

Table of Contents

1 & 2 Rate your level of optimism...	1
3. For each of the following, please provide the changes that you expect at your company in the NEXT 12 months	2
3. For each of the following, please provide the changes that you expect at your company in the NEXT 12 months	3
4. The 3-month Libor Rate as of August 29 was 3.86%. Futures markets are assuming the rate will rise to 4.45% in the next 12 months. In your opinion, rank the accuracy of this prediction. Markets are:	4
5. In the third quarter, the price of oil rose to over \$70 a barrel, a record. How did your company compensate for the increased cost of oil?	5
5b. At what price per barrel will you begin to feel the impact of the rise in oil costs?	6
6. Who would you like to be the next Chairman of the Federal Reserve?	7
7a. Bernie Ebbers, former CEO of WorldCom, was convicted of security fraud and sentenced to 25 years in prison. Which best describes your position on his sentence?	8
7a. Bernie Ebbers, former CEO of WorldCom, was convicted of security fraud and sentenced to 25 years in prison. Which best describes your position on his sentence? COMMENT	9
7b. Scott Sullivan, former CFO of WorldCom, and the government's star witness in the Bernie Ebbers' trial, pleaded guilty to fraud and conspiracy charges and was sentenced to 5 years in prison. Which best describes your position on his sentence?	10
7b. Scott Sullivan, former CFO of WorldCom, and the government's star witness in the Bernie Ebbers' trial, pleaded guilty to fraud and conspiracy charges and was sentenced to 5 years in prison. Which best describes your position on his sentence? COMMENT	11
7c. Richard Scrusby, former CEO of HealthSouth Corp., was acquitted on all charges of financial fraud. Which describes your position on his acquittal?	12
7c. Richard Scrusby, former CEO of HealthSouth Corp., was acquitted on all charges of financial fraud. Which describes your position on his acquittal? COMMENT	13
8. Have you changed your external auditor in the past 12 months?	14
8b. What type of auditing firm have you switched to:	15
9. Does your company have a Defined Contribution plan?	16
9b. Please check each of the features offered in your company DC plan, also indicating if any of them have been added within the previous 12 months.	17
10. Does your company provide health care plans to retirees?	18
10b. What plans are you considering to modify health care coverage for retirees?	19
10b. What plans are you considering to modify health care coverage for retirees? OTHER	20
11. In August, the SEC Advisory Committee on Smaller Public Companies recommended that the SEC extend the Sarbanes-Oxley Section 404 compliance deadline for companies with less than \$75 million public float, by one full year. What is your reaction to this?	21
12. Should a credit rating agency be permitted to provide fee-based consulting services to the companies it rates?	22
Industry	23
Industry (Other specified)	24
Sales Revenue	25
Weighted Sales Revenue (Millions)	26
Number of Employees	27
Weighted Number of Employees	28
Headquarters	29
Ownership	30
Foreign Sales	31

FEI-Baruch CFO Outlook Survey - September, 2005**1 & 2 Rate your level of optimism...**

	Mean	SD	Median	Minimum	Maximum	Total
Rate your optimism about the US economy on a scale from 0-100, with 0 being the least optimistic and 100 being the most optimistic.	65.35	16.32	65	4	100	315
Rate your optimism about the financial prospects for your company on a scale from 0-100, with 0 being the least optimistic and 100 being the most optimistic.	73.43	17.48	75	0	100	315

FEI-Baruch CFO Outlook Survey - September, 2005

3. For each of the following, please provide the changes that you expect at your company in the NEXT 12 months (e.g., +3%, -2%, etc.).

(N=318)

	Negative	No Change	Positive	Total
Health care costs	3 1.0%	12 3.8%	300 95.2%	315 100.0%
Technology spending	19 6.0%	45 14.2%	253 79.8%	317 100.0%
Capital spending	30 9.5%	69 21.8%	217 68.7%	316 100.0%

FEI-Baruch CFO Outlook Survey - September, 2005

3. For each of the following, please provide the changes that you expect at your company in the NEXT 12 months (e.g., +3%, -2%, etc.).

