Feed the Pig campaign** to raise financial awareness among career builders (25–34 year olds). The first Feed the Pig podcasts—addressing issues such as man-



aging student loans, buying your first home and curbing compulsive spending—also have been released. On MySpace, Benjamin Bankes (www.myspace.com/benjaminbankes), the campaign's piggy-bank icon, has more than 350 approved friends and a nationwide network of 155 million. In Nov. and Apr. **a Feed the Pig Web banner was spotlighted on the homepage of www.msnbc.com**, encouraging visitors to click through to the Feed the Pig Web site and sign-up for bi-weekly Feed The Pig text message savings reminders. For more information, go to www.aicpa.org/financialliteracy and www.feedthepig.org.

Improving Your Career

- The **AICPA Competency Self-Assessment Tool** (www.cpa2biz.com/CAT) helps current and aspiring CPAs manage their own professional advancement. Use it to recognize the need for new skills and to ensure core competencies continue to meet current marketplace needs. CAT's personal-

ized gap analysis—free to members—enables CPAs to confirm their strengths to determine their current value; identify learning opportunities; determine where growth is needed; and gain insights and strategies to plan a new career or make a career move. Once members assess their proficiencies, they can compare them against the highest and most valued in a specific area.

- **Take Charge of Your Career**, a free five-step guide to help current and aspiring CPAs plan for a successful future, can be downloaded from the AICPA Financial Management Center (fmcenter.aicpa.org/Resources/Professional+Development/Take+Charge+of+Your+Career+Path/). CPAs at any point in their career can use the guide to avoid stagnation and chart a path to achieve their career goals. The guide can be used in conjunction with the AICPA Competency Self-Assessment Tool to map out development needs.
- Retention of newer CPAs is essential to the continued success of the profession. **To address the needs of young professionals, the Institute created the Young CPA Network to inspire the profession's future leaders.** The network includes a



monthly e-newsletter, *The Edge*, as well as a dedicated Web site (www.aicpa.org/YoungCPANetwork).

- Members can network with their peers and make a difference to the profession through one of the **AICPA's nearly 90 volunteer groups** (committees, boards, panels and centers). The application period generally runs from Dec. to May. Direct questions to David Ray at 212/596–6030 or to VolunteerServices@aicpa.org.
- To attract the most talented young people to the profession, the AICPA engages in numerous student recruitment efforts. The largest of them, a multi-year campaign called **Start Here. Go Places.**, **received the prestigious Gold Quill Excellence Award in business communication** presented by the International Association of Business Communicators and sponsored by Towers Perrin.

Marketing Tools to Help Grow Your Practice

- Two client-service newsletters are available for members who want to keep clients up to date on important business news and expand their firms' marketing opportunities. The monthly *CPA*

Client Bulletin contains articles on tax and financial planning ideas for individuals and businesses as well as stories on general business matters. The quarterly *CPA Client Tax Letter* focuses solely on tax issues for individuals and businesses, including articles on compliance and tax planning, and roundups on how tax law changes affect your clients.

The monthly and quarterly issues of each publication are accompanied by a Resource and Citation Guide for the CPA's further research into the topics in the newsletter, as well as practice development tips and new service ideas to use with clients. Your name/firm's logo can be imprinted on all copies. For more information, call 888/777-7077.

- The **CPA Marketing Toolkit** is available free to all members at www.aicpa.org/cpamarketing. The toolkit **provides small firms and sole practitioners with a comprehensive marketing resource**, including tools to help promote a firm's practice and services and increase its visibility. **The toolkit also features the CPA logo and tagline in various formats, as well as usage guidelines.** CPAs are encouraged to use the toolkit's resources to promote their practices and services and raise their firm's visibility.
- To promote the visibility of their credential, members can employ "CPA" logo merchandise in a variety of uses. Items in the **CPA Accessories Collection** include shirts, golf balls, caps, travel bags and watches. CPAs can use this merchandise themselves or as business gifts and giveaway merchandise. Visit www.biggameamerica.com/cpa.html.



