

MANAGING YOUR MONEY



CPAs Launch Financial Literacy Program

(NAPSA)—An alarming number of Americans fail to make the grade when it comes to financial literacy. The results of a recent Roper Poll commissioned by the American Institute of Certified Public Accountants (AICPA) reveal that many people lack a basic understanding of how to prepare for their short- and long-term financial needs.

For example:

- Nearly two-thirds of Americans 65 and older do not feel fully confident that they have the knowledge they need for adequate retirement planning;
- Three quarters of Americans have never heard of ERISA, the Federal law established in 1974 to protect their pensions benefits;
- Nearly half of those who responded are unfamiliar with the impact a 401K plan can have;
- A quarter of those surveyed said they would file for bankruptcy if faced with an unmanageable financial emergency.

These unsettling statistics have compelled the country's CPAs—through the efforts of the AICPA—to launch a program to help Americans become more financially astute. Called 360 Degrees of Financial Literacy, the multi-faceted effort is designed for everyone from school-age children to retirees.

Indeed, the underlying theme of the program is that financial literacy is a life-long process. "Beginning with pennies in a piggy bank and continuing to estate planning, Americans need financial knowledge depending on where they are in their lives," said Barry Melancon, President and CEO of the AICPA.



Experts say financial literacy has a direct correlation to the economic strength of a society.

Melancon added that the degree of financial literacy has a direct correlation to the economic strength of our society.

According to U.S. Comptroller General David Walker, CPAs are the right individuals for this task. Walker—himself a CPA—said, "Every time CPAs improve a client's financial condition, they are by extension contributing to the economic well-being of our nation."

360 Degrees of Financial Literacy will build on earlier AICPA financial-education efforts. For example, the Institute and the National Endowment for Financial Education last year produced a "Disaster Recovery Guide" to help victims of disasters regain financial security.

The American Institute of Certified Public Accountants is the national, professional organization of CPAs, with more than 340,000 members in business and industry, public practice, government and education.

To learn more, please visit www.aicpa.org/financialliteracy.