	Mean	SD	Median	Minimum	Maximum	Total
Health care costs	9.31	5.21	10	-15	30	315
Technology spending	11.39	42.69	5	-75	500	317
Capital spending	10.72	39.79	5	-100	500	316

FEI-Baruch CFO Outlook Survey - September, 2005

4. The 3-month Libor Rate as of August 29 was 3.86%. Futures markets are assuming the rate will rise to 4.45% in the next 12 months. In your opinion, rank the accuracy of this prediction.

Markets are:

	Number	Percent	95% CI
1=Significantly underestimating the rise in rates.	5	1.6 %	± 2.1 %
2=Somewhat underestimating the rise in rates.	52	16.5 %	± 4.3 %
3=Just about right.	170	53.8 %	± 5.7 %
4=Somewhat overestimating the rise in rates.	85	26.9 %	± 5.1 %
5=Significantly overestimating the rise in rates.	4	1.3 %	± 2.1 %
Total	316	100.0 %	

Mean = 3.10

SD = .73

Missing Cases = 2

Response Percent = 99.4 %

FEI-Baruch CFO Outlook Survey - September, 2005

5. In the third quarter, the price of oil rose to over \$70 a barrel, a record. How did your company compensate for the increased cost of oil?

	Number	Percent	95% CI
Passed most or all of additional cost along to customers.	22	6.9 %	± 3.1 %
Absorbed most or all of additional cost.	147	46.2 %	± 5.7 %
About equal combination of passing along the cost and absorbing it.	58	18.2 %	± 4.5 %
<u>Did not affect us.</u>	91	28.6 %	± 5.2 %
Total	318	100.0 %	

Missing Cases = 0

Response Percent = 100.0 %

FEI-Baruch CFO Outlook Survey - September, 2005

5b. At what price per barrel will you begin to feel the impact of the rise in oil costs?

	Number	Percent	95% CI
Over \$70 per barrel	8	9.2 %	± 7.6 %
Over \$80 per barrel	8	9.2 %	± 7.6 %
Over \$90 per barrel	6	6.9 %	± 7.3 %
Over \$100 per barrel	8	9.2 %	± 7.6 %
Business has no connection to oil costs	57	65.5 %	± 10.8 %
Total	87	100.0 %	

Missing Cases = 4

Response Percent = 95.6 %

FEI-Baruch CFO Outlook Survey - September, 2005

6. Who would you like to be the next Chairman of the Federal Reserve?

	Number	Percent	95% CI
Martin Feldstein, economist at Harvard University, President of the National Research, Chief Economic Advisor for Reagan Administration	81	28.4 %	± 5.0 %
Robert Rubin, Treasury secretary for Clinton administration	77	27.0 %	± 5.0 %
Roger Ferguson, Federal Reserve Vice Chairman	34	11.9 %	± 3.7 %
Other	25	8.8 %	± 3.3 %
Lawrence Lindsey, former Federal Reserve Governor, former White House National Economic Council director	18	6.3 %	± 2.9 %
John Snow, Treasury Secretary	16	5.6 %	± 2.8 %
Ben Bernanke, Chairman of the Council of Economic Advisors	12	4.2 %	± 2.5 %
Glenn Hubbard, Dean of Columbia Business School	9	3.2 %	± 2.3 %
Susan Schmidt Bies, Federal Reserve Governor and FEI member	7	2.5 %	± 2.2 %
Donald Kohn, Federal Reserve Governor	6	2.1 %	± 2.1 %
Total	285	100.0 %	

Missing Cases = 33

Response Percent = 89.6 %

FEI-Baruch CFO Outlook Survey - September, 2005

7a. Bernie Ebbers, former CEO of WorldCom, was convicted of security fraud and sentenced to 25 years in prison. Which best describes your position on his sentence?