America Counts on CPAs®

Promoting Members' Skills and Opportunities

- **The annual list of AICPA Top Technology Initiatives provides members, their clients or employers with valuable insights into the current technology universe.** Compiling this list helps to show that CPAs are on the cutting edge of current and emerging technologies. For more information, go to www.aicpa.org/toptech.
- **Members in business and industry and in public practice will benefit from networking, information and education on issues in the global marketplace at an international conference being planned by the AICPA International Issues Committee.** The conference, scheduled for Jan. 9–11, 2008, in Washington, D.C., will cover many practical subjects as well as feature sessions on doing business in India, China, Europe and other regions. The conference was created in response to

member requests for help in dealing with clients' or employers' international challenges with new international vendors, as well as the implications of converging international standards and the expanding globalization of business.

- **The AICPA continues to bring media attention to the outstanding work of CPAs.** In the first four months of this year, AICPA media outreach resulted in CPAs being quoted in more than 300 media outlets, including national and regional publications, radio and television programs and Web sites, in addition to business and accounting trades. Hundreds of millions of media impressions were generated on various topics important to the profession and the public.

Legislative and Regulatory Advocacy

- CPAs increasingly face unnecessary barriers that prevent them from serving clients across geographic boundaries. **The AICPA Special Committee on Mobility is advocating greater emphasis on the adoption and implementation of proposed revisions to Section 23** (substantial equivalency) of the Uniform Accountancy Act. Those changes would eliminate a notification provision that was creating unnecessary mobility barriers. Currently there are nine states moving forward to enact the new proposed revisions to the UAA section 23. In addition, Tenn. passed the "No Notification" provision on Apr. 11. For more information on state licensing issues, go to www.aicpa.org/Legislative+Activities+and+state+licensing+Issues/State+Licensing+Issues.
- To offer the profession's perspective on key issues, **AICPA President and CEO Barry Melancon was among 45 of the nation's top business executives and investor advocates who participated in the U.S. Department of the Treasury Conference on U.S. Capital Markets Competitiveness.** He also participated in the U.S. Chamber of Commerce's First Annual Capital Markets Summit: Securing America's Competitiveness, along with such participants as SEC Chairman Christopher Cox, PCAOB Chairman Mark Olson, and the chairmen of the Senate Banking Committee and House Financial Services Committee.
- **The AICPA called on Congress to repeal the individual alternative minimum tax**, saying that unless Congress acts, 23.4 million taxpayers are likely to be subject to the AMT in 2007. That represents about 26% of individuals paying federal income tax. Given the challenges that would be created by outright elimination of the tax, the Institute offered 13 recommendations to "reduce or eliminate most of the complexity and unfair impact of the AMT as currently imposed."
- **The AICPA sent a paper outlining its concerns about tax**

strategy patents to the House and Senate Judiciary Committees and the House Ways and Means and Senate Finance Committees and urged Congress to limit the issuance of patents for tax strategies. Among its concerns were that the “growing number of such patents will interfere with the voluntary tax compliance system.” The Institute offered to work with Congress on legislation. Resources intended to help members better understand the issue and its ramifications can be found at <http://tax.aicpa.org/Resources/Tax+Patents>.

- **The AICPA supports the IRS Oversight Board’s strategy for closing the estimated \$290 billion net tax gap, as well as the Department of the Treasury’s comprehensive, multi-year strategy.** The AICPA emphasized in its comments to the Oversight Board that it is “committed to this common effort of mitigating the tax gap and fostering fair and efficient tax administration.” The AICPA Tax Section is also surveying its members for their perspectives on ways to address the tax gap.

Valuable Benefits for All Members All the Time

Below is a comprehensive, but not exhaustive, list of the many ways in which the AICPA helps you save money and benefit from valuable programs. Taken together, these benefits make it possible for your AICPA membership to truly pay for itself. Maximize the value of your membership by referring to this useful directory throughout the year.

Travel Discounts

Members attending AICPA meetings or conferences can take advantage of discounts on airline travel, car rental or Amtrak fares. Be sure to mention the appropriate reference number shown below to take advantage of deeply discounted “Zone Fares.” (Some restrictions may apply.) Discounts are valid for round-trip registered AICPA meetings or conferences only. Airline, car rental and train discounts are available only when you or your travel agent book through the 800 number. Members can also book through Maupin Travel, Inc. (800/345-5540).

American Airlines: 800/221-2255, Index #19330

Delta Air Lines: 800/221-1212, SkyBonus account #US723852916

United Airlines: 800/521-4041, Meeting ID #531SI

Hertz Car Rental: 800/654-2240, CV #021H0014

AMTRAK (Northeast corridor): 866/265-1974

Special Assistance for Members in Need

The AICPA **Benevolent Fund** helps members and their families when they face financial difficulty caused by serious illness, acci-

dent, death or other major misfortunes. Call 919/419-4784 for assistance or to make a contribution.

