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CONTACT: Trish Harris
PHONE: +1-407-937-1245
EMAIL: trish.harris@theiia.org



New Guidance for Small Business to Be Released
Long awaited delivery to roll out with July 11 webcast

NEW YORK, NY – The Committee of Sponsoring Organizations of the Treadway Commission (COSO) today announced that its latest guidance, titled *Internal Control over Financial Reporting — Guidance for Small Public Companies*, will be released on July 11 with a special Webcast. The free Webcast will focus on the purpose of the guidance and how small companies can use it to become more knowledgeable about internal controls, ultimately leading to more effective control systems and greater proficiency in reporting on internal controls for regulatory compliance purposes.

Representing diverse professions, the Webcast panel will include an internal auditor, an external auditor, a management accountant, and a small business consultant. From their unique perspectives, they will discuss the document’s value, the tenets of the guidance, and how the principles can be internalized and put into operations throughout an organization. The Webcast also will serve as a forum for questions from the media and other viewing audiences. The Webcast will be archived for future use and will include questions not addressed during the live event.

COSO’s 1992 *Internal Control – Integrated Framework* has served as the internal control standard for organizations implementing and evaluating internal control in compliance with the U.S. Sarbanes-Oxley Act of 2002 (SOX) and the U.S. Public Company Accounting Oversight Board (PCAOB) Standard 2. “This small business guidance takes the concepts of the 1992 *Internal Control – Integrated Framework* and demonstrates their applicability for achieving financial reporting objectives of smaller publicly traded companies,” says COSO Chairman Larry E. Rittenberg, Ph.D., CIA, CPA, and Ernst &

Young professor of accounting at the University of Wisconsin.

Approximately 5,000 SEC registrants have annual sales of less than \$200 million. “Our primary goal is that these smaller businesses will use the guidance as a springboard for designing and implementing processes that will help them better run their businesses, as well as to evaluate the effectiveness of their internal controls for regulatory purposes,” says Rittenberg.

*Originally formed in 1985 to sponsor the
National Commission on Fraudulent Financial Reporting,
COSO is a voluntary private sector organization dedicated to improving the quality of
financial reporting through business ethics,
effective internal controls, and corporate governance.
COSO comprises the American Accounting Association (AAA),
the American Institute of Certified Public Accountants (AICPA),
Financial Executives International (FEI),
the Institute of Management Accountants (IMA), and
The Institute of Internal Auditors (IIA).*

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