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Five Questions for Cynthia M. Fornelli, Executive Director at Center for Audit Quality

By Shawn Zeller, CQ Staff

From 1999 until 2004, Fornelli helped oversee investment management at the Securities and Exchange Commission, a post that afforded her a close-up view of the corporate scandals that prompted the 2002 Sarbanes-Oxley accounting oversight law. Now Fornelli is promoting several changes in the way the law is being implemented through her work at the Center for Audit Quality, launched this year to promote auditors as the best caretakers of investor interests.

Q. You're affiliated with the American Institute of Certified Public Accountants. How does your role differ from theirs?

A. We are not a lobbying organization. We are a public policy organization. Our focus is on providing services to the 800 public company auditor members.

Q. What do you have in mind?

A. We want to be a forum for a dialogue by getting direct input from investors and, in everything we do, staying focused on the quality of the audit. What's new and exciting is trying to bring together key stakeholders to be part of the discussion.

Q. Have you started your outreach?

A. We're embarking on a public dialogue tour now. It's a multimonth effort. We're looking to hit a good cross-section of large and midsize cities with important financial marketplaces.

Q. The industry has suffered from its association with scandals such as the one involving Enron. Will your group try to repair the industry's image?

A. The corporate scandals showed the need to have this voice. We want to get back to the true mission of being an independent umpire at the center so that people understand the audit is robust and of the highest quality.

Q. Are you playing a role in the current SEC discussions about Sarbanes-Oxley?

A. We are monitoring it and continuing to offer our thoughts. Thus far, we think they're striking the right balance in trying to find efficiencies but also including investor protections.

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