Insurance Programs that Protect You and Your Family

AICPA members receive attractive rates on a wide variety of programs, enjoying discounts on coverage and special arrangements that would not be available elsewhere for CPAs, their firms and their family members. More information is also available on the AICPA Insurance Program Web site at www.cpai.com. There, members can find a wealth of information about the insurance products offered, coverage features and benefits, and risk management practices.



Insurance Programs

- **Term-Life Insurance.** Up to \$2 million in group term life coverage with an equal amount of accidental death and dismemberment benefits for individual members. Call 800/223-7473.
- **Spouse Life Insurance.** Up to \$2 million in term life coverage combined with an equal amount of accidental death and dismemberment coverage. Call 800/223-7473.
- **Group Variable Universal Life.** Up to \$2 million of coverage with fixed and equity investments of which earnings are tax deferred. Call 800/223-7473.
- **Long-Term Disability Income Plan.** Provides monthly benefits from \$1,000 to \$10,000, including a “your occupation” definition of disability with up to a lifetime benefit period. Call 800/223-7473.
- **Group Life for Firms.** Offers members and their firm personnel the opportunity to secure up to \$500,000 of life insurance with an equal amount of accidental death and dismemberment coverage. Call 800/223-7473.
- **Long-Term Care Insurance Program.** Up to \$300 per day is available to eligible members, spouses, parents and parents-in-law and other family members. Call 800/223-7473.
- **Personal Liability Umbrella Security.** Provides up to \$5 million in coverage for injury and property damage claims that exceed primary automobile, homeowners or renters coverage. Call 800/223-7473.
- **Medicare Supplement.** Provides coverage to members, spouses and eligible parents 65 years and older without regard to past or present health conditions at rates that are not available to the general public. Call 800/957-3195.

- **Catastrophe Major Medical.** Provides coverage for medical costs that supplement and complement the limits of Basic Health Insurance Plans, with a lifetime maximum benefit of up to \$2 million. Call 888/294-0028.
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- **Homeowners Insurance.** Comprehensive homeowners coverage for AICPA members through Homesite Insurance. Call 866/366-4607.
- **Commercial Property and Liability.** Offers firms and sole practitioners a choice of carriers and coverage, including business owner's insurance, workers compensation, commercial auto coverage, commercial liability umbrella, international coverages for international businesses, plus kidnap, ransom and extortion coverage. Call 866/283-7127.
- **Professional Liability Insurance.** Protection of \$100,000 to \$10 million for members in public practice against liability claims related to professional services. Call 800/221-3023.
- **Employment Practices Liability Insurance.** CPA EmployerGard provides broad protection against employment-related claims, such as wrongful termination, age, race or gender discrimination and other workplace-related lawsuits. Call 800/221-3023.

Retirement Programs

Nationwide Financial provides a variety of fund choices and special low administrative and recordkeeping rates for AICPA member firm plans that qualify under IRC Section 401. Call 888/401-5272. IRA-based plans are available from **T. Rowe Price** at 800/382-4272.

Save Hundreds of Dollars Through Group Buying Power

The Elite Values Program makes it possible for members to enjoy exclusive offers and substantial discounts from leading manufacturers and service providers—thanks to the AICPA's group buying power. For updates on offerings and discounts, visit www.cpa2biz.com/elite.

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- **AICPA Checks and Forms.** Members can save up to 35% on business checks and forms. The AICPA has partnered with Harland, one of the industry's largest and most respected check

printers, to bring members a full array of computer and manual checks and forms, including a selection of personal checks and tax forms. Call 800/873-9313 or visit www.cpa2biz.com/elite and click on AICPA Checks and Forms for more details.

