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FOR IMMEDIATE RELEASE

New Statement on Management Accounting Provides Practical Implementation Knowledge on ERM

Montvale, N.J., May 9, 2007 – In furthering its body of knowledge in the area of Enterprise Risk and Control, and as part of its series of practitioner guides, the Institute of Management Accountants (IMA®) announces the release of its latest Statement on Management Accounting (SMA) titled “Enterprise Risk Management (ERM): Tools and Techniques for Effective Implementation.” ERM is a concept used by organizations to identify, assess and manage risks to meet objectives and remain accountable to their stakeholders. It approaches risk from a holistic view across the enterprise. The new SMA is available in electronic format (.pdf) free of charge on IMA’s Web site, www.imanet.org/smas.

Authored by William G. Shenkir, Ph.D., CPA, and Paul L. Walker, Ph.D., CPA, both of the McIntire School of Commerce, University of Virginia, the SMA is the authors’ second piece on the topic of ERM. Their first, titled “Enterprise Risk Management: Frameworks, Elements, and Integration,” was issued in January 2007 and provides a foundation for understanding the concept of ERM. This second SMA covers more specific practices and techniques for ERM implementation.

According to Jeff Thomson, IMA vice president of Research and Applications Development, what makes this SMA relevant to American business is the need for risk-based approaches in Sarbanes-Oxley (SOX) compliance programs. Thomson offers: “The Securities & Exchange Commission (SEC) is promoting top-down, risk-based guidance for management of SOX compliance programs. While the SEC’s point-of-view is principles-based, practitioners will still be looking for practical ways to implement a truly cost-effective, risk-based approach to assessing the effectiveness of their internal controls over financial reporting. This SMA will help organizations of all sizes best approach SOX compliance requirements and can be leveraged for use in other value enhancing activities.” The SEC and the Public Company Accounting Oversight Board issued exposure drafts for management and auditor guidance in December of 2006, with final guidance expected to be issued later this month.

The study of ERM is not only relevant to SOX compliance, but helps organizations build sound internal controls overall. “All organizations – small, large, public, private and non-profit – are accountable to stakeholders and need good internal controls to drive business performance,” added Thomson.

About SMAs

Reintroduced last year, SMAs are a series of practitioner guides focused on specific bodies of knowledge that are of interest to practitioners, professors and students. Authored by management accounting professionals and academics, the peer-reviewed SMAs cover a range of subject matter relevant to management accounting. Each SMA includes comprehensive resources, as well as rationale, definitions, business issues, descriptions on the role of the management accountant and, as applicable, implementation steps or processes and case studies. The complete SMA library is also available for free download.

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About IMA

With a worldwide network of nearly 65,000 professionals, IMA is the world's leading organization dedicated to empowering managerial finance and accounting professionals to participate in their organizations to create economic value. Through certification, continuing education, thought leadership, networking, and advocacy of the highest ethical and professional standards, IMA equips financial management and management accounting professionals to create and build quality financial practices into their organizations. For more information about IMA, visit www.imanet.org.

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