

Agenda Item 1

Standing Advisory Group Meeting

June 21-22, 2004

Welcome and Introductions

Douglas Carmichael, Chief Auditor of the Public Company Accounting Oversight Board ("PCAOB") and Chairman of the PCAOB's Standing Advisory Group ("SAG"), will welcome individuals to the inaugural meeting of the SAG. The SAG members and observers will introduce themselves. In addition, Mr. Carmichael will introduce PCAOB staff members from the Office of the Chief Auditor and certain other PCAOB staff members attending the meeting.

Background Material Presented—

- April 15, 2004 PCAOB press release announcing the SAG, including a listing of the SAG members

This paper was developed by the staff of the Office of the Chief Auditor in order to foster discussion among the members of the SAG. It is not a statement of the Board; nor does it necessarily reflect the views of the Board or PCAOB staff.

News & Events

Board Establishes Standing Advisory Group

Washington, DC, April 15, 2004 - The Public Company Accounting Oversight Board today announced the formation of a Standing Advisory Group to assist the Board in carrying out its standards-setting responsibilities.

“The Standing Advisory Group will bring a multi-disciplined perspective to the Board’s process of setting auditing standards,” said Board Chairman William J. McDonough. “While the Board’s staff will draft the standards, this group of experts will give its advice to the Board on standard-setting priorities and policy implications of existing and proposed standards.”

In November 2003, the Board began soliciting nominations for the group. The Board received more than 170 nominations, including many prominent and highly experienced people. From this list of nominees, the Board selected 30 individuals with expertise in a variety of fields, including accounting, auditing, corporate finance, corporate governance, and investing in public companies.

“The group will help the Board review existing auditing standards to identify where necessary changes or updates are needed to improve audit quality,” said Doug Carmichael, the Board’s Chief Auditor and the advisory group’s first Chair. “I am pleased with the broad range of experience and expertise that the Board has chosen for this important group.”

The [members of the group](#) are selected based on their qualifications and not the organizations they represent. Membership is personal to the member, and the duties and responsibilities of the member cannot be delegated to others.

The Board has also invited four organizations to participate as observers: the Financial Accounting Standards Board, the General Accounting Office, the International Auditing and Assurance Standards Board and the Securities and Exchange Commission.

The Standing Advisory Group will meet in both open and executive sessions. Decisions on recommendations to the Board will be made at open meetings.

Media Inquiries: Public Affairs, 202-207-9227

The PCAOB is a private-sector, non-profit corporation, created by the Sarbanes-Oxley Act of 2002, to oversee the auditors of public companies in order to protect the interests of investors and further the public interest in the preparation of informative, fair, and independent audit reports.

Standards

Standing Advisory Group

Members and Biographies as of April 15, 2004

Raymond Bromark
Assurance Partner, PricewaterhouseCoopers
Florham Park, New Jersey

Mr. Bromark is a practicing CPA with PricewaterhouseCoopers and has been for well over 30 years. His experience includes applying auditing standards in practice, formulating positions on proposed auditing standards and developing recommendations related to the future direction of financial reporting.

James G. Campbell
Corporate Controller, Intel Corp.
Hillsboro, Oregon

Mr. Campbell is a CPA with 21 years of broad financial experience at Intel. He holds the post of corporate controller and has the responsibility for global accounting, financial services and external reporting.

Donald H. Chapin
Self Employed, Financial Management Consultant
Rye, New York

Mr. Chapin is a consultant with 40 years of experience in accounting, auditing, and financial management issues. He was assistant comptroller general for accounting and information management at the General Accounting Office where he was responsible for GAO's financial and systems audits of federal agencies and corporations and for its reports and congressional testimonies on financial management issues.

Samuel K. Cotterell
Director, Financial Reporting, Boise Cascade Corp.
Boise, Idaho

Mr. Cotterell is a CPA with more than 20 years of experience. He is currently the director of financial reporting for Boise Cascade Corp. where he is responsible for SEC reporting, compliance with GAAP, and is a contact point with independent auditors. He is also a member of the Board of Directors of the National Association of State Boards of Accountancy.

Nick S. Cyprus
Vice President and Controller, AT&T
Bedminster, New Jersey

Mr. Cyprus has more than 25 years of diversified accounting and finance

experience. His current responsibilities with AT&T include corporate and business unit consolidations, external reporting, internal reporting, accounting policy, financial systems, and direct oversight of the business unit controllers worldwide. In addition, his responsibilities include leading AT&T's Sarbanes-Oxley implementation efforts.

William M. Diefenderfer III
Attorney, Diefenderfer, Hoover, Boyle & Wood
Great Falls, Virginia

Mr. Diefenderfer is an entrepreneur and attorney with nearly 30 years of experience as counsel in government, public and private settings. He has served as a corporate director for publicly traded companies during the last 13 years and currently chairs the compensation committee for Sallie Mae. In business, he has founded private companies in the aviation, legal and software industries.