- **AICPA Visa Card** (consumer and business credit cards). Chase is the exclusive authorized issuer of the AICPA Platinum Visa credit card, which offers excellent savings opportunities with a low introductory rate for purchases and balance transfers. Call 866/CPA-VISA (866/272-8472) or go to www.cpa2biz.com/elite and click on AICPA Visa Card to learn more or to apply for the card. Chase's AICPA business credit card features a Free Flexible Rewards Program, low introductory rate and online tracking of card activity, among other benefits. Call 888/729-1406.
- **BizFilings** (incorporations). AICPA members receive 10% off BizFilings' incorporation services for themselves or their clients. Items that may be involved include registered agent service; corporate or LLC kit and seal; tax ID number obtainment; S corporation election filing with the IRS; important post-formation forms on CD; instructional compliance DVD; and certified copy of formation document. Visit BizFilings at <http://aicpa.bizfilings.com> or call 800/981-7183.
- **BlackBerry** (wireless e-mail solution). The AICPA and Research in Motion together with eAccess have teamed up to bring members the best available BlackBerry pricing and support services. Visit www.cpa2biz.com/elite and click on BlackBerry.
- **Chase Paymentech Solutions** (credit/debit card processing). Save money on every credit card transaction and receive fast, efficient and cost-effective processing of both credit and debit cards. AICPA members enjoy MasterCard/Visa discount rates as low as 1.8%; no application, enrollment or conversion fees; free supplies and 24-hour, seven-day-a-week technical support. With the introduction of Orbital Virtual Terminal, members can now process card payments with just a PC, an Internet connection and a Web browser. For more information or a no-obligation, free competitive analysis, call 800/824-4313.
- **Dell** (computer systems and services). AICPA members receive discounts on all Dell product lines. Save 3% on Dell™ Dimension™ desktops and Dell™ Inspiron™ notebooks. Save 6% on Dell OptiPlex™ desktops, Dell Latitude™ notebooks, Dell PowerEdge™ servers, Dell Precision™ workstations and DellWare™ software, accessories and peripherals. To shop technology solutions for your firm, visit the www.cpa2biz.com/elite site and click on Dell. To purchase, call 877/945-8364.

- **DHL** (express shipping). AICPA members receive up to 25% off the competition's published rates and receive at least 10% off DHL Standard Rates. Call 800/MEMBERS (800/636-2377) for more information and for your free DHL Starter Kit. Or, enroll online at www.cpa2biz.com/elite and click on DHL.
- **Genesys Conferencing** (audio and Web conferencing). Genesys Conferencing's reservationless meeting centers provide on-demand 24/7 conferencing opportunities with toll-free and international access numbers. They can be used for presentations, marketing seminars, training programs, departmental meetings, document collaboration and more. For more information, contact Paula Wharton at Paula.Whartonagent@genesys.com or 800/399-3942.
- **Hertz** (car rentals). Hertz #1 Club Gold Membership (a \$50 value) is free for AICPA members. Special service is available at over 600 locations worldwide. To join or for more details, visit www.cpa2biz.com/elite and click on Hertz. To receive a discount of up to 20%, always mention the discount program number CDP #12353 when calling your travel agent or Hertz at 800/654-2200 to make a reservation.
- **Lenovo** (computer system and services). AICPA members save 5% to 20% on a wide range of select Lenovo PCs and related PC products, including ThinkPad notebooks and ThinkCentre desktops. There is a 20% discount on select X and T series ThinkPad notebooks and M and S series ThinkCentre desktops (excluding ThinkExpress notebook and desktop models) and a 5% discount on select specially priced ThinkExpress desktop and notebook models. Additional promotional specials are available each month. To order, go to lenovo.com/businesscenter/AICPA, or call 888/426-7235, option 1, ext. 3373.
- **Office Depot** (office solutions, products, technology, print services, furniture). AICPA members save up to 35% on office products, print, Tech Depot and furniture from Office Depot. Members can save with online or in-store purchasing. Visit www.cpa2biz.com/elite and click on Office Depot for more details.
- **RIA** (tax accounting/research). RIA, the leading authority on tax and accounting research, offers 10% discounts on new purchases and 5% on renewal purchases of its renowned RIA and WG&L tax and accounting information products. RIA can provide information to suit your particular needs, delivered in print, CD-ROM or on the only integrated online tax and accounting information system, CHECKPOINT. Call 800/950-1216.
- **Robert Half** (financial staffing/placement). Receive exclusive savings on specialized staffing services, including \$25 savings on each 40 hours reached on a new Accountemps assignment (up to a maximum of \$100 for 160 hours or more), 10% savings on each new Robert Half full-time placement fee, and \$50 savings on each 40 hours reached on a new RH Management Resources engagement (up to a maximum of \$200 for 160 hours or more). Discounts cannot be used in conjunction with any other discounts. Call 888/744-4089 and have your AICPA membership number ready.
- **Starwood Hotels and Resorts Worldwide** (lodging). AICPA members are eligible to enroll in the Corporate Preferred Level of Starwood Preferred Guest Program (SPG) and can enjoy room upgrades, late checkout and bonus Starpoints, and can accrue points for free hotel stays. To enroll, call 888/625-5144 and identify yourself as an AICPA member. When making reservations, always provide your SPG account number to ensure that you receive your points to take advantage of these benefits. In addition, the AICPA Corporate Account number (69569) offers best rates on the day you book your hotel stay, automatically booking your reservation at the lowest cost. Visit www.cpa2biz.com/elite and click on Starwood Hotels for more details.
- **Wells Fargo** (mortgages, home equity loans). Members can take advantage of the many convenient features and benefits of the AICPA-sponsored Home Mortgage Program provided by Wells Fargo Home Mortgage, Inc. Receive a complimentary "Getaway" vacation package after closing on a new home purchase or refinance loan through this program. To learn more, go to www.cpa2biz.com/elite and click on Wells Fargo or call 800/272-1210.
- **Xerox** (copiers, faxes, printers). AICPA members save up to 20% on most Xerox products (excluding service contracts, supplies and personal line copiers). For more information on Xerox products and services or the AICPA/Xerox Partnership, visit www.cpa2biz.com/elite and click on Xerox or call 800/ASK-XEROX (800/275-9376), extension "CPA," or contact your local Xerox sales representative or authorized sales agent. Be sure to reference contact #0706109 to receive special AICPA pricing.

