



FOR IMMEDIATE RELEASE

**THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS AND THE
FINANCIAL ACCOUNTING FOUNDATION FORM “BLUE-RIBBON PANEL” TO
ADDRESS STANDARDS FOR PRIVATE COMPANIES**

Norwalk, CT (Dec. 17, 2009) - The American Institute of Certified Public Accountants (AICPA) and the Financial Accounting Foundation (FAF) today announced the establishment of a “blue-ribbon panel” to address how U.S. accounting standards can best meet the needs of users of private company financial statements.

The panel will provide recommendations on the future of standard setting for private companies, including whether separate, standalone accounting standards for private companies are needed. Members of the panel will represent a cross-section of financial reporting constituencies, including lenders, investors and owners as well as preparers, auditors, and regulators. Joining the FAF and AICPA as sponsors of the panel is the National Association of State Boards of Accountancy (NASBA).

“The time has come for a new look at the policy issues of how U.S. generally accepted accounting principles (GAAP) are established for private companies,” said AICPA CEO and President Barry Melancon. “The agreement between the AICPA and FAF to collaborate on this endeavor demonstrates our joint commitment to this issue. We are pleased that NASBA will be supporting this important effort.”

FAF President Terri Polley said: “The FAF heard from the Private Company Financial Reporting Committee and many others during its recent nationwide outreach meetings about the need to consider the issue of GAAP for private companies. We look forward to working with the AICPA and NASBA as we consider the future of standard setting for this constituency.”

David Costello, President and Chief Executive Officer of NASBA, said, “On behalf of state boards of accountancy and the public which they represent and serve, NASBA is pleased to join the AICPA and FAF in a comprehensive review of the process for setting accounting standards for private companies.”

The chairman and members of the panel will be named in January.

There are 29 million privately held companies in the U.S according to the U.S. Census Bureau. Many are small- and medium-sized organizations that report to a narrower range of financial statement users, such as lenders, venture capitalists, and insurers.

In October, the AICPA’s governing Council overwhelmingly supported exploring different accounting standards for private companies. The AICPA Board and the FAF Board of Trustees approved resolutions to form the panel in November.

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About the AICPA

The American Institute of Certified Public Accountants (www.aicpa.org) is the national, professional association of CPAs, with more than 360,000 members, including CPAs in business and industry, public practice, government, and education. It sets ethical standards for the profession and U.S. auditing standards for audits of private companies; federal, state and local governments; and not-for-profit organizations. 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, Texas.

About the Financial Accounting Foundation

The FAF is responsible for the oversight, administration, and finances of both the Financial Accounting Standards Board (www.fasb.org) and its counterpart for state and local government, the Governmental Accounting Standards Board (www.gasb.org).

The FASB is the designated organization in the private sector for establishing standards of financial accounting and reporting for non-governmental entities in the U.S. The GASB establishes and improves financial accounting and reporting standards for state and local governments. The FAF also is responsible for selecting the members of both Boards and their respective Advisory Councils.

The FAF is based in Norwalk, Conn.

About NASBA

The National Association of State Boards of Accountancy (www.nasba.org) is the membership organization for the 55 boards of accountancy (50 states, Puerto Rico, Virgin Islands, Washington D.C., Guam, and Commonwealth of the Northern Mariana Islands). NASBA's mission is to enhance the effectiveness of state boards of accountancy through programs which preserve the public trust and confidence in the CPA license, ensure that the integrity, objectivity and independence of CPAs are not compromised and foster compliance with ethical and professional standards.

NASBA is headquartered in Nashville, TN and maintains a northeast office in New York, NY.

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