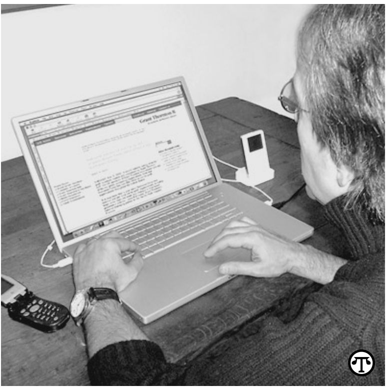
Sarbanes-Oxley Act

(NAPSA)—A national survey of not-for-profit business leaders and executives by Grant Thornton LLP finds that Sarbanes-Oxley has had little effect on not-for-profit organizations.



The Act, signed into law in July 2002, introduced stringent new rules with the stated objective: "to protect investors by improving the accuracy and reliability of corporate disclosures made pursuant to the securities laws."

"While Sarbanes-Oxley is not a mandate for not-for-profit organizations, many believe that the requirements and guidelines stated in the Act set a standard or benchmark that not-for-profit organizations should consider emulating," says Bob Leavy, Grant Thornton's national managing partner for the Not-for-Profit Industry Practice. "Those organizations that adopt these governance standards may be seen more favorably by donors and funders."

Highlights from the survey include:

• Only 20 percent said that they have made some changes to their board governance policies as a result of Sarbanes-Oxley.

• Only 38 percent of respondents have had discussions with their board members about the implications of Sarbanes-Oxley.

• 90 percent of the respondents have not made any changes to the composition of their audit committee as a result of Sarbanes-Oxley.

• Just 17 percent of respondents indicated that they have a "whistle-blowers" policy and, of those who don't, only 21 percent said that they are considering adopting such a policy.

For more information

To order a copy of the Grant Thornton Board Governance Survey for Not-for-Profit organizations, send an e-mail to nfp@gt.com.