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You can change your address and employment information online through www.aicpa.org/about/dues.htm. Or, e-mail, mail or fax the information to the Member Service Center. In either case, *The CPA Letter* and *Journal of Accountancy* will automatically be updated. You can also update your e-mail address account information online at www.cpa2biz.com.

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2007 Audit Guides Being Updated for New Risk Assessment Standards

The 2007 editions of the AICPA Audit and Accounting Guides include application guidance on the new Risk Assessment Standards (Statements on Auditing Standards Nos. 104–111), which create significant new requirements for auditors. The Risk Assessment Standards, issued in Mar. 2006, are effective for audits of financial statements for periods beginning on or after Dec. 15, 2006, with early application permitted.

Practitioners must understand how to apply the new Risk Assessment Standards, and the guides assist practitioners in doing so both accurately and efficiently. The guides explain how to apply the audit risk model to form an opinion on client financial statements and present key concepts of the standards, including:

- Planning considerations.
- Audit risk.
- Materiality and tolerable misstatement.
- Financial statement assertions.

- Risk assessment procedures.
- Understanding the entity and its environment, including its internal control.
- Assessing the risk of material misstatement.
- Designing and performing further audit procedures that effectively respond to the assessed risks.
- Evaluating misstatements.

Each industry-specific guide presents a valuable appendix that highlights key provisions of the standards and how they differ from former audit standards. The 2007 Audit and Accounting Guides provide invaluable information on the new Risk Assessment Standards and can assist in improving the quality and effectiveness of audit engagements.

First Guide Available

Not-for-Profit Organizations (No. 012647CPA06) is the first industry-specific

now
available

Audit and Accounting Guide that reflects what is new in the standards. Highlights include: guidance on performing audits under the new Risk Assessment Statements on Auditing Standards (SAS Nos. 104–111); how SAS 112 has re-defined internal control deficiencies — and what auditors need to report; updates on FASB Statements Nos. 157 and 159 on Fair Value; and what FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes*, means to the industry. Reflects all the recently issued accounting and auditing standards as of May 1, 2007, that affect the non-profit sector. \$69 member/\$86.25 non-member. For order information, see below.

Coming soon: *Construction Contractors* (No. 012587CPA06), *Depository and Lending* (No. 012737CPA06) and *Investment Companies* (No. 012627CPA06).

Accounting for Income Taxes—Applying SFAS No. 109/FIN 48: A Whole New Ballgame! (Text, No. 732793CPA06; DVD/Manual, No. 182792CP06, available 6/15). This updated edition provides the latest guidance in applying the complex rules of SFAS No. 109. Video format is ideal for on-site staff training or individual self-study. Recommended CPE credit: Text, 15; DVD/Manual, 17. Level: Intermediate. Prerequisite: Experience in financial reporting. Formats and prices: Text, \$159 member/\$198.75 non-member; DVD/Manual, \$209/\$261.25. Additional low-cost manuals available for group training. Save even more with volume discounts.