	Number	Percent	95% CI
3=Too long	68	21.4 %	± 4.8 %
2=About right	191	60.1 %	± 5.6 %
1=Too short	47	14.8 %	± 4.2 %
=No opinion	12	3.8 %	± 2.5 %
Total	318	100.0 %	

Mean = 2.07

SD = .61

Missing Cases = 0

Response Percent = 100.0 %

FEI-Baruch CFO Outlook Survey - September, 2005

7a. Bernie Ebbers, former CEO of WorldCom, was convicted of security fraud and sentenced to 25 years in prison. Which best describes your position on his sentence? COMMENT

He deserved what he got.

10 years

Ebbers was guilty and should have been convicted but 25 years was too long.

He obviously never took a course in Ethics

25 years is a long time and an executive could perhaps make a greater contribution to society outside of prison

He, along with the 'rest of the scoundrels', has cost industry and the country as a whole enormously through Sarbanes overkill to lack of trust to risk averse decision making to

Despite what some of the pundits say, between this and the ongoing Enron convictions, for the most part, the system appears to be working.

This is longer than people get for committing murder.

I believe he should refund a significant portion of money which should be given to the employees and former employees

Right in relation to his age.

The fish rots from the head down

The process should have been faster

given his age. If younger, would have opted for a longer sentence.

15 years would be ok

He ruined many lives, impacted the net worth of many others. His actions were selfish and for his own benefit and ego.

They are making a scape goat out of him. Where is Ken Lay?

It should no be a death sentence. 5 years would send the proper message

10 years would have been enough

The question is, how much did he know?

Is there a finance person in the US who believes Mr. Ebbers knew nothing about what was going on with the improprieties in the business for which he was the CEO?

life with no parole would of been more appropriate.

Murders don't get that long. What did he was bad, but...

FEI-Baruch CFO Outlook Survey - September, 2005

7b. Scott Sullivan, former CFO of WorldCom, and the government's star witness in the Bernie Ebbers' trial, pleaded guilty to fraud and conspiracy charges and was sentenced to 5 years in prison. Which best describes your position on his sentence?

	Number	Percent	95% CI
3=Too long	11	3.5 %	± 2.4 %
2=About right	108	34.0 %	± 5.4 %
1=Too short	190	59.7 %	± 5.6 %
=No opinion	9	2.8 %	± 2.3 %
Total	318	100.0 %	

Mean = 1.42

SD = .56

Missing Cases = 0

Response Percent = 100.0 %

FEI-Baruch CFO Outlook Survey - September, 2005

7b. Scott Sullivan, former CFO of WorldCom, and the government's star witness in the Bernie Ebbers' trial, pleaded guilty to fraud and conspiracy charges and was sentenced to 5 years in prison. Which best describes your position on his sentence? COMMENT

Even though he assisted the prosecution, a five-year sentence is ridiculously low.

This needs to be a sentence structure where he is not eligible for parole. He should have lost as much in his personal assets at the company did even if that meant everything.

Sullivan was guilty and should be in jail longer.

He has no backbone

If he didn't like or agree with what was going on, he should have left. I hope a substantial fine was included with this sentence so that he cannot live 'happily ever after' after his term.

He should have received a little more punishment himself.

The process should have been faster

He was the mastermind and is just as guilty as Ebbers.

He is just as responsible if not more responsible for this debacle than Ebbers. I was on a conference call with him just a month or so before the collapse and he just lied to us for an hour. Very Sleazy

He ultimately did the right thing, but must be punished for his actions.

In light of Bernie E's sentence, this is very light - BUT - a powerful incentive for others to cooperate in the future.

10 to 15 years

Following orders is not a good excuse

He was the CFO!

FEI-Baruch CFO Outlook Survey - September, 2005

7c. Richard Scrushy, former CEO of HealthSouth Corp., was acquitted on all charges of financial fraud. Which describes your position on his acquittal?

