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NEWS FOR IMMEDIATE RELEASE

IMA Names Three to COSO Small Business Task Force

IMA members will help COSO and the SEC provide guidance regarding internal controls to small public companies

Montvale, N.J., March 24, 2005 – The Institute of Management Accountants (IMA) today announced that three of its members have been appointed to the task force that will lead the new Committee of Sponsoring Organizations of the Treadway Commission (COSO) project, *Implementing the COSO Control Framework in Smaller Businesses*. This initiative will fill a gap in existing guidance and help small companies reach compliance with new laws and regulations.

The Securities and Exchange Commission (SEC) asked COSO to take on this project in September 2004. The SEC has since established the Securities and Exchange Commission Advisory Committee on Smaller Public Companies to assist in examining the impact of the Sarbanes-Oxley Act (SOX) and other aspects of the federal securities laws on smaller public companies. The COSO task force will coordinate the new project with the SEC advisory committee. COSO's *Internal Control – Integrated Framework (Control Framework)* is widely accepted as the internal control standard for organizations implementing and evaluating internal control in compliance with SOX and the U.S. Public Company Accounting Oversight Board (PCAOB) Standard 2.

"IMA is privileged to be a part of this groundbreaking joint effort between COSO and the SEC," said Paul Sharman, IMA president and CEO. "Concern exists that small public companies may not be able to meet internal control over financial reporting requirements without incurring costs that are disproportionately higher than larger public companies and IMA is committed to ensuring these organizations are properly equipped to achieve their objectives more efficiently and cost-effectively."

"The new requirements surrounding internal controls must provide value for investors in smaller public companies without impeding the growth and access to capital markets of this dynamic part of the economy," IMA Chair Larry White concurred. "Approximately half of IMA's members work in smaller public or private companies, and IMA's participation in this task force is essential to represent the interests of our members and their employers."

The IMA appointees to the task force are: Kristine Brands, senior analyst, Oracle Corporation, of Colorado Springs, Colo.; Rudolph McCue, president, WHPH, Inc., of Winchester, Ky.; and Jim Smith, CFO, Phonon Corp., of Hartford, Conn.

COSO is comprised of five member organizations including IMA, the American Accounting Association (AAA), the American Institute of Certified Public Accountants (AICPA), Financial Executives International (FEI), and the Institute of Internal Auditors (IIA). It is a voluntary private sector organization dedicated to improving the quality of financial reporting through business ethics, effective internal controls, and corporate governance. COSO board members are working in tandem with the task force and expect to have an exposure draft completed in early summer 2005.

About The Institute of Management Accountants (IMA)

With a worldwide network of nearly 70,000 professionals, IMA is the world's leading organization dedicated to empowering management accounting and finance professionals to drive business performance. IMA provides a dynamic forum for management accounting and financial professionals to develop and advance their careers through certification, research, practice development education, networking, and the advocacy of the highest ethical and professional practices. For more information about IMA, visit www.imanet.org.