Gerald A. Edwards Jr.
Associate Director and Chief Accountant - Supervision, Federal Reserve Board, Washington, DC

As a senior official of the Federal Reserve Board's Division of Banking Supervision and Regulation, Mr. Edwards is in charge of the Board's domestic and international projects that address major accounting, auditing, disclosure, supervisory reporting, and internal control issues affecting the banking industry. He is a CPA and a member of both the IASB's Standards Advisory Council and the international Monitoring Group of regulators that has been working with IFAC to implement comprehensive reforms of its audit standards setting activities.

Gary Wayne Findlay
Executive Director, Missouri State Employees Retirement System
Jefferson City, Missouri

Mr. Findlay has 30 years of experience in public employee benefits and pension management and currently is responsible for the overall administration of retirement, life insurance and long-term disability benefits for the Missouri State Employees Retirement System.

Randy G. Fletchall
Americas Vice Chair of Professional Practice and Risk Management,
Member of Americas Executive Board, Ernst & Young
New York, New York

Mr. Fletchall has 27 years of experience as a CPA. His current responsibilities include national office accounting, auditing, SEC reporting, independence, quality control and risk management functions.

Arnold C. Hanish
Chief Accounting Officer, Eli Lilly and Company
Indianapolis, Indiana

Mr. Hanish has more than 30 years of experience as a CPA, including almost 14 years with Arthur Young & Company. As chief accounting officer for Eli Lilly and Company, he is responsible for the global accounting and SEC reporting processes as well as the U.S. payroll, shareholder and stock option services, and business partner support for corporate staff functions.

Wayne Kolins
National Director of Assurance, BDO Seidman
New York, New York

Mr. Kolins has been with BDO Seidman for 39 years. His responsibilities include setting auditing and other attestation policies, developing training, responding to proposals from professional and regulatory bodies, resolving technical inquiries, overseeing development of independence policies and compliance therewith, overseeing the firm's internal inspection process and coordinating the external peer review.

Richard H. Koppes
Of Counsel, Jones Day
Co-Director, Executive Education Programs and Coordinator,
Institutional Investors' Forum, Stanford Law School
Sacramento, California

Mr. Koppes is an attorney with more than 30 years experience in corporate governance and audit functions. Before joining Jones Day and Stanford University, he was a principal at American Partners Capital Group and deputy executive office and general counsel for the California Public Employees' Retirement System. Mr. Koppes also currently sits on the Board of Directors of Apria Healthcare and is a member of its audit committee. He also sits on the Board of Valeant Pharm.

Robert J. Kueppers
National Managing Partner - Risk, Professional, Regulatory Matters,
Deloitte & Touche USA LLP
Wilton, Connecticut

Mr. Kueppers has more than 27 years of experience in the accounting profession. He is currently the National Managing Partner - Risk, Professional, and Regulatory Matters of Deloitte & Touche USA LLP. In this capacity, Mr. Kueppers leads Deloitte & Touche USA's professional practice group in its Wilton office and has overall responsibility for domestic regulatory matters and risk management programs for Deloitte & Touche USA and its subsidiaries. Mr. Kueppers also has responsibility for the policies and procedures of the audit practice of Deloitte & Touche LLP, a subsidiary of Deloitte & Touche USA.

Bevis Longstreth
Retired Partner, Debevoise & Plimpton
New York, New York

Mr. Longstreth is a retired partner with the law firm of Debevoise & Plimpton, where he practiced corporate, finance, banking and securities law.

He is also a former Commissioner of the Securities and Exchange Commission and professor at Columbia Law School where he taught the regulation of financial intermediaries.

Wanda Lorenz
Partner, Lane Gorman Trubitt LLP
Dallas, Texas

Ms. Lorenz has been a CPA since 1971. She is currently a partner in charge of litigation services which involve forensic accounting, lost profits, damages and fraud investigation. She also provides litigation support on cases involving Generally Accepted Auditing Standards and Generally Accepted Accounting Principles. She is a member of the AICPA's Auditing Standards Board.

Elizabeth Monrad
Executive Vice President and Chief Financial Officer, TIAA-CREF
New York, New York

As the chief financial officer of TIAA-CREF, Ms. Monrad is responsible for financial planning, reporting and management of one of the largest pension systems in the world, with \$300 billion of assets and 3 million participants. Her responsibilities include implementation of company-wide procedures in response to the requirements of sections 302 and 404 of the Sarbanes-Oxley Act.

John M. Morrissey
Operating Controller, General Electric Corp.
Fairfield, Connecticut

Mr. Morrissey is currently the operating controller of GE and the Sarbanes-Oxley Implementation Coordinator, with specific focus on sections 302 and 404. Previously, he was deputy chief accountant at the Securities and Exchange Commission.