	Number	Percent	95% CI
Agree with jury	13	4.2 %	± 2.6 %
He should have been found guilty	198	63.3 %	± 5.5 %
No opinion	102	32.6 %	± 5.4 %
Total	313	100.0 %	

Missing Cases = 5

Response Percent = 98.4 %

FEI-Baruch CFO Outlook Survey - September, 2005

7c. Richard Scrushy, former CEO of HealthSouth Corp., was acquitted on all charges of financial fraud. Which describes your position on his acquittal? COMMENT

He is a total liar and fraud.

Outrage

This verdict was incomprehensible.

This guy got away with murder only because the trial was held in his home town. Home field advantage!

This was a very sad day for the justice system. He was guilty and the jury system failed us!!

It is unconscionable that he was acquitted.

The fish rots from the head down

CEO is ultimately responsible

From press reports appeared to have more involvement in the fraud than Ebbers at MCI

This verdict is a tragedy and an affront to justice and management teams everywhere! Lock him up and melt down the key. Juries in certain counties are nearly useless for product liability trials (note the ridiculous judgements they award) and now for criminal trials.

prosecution made a big mistake by not moving the trial to another location

Tried in the wrong state and city

Absolute travesty. Did the jury think 5 former CFOs were liars? Appears to be a hometown decision.

This apperars to be a case where the person is guilty but there was not enough evidence to convict.

I will never be convinced that a CEO had no knowledge of a fraud of that magnitude.

HealthSouth Corp. fraud was one of the WORST white collar crimes committed. The Justice Dept. should continue with its actions against Mr. Scrushy.

Hometown Jury - bad move by Gov't

Hard to believe he had no part in the fraud. Hope the prosecutor is looking for her next job.

Either did not know OR extremely clever.

powerful defense attorneys mush for brains jury.

Seemed like an odd outcome, but jury verdict stands.

too bad he was tried in the Deep South

FEI-Baruch CFO Outlook Survey - September, 2005

8. Have you changed your external auditor in the past 12 months?

	Number	Percent	95% CI
Yes, we voluntarily decided to choose a different auditor.	39	12.5 %	± 3.9 %
Yes, our external auditor resigned our account.	2	0.6 %	
Yes, we were required to change to avoid conflicts of interest.	3	1.0 %	± 2.5 %
Do not use an external auditor.	10	3.2 %	± 2.4 %
<u>No.</u>	<u>258</u>	<u>82.7 %</u>	<u>± 4.5 %</u>
Total	312	100.0 %	

Missing Cases = 6

Response Percent = 98.1 %

FEI-Baruch CFO Outlook Survey - September, 2005

8b. What type of auditing firm have you switched to?

<u>8b. What type of auditing firm have you switched to:</u>	<u>Number</u>	<u>Percent</u>	<u>95% CI</u>
Switched from a Big 4 firm to another Big 4 firm	16	36.4 %	± 16.8 %
Switched from a smaller firm to a Big 4 firm	2	4.5 %	
Switched from a Big 4 firm to a smaller firm	14	31.8 %	± 16.5 %
Switched from a non Big 4 firm to another non Big 4 firm	12	27.3 %	± 16.1 %
Total	44	100.0 %	

Missing Cases = 0

Response Percent = 100.0 %

FEI-Baruch CFO Outlook Survey - September, 2005**9. Does your company have a Defined Contribution plan?**

	Number	Percent	95% CI
Yes.	236	75.2 %	± 5.0 %
No.	78	24.8 %	± 5.0 %
Total	314	100.0 %	

Missing Cases = 4

Response Percent = 98.7 %

FEI-Baruch CFO Outlook Survey - September, 2005

9b. Please check each of the features offered in your company DC plan, also indicating if any of them have been added within the previous 12 months.