Basis/Distributions for Pass-Through Entities: An IRS Hot Spot (No. 733330CPA06). Learn the crucial rules for computing the adjusted basis and the tax treatment of distributions of pass-through entities, such as partnerships and S corporations. Recommended CPE Credit: 10. Level: Intermediate. Prerequisite: Experience in business taxation. Format: Text. \$135 member/\$168.75 non-member.

Fair Value Accounting: A Critical New Skill for All CPAs (Text, No. 733300CPA06; DVD/Manual, No. 183300CPA06, available 6/15). Gain insights into the conceptual and practical reasons for using fair value as the required (or optional) measurement attribute for a number of new and existing accounting standards. Video format is ideal for on-site staff training or individual self-study. Recommended CPE credit: Text, 8; DVD/Manual, 10. Level: Intermediate. Prerequisite: None. Formats and prices: Text,

\$139 member/\$173.75 non-member; DVD/Manual, \$189/\$236.25. Additional low-cost manuals available for group training. Save even more with volume discounts.

Ready-Aim-Fire: The Role of the Financial Professional in a Competitive Environment (No. 733240CPA06). Discover ways to gain and maintain an edge on your competitors by developing a step-by-step strategy of navigating a business for the entrepreneur in all of us. Recommended CPE Credit: 4. Level: Intermediate. Prerequisite: Experience in financial management of a medium or small company. Format: Text. \$85 member/\$106.25 non-member.

Not-for-Profit Accounting & Reporting: From Start to Finish (No. 732981CPA06). Updated for 2007, this self-study course examines the unique not-for-profit accounting and reporting requirements and explains their application. Recommended CPE Credit: 12. Level: Intermediate. Prerequisite: Experience in the not-for-profit environment. Format: Text. \$139 member/\$173.75 non-member.

To order, write: AICPA Service Center, 220 Leigh Farm Road, Durham, NC, 27707; fax 800/362-5066; call 888/777-7077 (9:00 a.m. to 6:00 p.m., ET); shop online at www.cpa2biz.com/store; or e-mail service@aicpa.org. Orders totaling \$300 or less must be prepaid by check or credit card. **Prices do not include shipping and handling, or sales tax if applicable. Have membership number ready.**

CPE
news

Audit Quality Center Members Get New Professional Liability Premium Credit

The AICPA Professional Liability Insurance Program, in support of AICPA initiatives to improve the quality of government and employee benefit plan audits, is awarding a new premium credit to firms that are members of the AICPA Governmental Audit or Employee Benefit Plan Audit Quality Centers. The new Audit Quality Center credit is available in addition to premium credits currently available for program policyholders — participation in risk management training, use of engagement letters, receipt of an unqualified peer review, and remaining claim-free.

The program will award a 5% premium credit for membership in either Audit Quality Center. Firms that are members of both Audit Quality Centers will receive a premium credit of 5% for each — for a total of 10%. The maximum amount of the credits is \$400 per policy.

Availability of the premium credit is based on approval by each state's department of insurance, as well as underwriting

guidelines. Member firms with questions about the credit should call Aon Insurance Services at 800/221-3023.

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news

FASB Issues Proposal on Financial Guarantee Insurance Contracts

The Financial Accounting Standards Board recently issued a proposal to improve the accounting for financial guarantee insurance contracts. According to the FASB, the proposal, *Accounting for Financial Guarantee Insurance Contracts, an Interpretation of FASB Statement No. 60*, reduces diversity in practice and provides financial statement users with clearer, more comparable information and expanded disclosures.

In keeping with the FASB's mission to help reduce complexity in the financial reporting system, the proposal was written in a new format intended to improve its understandability. Notable changes from formats used in previous statements issued include the use of bold text at the beginning of each section to convey the account-

ing principle for that section and the inclusion of examples in the body of the standard to illustrate the proposed accounting guidance for certain paragraphs.

Comments are due June 18. Obtain the proposal from www.fasb.org.

Toolkit to Help Members with SAS No. 112 Available

The AICPA's Private Companies Practice Section has developed an online toolkit to help members understand and implement Statement on Auditing Standards No. 112, *Communication of Internal Control Related Matters Identified in an Audit*. SAS No. 112 is effective for audits performed on or after Dec. 15, 2006.

