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Letter of Comment No: 3552
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From: Sherri Boyd [sboyd@sierrahealth.com]
Sent: Wednesday, June 09, 2004 7:08 PM
To: Director - FASB
Subject: Share-Based Payment Exposure Draft

Sherri Boyd
SMA 6330 West Flamingo Road
Las Vegas, Nevada 89103

June 9, 2004

Ms. Suzanne Bielstein
Financial Accounting Standards Board
401 Merrit 7
Norwalk, CT 06856-5116

Dear Ms. Bielstein:

Re: Share-Based Payment Exposure Draft

I work for a company that allows employees to purchase my employer's stock at a discount through an Employee Stock Purchase Plan (ESPP). I understand that the Financial Accounting Standards Board (FASB) has proposed a change to accounting standards that would require my company to count this discount as an expense against its earnings (Share-Based Payment exposure draft). I respectfully request that you reconsider this proposal and not require expensing of the discount allowed in ESPPs.

I am concerned that required expensing of the discount in the ESPP may make this valuable benefit plan less attractive to my employer, potentially causing my employer to either discontinue the plan, or reduce or eliminate the current discount. If the discount is greatly reduced or eliminated, buying company stock through the ESPP would no longer be much of a benefit. Unlike benefits aimed only at high-paid executives, this is a valuable benefit for employees across the company.

The ESPP is a very important benefit to me. Being able to participate in an ESPP has enabled me to invest in my financial future and experience a sense of ownership in my company. This benefit helped attract me to and serves as an incentive for me to remain with my employer. I could even say I continuously strive to perform to the best of my ability because I am an owner of the company.

I am a Licensed Social Worker for Southwest Medical Associates, a division of Sierra Health Services. I will have been employed with this company for 12 years August 2004. I really appreciate having had this as a benefit to me as an employee. I've been able to use this benefit to make extra money to cover unexpected expenses like car repairs, credit card debt, child care and even vacation expenses. With the rising costs of living expenses (especially gasoline and dairy products), it is harder for families to meet their financial obligations.

As a nonmanagement employee, there are limited opportunities for financial compensation for loyalty to the company. This benefit allows any employee regardless of position the opportunity to make some extra money with the discount on the stock purchase. To lose this benefit because it costs too much for my employer would be a great loss and would adversely affect the loyal hard working lower to middle income families such as mine. I'm finally learning about stock purchase and stock options and would be very disappointed and upset if my company decides not to offer this any longer.

Please help us hard working, lower to middle class income families and allow us to keep this plan affordable to our employer. Please help me be able to use this plan to one day assist me in buying a home for my daughter. Thank you.

Millions of workers like me in companies across the country are able to purchase their employer's stock through ESPPs. This builds company loyalty and helps to promote high standards of work when employees have a sense of ownership.

I strongly urge FASB to consider the negative impact the proposed rule would have on the nearly 16 million workers like me and eliminate the expensing requirement for ESPP discounts in the final rule.

CC:
SEC, Chairman, William Donaldson
SEC, Chief Accountant, Donald Nicolaisen
Employee Ownership Coalition (eoc@vennstrategies.com)

Sincerely,

Sherri Boyd