(N=236)

	Included	Added within previous 12 months
Auto-enrollment	62 26.3%	13 5.5%
Auto-increase	21 8.9%	2 0.8%
Lifestyle funds	110 46.6%	16 6.8%
Stable Value Funds	138 58.5%	8 3.4%
Personalized investment advice	83 35.2%	12 5.1%

FEI-Baruch CFO Outlook Survey - September, 2005**10. Does your company provide health care plans to retirees?**

	Number	Percent	95% CI
Yes.	68	22.1 %	± 4.8 %
No.	240	77.9 %	± 4.9 %
Total	308	100.0 %	

Missing Cases = 10

Response Percent = 96.9 %

FEI-Baruch CFO Outlook Survey - September, 2005**10b. What plans are you considering to modify health care coverage for retirees?**

	Number	Percent	95% CI
No change	34	51.5 %	± 13.2 %
Eliminate health care plans for retirees	10	15.2 %	± 10.5 %
Cut back on health care benefits	12	18.2 %	± 11.0 %
Other	10	15.2 %	± 10.5 %
Total	66	100.0 %	

Missing Cases = 2

Response Percent = 97.1 %

FEI-Baruch CFO Outlook Survey - September, 2005

10b. What plans are you considering to modify health care coverage for retirees? OTHER

Do not provide

freeze to current retirees; no new participants

We eliminated the benefit by grandfathering it. New hire do not receive it.

Increase deductibles

add flexible spending accounts

Have frozen benefit to existing employees

Cap future coverage

Increase co-share

Significantly increase their premiums

Only applies to a small group of grandfathered retirees

FEI-Baruch CFO Outlook Survey - September, 2005

11. In August, the SEC Advisory Committee on Smaller Public Companies recommended that the SEC extend the Sarbanes-Oxley Section 404 compliance deadline for companies with less than \$75 million public float, by one full year. What is your reaction to this?

	Number	Percent	95% CI
I agree with the recommendation	163	52.2 %	± 5.7 %
I think the deadline should be extended further	96	30.8 %	± 5.3 %
I think the current deadline is appropriate	30	9.6 %	± 3.5 %
<u>No opinion</u>	23	7.4 %	± 3.2 %
Total	312	100.0 %	

Missing Cases = 6

Response Percent = 98.1 %

FEI-Baruch CFO Outlook Survey - September, 2005**12. Should a credit rating agency be permitted to provide fee-based consulting services to the companies it rates?**

	Number	Percent	95% CI
Yes	21	6.7 %	± 3.1 %
No	273	87.2 %	± 4.0 %
Not sure	19	6.1 %	± 3.0 %
Total	313	100.0 %	

Missing Cases = 5

Response Percent = 98.4 %

FEI-Baruch CFO Outlook Survey - September, 2005**Industry**

	Number	Percent	95% CI
Manufacturing	83	26.5 %	± 5.1 %
Retail/Wholesale	35	11.2 %	± 3.7 %
Service/Consulting	34	10.9 %	± 3.7 %
Banking/Finance/Insurance	33	10.5 %	± 3.6 %
Other	31	9.9 %	± 3.6 %
Healthcare/Pharmaceutical	31	9.9 %	± 3.6 %
Tech [Software/Biotech]	20	6.4 %	± 3.0 %
Mining/Construction	18	5.8 %	± 2.9 %
Communications/Media	18	5.8 %	± 2.9 %
Transportation/Energy	10	3.2 %	± 2.4 %
Total	313	100.0 %	

Missing Cases = 5

Response Percent = 98.4 %

FEI-Baruch CFO Outlook Survey - September, 2005**Industry (Other specified)**

Beverage
Conglomerate
Distributor of Rigid Packaging
Education
Education
Education
Engineering
Entertainment
Hospitality
Life Sciences
Marketing
Non Profit Human Services
Nonprofit association
not for profit
not-for-profit
Real Estate
Real estate developer
real estate development
Recreation
Satellite Services
Semiconductor
Semiconductpr
Tax Service
Telecom
Telecommunications
Telecommunications Equipment
Utilities