The complete toolkit, accessible to PCPS Member Firms, is available at <http://pcps.aicpa.org/Resources/Keeping+Up+With+Standards/SAS+No+112+Toolkit.htm>. It includes talking points, a newsletter template and a client communication letter, among other resources. For interested parties, a free FAQ sheet and SAS No. 112 Web Forum Archive are available on that Web site.



www.aicpa.org/pcps

Tax Talk Today® Web Cast Showcased Education, Issue Resolution Options

In the May 8 Web cast of Tax Talk Today, an expert panel of Internal Revenue Service officials and tax practitioners reviewed the various options tax professionals have for interaction with the IRS, including e-services, issue resolution systems, and small business education and outreach opportunities.

E-services continue to be a popular tool, and the recent reduction in the filing requirement for access to e-services — now reduced to only five returns filed per year — has given more tax professionals the opportunity to use this suite of self-assisted applications. Future plans for additional e-services capabilities include a self-administered password reset and a natural language search. IRS officials also encouraged practitioners to make suggestions for other improvements.

Issue resolution systems available from the IRS are administered by the Taxpayer Advocate Service, which operates independently of the IRS. There are two distinct options for issue resolution with the Taxpayer Advocate Service:

- Case advocacy, in which local taxpayer advocates work with the tax practitioner to resolve individual cases, usually involves cases with an economic burden (limited income under levy, for exam-

ple) or a systemic burden (such as unusual processing delays).

- Systemic advocacy, which addresses larger problems reported to the IRS from multiple sources, has an Internet-based system in place for reporting systemic problems.

Panelists noted that the IRS has ramped up its small business outreach to include more partnerships with industry organizations, outreach events, new interaction options for small businesses on the IRS Web site, workshops, and local and nationwide phone forums.

Tax practitioners on the panel, which included a representative from the AICPA Tax Team, agreed the different interaction options available from the IRS work very well for the tax professional community by addressing the three things tax professionals look for: access, service and knowledge.

A full transcript of the May Web cast, "We're Working for You!," can be accessed at www.taxtalktoday.tv/index.cfm?page=5.73. The next Web cast, "IRS Efforts to Enhance Compliance," will take place on Tuesday, June 12, from 2:00 p.m. — 3:00 p.m., ET. Visit www.taxtalktoday.tv for more information.

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GAO Issues Summary of Major Changes, Comprehensive Slide Presentation

The Government Accountability Office has issued a list of major changes in the Jan. 2007 revisions of *Government Auditing Standards*. It highlights key revisions overall and related to (1) ethics and independence, (2) professional judgment and competence, (3) all types of GAGAS audits and attestation engagements, (4) internal auditors, (5) financial audits, (6) attestation engagements, (7) performance audits, and (8) guidance material.

The GAO also is issuing a comprehensive set of annotated slides to assist the government audit community. In addition to highlighting the major revisions, the slides contain information about the process used to issue the 2007 Yellow Book, the reasons for the

changes, what the changes will mean for government auditors and effective dates. The slides also outline proposed revisions to quality control and peer review standards, which will be finalized shortly. Electronic versions of the documents can be accessed at www.gao.gov/govaud/ybk01.htm.

When the final 2007 *Revision of Government Auditing Standards* is issued (i.e., the version that will incorporate final changes to quality control and assurance and peer review standards), the GAO will issue a Professional Requirements Tool that will list the professional responsibilities from the Revision that are specifically identified in the standards by the words “must” and “should.”

AICPA in the Media — Recent Highlights

The AICPA’s ongoing media relations efforts work to keep the national and business press informed about the profession’s perspectives on a wide range of issues affecting the public and the outstanding work of CPAs. In Mar. and Apr., AICPA media outreach resulted in CPAs being quoted in approximately 270 media outlets, including national and regional publications, radio and television programs and Web sites, in addition to business and accounting trades. These outlets generated an estimated 480 million media

impressions. *USA Today*, *Forbes*, *Money* magazine, *Self* magazine, the *Wall Street Journal*, Good Morning America, Nightly Business Report and the Reuters sign in Times Square were among the outlets. Topics included the AICPA’s Feed the Pig campaign, Financial Literacy Month, the AICPA/Harris financial literacy poll, the Sarbanes-Oxley Act, tax issues such as the alternative minimum tax, and CPA recruits and diversity in the profession.

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