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**FOR IMMEDIATE RELEASE**

**IMA Applauds SEC Efforts to Align SOX Guidance;  
Sees Four Critical Issues Yet to be Addressed**

**Montvale, N.J., April 5, 2007** – The Institute of Management Accountants (IMA®), the world's leading organization representing accounting and finance professionals working inside organizations, applauds efforts made by the SEC in yesterday's Open Commission meeting to ensure greater alignment between their proposed guidance for management and the PCAOB's proposed audit standard.

"IMA expressed concern early on that the more prescriptive PCAOB standard used by auditors would supercede the more general guidance provided to management, thereby becoming the costly and inefficient de facto standard for management assessment," said Paul A. Sharman, ACMA, IMA president and CEO.

According to Mr. Sharman, the two rulebook assessment problem was described as the number one issue in IMA's February 13 comment letter to the SEC and PCAOB, and was highlighted earlier in the year by IMA as requiring resolution. IMA believes the unintended consequences of two sets of rules for the same assessment task is perpetuating over-auditing and high cost with no commensurate increase in investor protection.

During the past four years, IMA has closely studied the business issues surrounding SOX implementation and its unintended consequences. In October 2006, IMA released a landmark research study, ***COSO 1992 Control Framework and Management Reporting on Internal Control: Survey and Analysis of Implementation Practices***, which identified the root causes of SOX implementation costs. IMA has met with the SEC to discuss the research findings, and more recently, discussed the alignment/two rule book issue and four other issues critical to protecting investors at a lower cost.

"IMA looks forward to the SEC expanding its Open Commission discussion process over the next few weeks to include the other critical implementation issues identified by IMA and confirmed by other organizations representing millions of investors and businesses," added Mr. Sharman.

These issues, for which IMA has put forth specific solutions, include small business scalability, risk-based guidance consistent with globally accepted best practices, and retention of the auditor's opinion on effectiveness of internal controls which is costly, duplicative, and erodes management's primary accountability for protecting investors. There is still no indication, through either guidance draft, that the SEC will eliminate this audit opinion.

**About IMA**

With a worldwide network of nearly 65,000 professionals, IMA is the world's leading organization dedicated to empowering accounting and finance professionals to drive business performance. IMA provides a dynamic forum for professionals to advance their careers through Certified Management Accountant (CMA®) certification, research, professional education, networking and advocacy of the highest ethical and professional standards. For more information about IMA, please visit [www.imanet.org](http://www.imanet.org).