Samuel J. Ranzilla
Audit Partner, Partner-in-charge of Department of Professional Practice, KPMG
New York, New York

In his current role, Mr. Ranzilla is responsible for his firm's positions on auditing and related professional practice standards, accounting and independence standards; development of guidance for the firm's audit professionals; positions on SEC rulemakings and related accounting, disclosure and independence standards affecting registered public accounting firms; and liaison with standard setters and professional organizations.

Zabihollah (Zabi) Rezaee
Thompson Hill Chair of Excellence and Professor of Accountancy
The University of Memphis

Memphis, Tennessee

Dr. Rezaee has almost 30 years of experience as an auditor and professor. His areas of teaching and research include auditing, financial and managerial accounting. Dr. Rezaee has published two books and more than 150 articles with both theoretical and practice implications.

Cynthia Richson

Corporate Governance Officer, Ohio Public Employees Retirement System

Columbus, Ohio

Ms. Richson is responsible for overseeing all aspects of corporate governance and related activities at OPERS, which includes providing comments on federal regulatory and legislative matters.

Barbara Roper

**Director of Investor Protection, Consumer Federation of America
Pueblo, Colorado**

As a leading consumer advocate on investor protection issues for the past 17 years, Ms. Roper has had extensive experience in analyzing regulatory and legislative initiatives to determine whether they are likely to benefit investors and how they can be improved to do so more effectively.

Lee J. Seidler

Retired, General Partner and Senior Managing Director, Bear, Stearns & Co.

Sanibel, Florida

Mr. Seidler has more than 40 years experience as a financial analyst and a CPA. Most recently, he was a general partner and senior managing director performing financial analysis of the impacts of accounting and financial reporting and taxes on the decisions of investors and on corporate finance transactions.

Linda Selbach

Global Corporate Governance and Proxy Manager, Barclays Global Investors

San Francisco, California

Ms. Selbach has full responsibility for corporate governance and proxy voting including policy formation, operations and client and issuer relations covering five global offices. She also manages all operational aspects of proxy voting, policy formation in concert with the proxy committees, client and issuer relations, and proxy voting.

David L. Shedlarz

**Executive Vice President and Chief Financial Officer, Pfizer Inc.
New York, New York**

Mr. Shedlarz' responsibilities include core financial functions: accounting and external reporting, tax, treasury, and internal audit, strategic and

operations planning and analysis; and, business support: information technology, procurement, aviation and office services.

Damon Silvers
Associate General Counsel, AFL-CIO
Washington, DC

Mr. Silvers' responsibilities include corporate governance, pension and general business law issues. He led the AFL-CIO legal team that won severance payments for laid off Enron and WorldCom workers. He also testified before numerous congressional committees on issues arising out of the collapse of Enron.

Shelley S. Stein
U.S. Managing Partner, Client Services, Grant Thornton LLP
Weston, Florida

Ms. Stein has held positions of increasing importance during her 26-year career with Grant Thornton LLP. She has worked in four offices and has been involved with the more significant audit engagements in each of those offices. In addition to her extensive audit background, she has held numerous management positions within the firm.

Kay W. Tatum
Chair, Department of Accounting, University of Miami, School of Business Administration
Coral Gables, Florida

Dr. Tatum teaches undergraduate auditing courses and graduate accounting programs, engages in research, and provides service to academic and professional organizations. She is also a three-time recipient of the University of Miami's School of Business Administration's Excellence in Teaching Award.

Lynn Turner
Managing Director of Research, Glass Lewis, and Professor, Colorado State University
Broomfield, Colorado

Mr. Turner has the unique experience of having been a partner in an international accounting firm, a chief financial officer and executive in the industry, the chief accountant of the Securities and Exchange Commission, and currently is a professor of accounting at Colorado State University and the Managing Director of Research at Glass Lewis.

Robert W. Walter
Securities Attorney, Holland & Hart LLP
Greenwood Village, Colorado

Mr. Walter has more than 20 years of experience representing corporate clients and investment banks in a wide variety of small capitalization financings. He also represents companies or board committees in change of

control transactions. He has written and spoken extensively on financing and ethics topics for accountants, lawyers and entrepreneurs.

Arthur R. Wyatt
Retired Professor, University of Illinois at Urbana-Champaign,
Department of Accountancy
Champaign, Illinois

Dr. Wyatt is a distinguished accounting professional noted for his vast knowledge and unquestionable integrity. After an early career in academia, he joined Arthur Andersen, where he was Managing Director – Accounting Principles, and Chair of the firm’s U.S. Committee on Professional Standards. Following retirement from Andersen in 1992, he re-joined the University of Illinois faculty, from which he retired in 2002. He is the author of numerous articles and books, many of which deal with the issues surrounding the application of accounting standards and the standard-setting process.