FEI-Baruch CFO Outlook Survey - September, 2005**Sales Revenue**

	Number	Percent	95% CI
Less than \$25 million	49	15.9 %	± 4.2 %
\$25-\$99 million	83	26.9 %	± 5.1 %
\$100-\$499 million	95	30.7 %	± 5.3 %
\$500-\$999 million	31	10.0 %	± 3.6 %
\$1-\$4.9 billion	41	13.3 %	± 4.0 %
Over \$5 billion	10	3.2 %	± 2.4 %
Total	309	100.0 %	

Missing Cases = 9

Response Percent = 97.2 %

FEI-Baruch CFO Outlook Survey - September, 2005**Weighted Sales Revenue (Millions)**

Minimum = 25

Maximum = 6000

Mean = 780.33

Median = 300

Variance (Unbiased) = 1841506.44

Standard Deviation (Unbiased) = 1357.02

Standard Error Of The Mean = 77.20

95 Percent Confidence Interval Around The Mean = 629.02 - 931.64

99 Percent Confidence Interval Around The Mean = 581.54 - 979.11

Skewness = 2.35

Kolmogorov-Smirnov Statistic For Normality = 6.57

Quartiles

1 = 62

2 = 300

3 = 750

Valid Cases = 309

Missing Cases = 9

Response Percent = 97.2%

FEI-Baruch CFO Outlook Survey - September, 2005**Number of Employees**

	Number	Percent	95% CI
Fewer than 100	45	15.2 %	± 4.1 %
100-499	106	35.7 %	± 5.4 %
500-999	35	11.8 %	± 3.7 %
1,000-2,499	48	16.2 %	± 4.2 %
2,500-4,999	23	7.7 %	± 3.2 %
5,000-9,999	20	6.7 %	± 3.0 %
Over 10,000	20	6.7 %	± 3.0 %
Total	297	100.0 %	

Missing Cases = 21

Response Percent = 93.4 %

FEI-Baruch CFO Outlook Survey - September, 2005**Weighted Number of Employees**

Minimum = 100

Maximum = 12000

Mean = 2096.97

Median = 300

Variance (Unbiased) = 10807845.52

Standard Deviation (Unbiased) = 3287.53

Standard Error Of The Mean = 190.76

95 Percent Confidence Interval Around The Mean = 1723.08 - 2470.86

99 Percent Confidence Interval Around The Mean = 1605.76 - 2588.18

Skewness = 2.06

Kolmogorov-Smirnov Statistic For Normality = 5.70

Quartiles

1 = 300

2 = 300

3 = 1750

Valid Cases = 297

Missing Cases = 21

Response Percent = 93.4%

FEI-Baruch CFO Outlook Survey - September, 2005**Headquarters**

	Number	Percent	95% CI
Midwest	95	30.4 %	± 5.3 %
Northeast	74	23.6 %	± 4.9 %
Pacific	59	18.8 %	± 4.5 %
South Central	41	13.1 %	± 4.0 %
South Atlantic	18	5.8 %	± 2.9 %
Outside U.S.	14	4.5 %	± 2.6 %
<u>Mountain</u>	<u>12</u>	<u>3.8 %</u>	<u>± 2.5 %</u>
Total	313	100.0 %	

Missing Cases = 5

Response Percent = 98.4 %

FEI-Baruch CFO Outlook Survey - September, 2005**Ownership**

	Number	Percent	95% CI
Private	202	67.3 %	± 5.5 %
Public, NYSE	52	17.3 %	± 4.3 %
Public, Nasdaq/AMEX	46	15.3 %	± 4.1 %
Total	300	100.0 %	

Missing Cases = 18

Response Percent = 94.3 %

FEI-Baruch CFO Outlook Survey - September, 2005**Foreign Sales**

	Number	Percent	95% CI
0%	125	40.1 %	± 5.6 %
1-24%	136	43.6 %	± 5.7 %
25-50%	32	10.3 %	± 3.6 %
Over 50%	19	6.1 %	± 3.0 %
Total	312	100.0 %	

Missing Cases = 6

Response Percent = 98.1 %

