

# Wells Staffing Services

Letter of Comment No: 3807  
File Reference: 1102-100

May 24, 2004

Chairman Robert H. Herz  
Director of Major Projects—File Reference No. 1102-100  
Order Department, Financial Accounting Standards Board  
401 Merritt 7, P.O. Box 5116  
Norwalk, CT 06856-5116

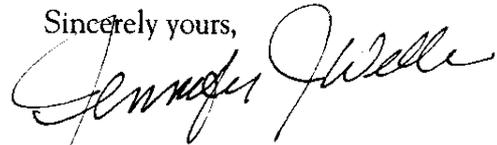
Dear Chairman Herz:

The financial community has never been able to accurately predict the future. Yet the FASB, through its proposal for mandatory expensing, is asking them to start. There is simply no way the value of a stock option can be determined until the employee exercises that option. Since stock prices vary daily, how can the FASB expect a company to put a value to these stock options?

Nor is it the government's place to decide how a company chooses to give back to their employees. By imposing their will on businesses, the FASB will impede the ability of employers to decide the appropriate incentives to give their employees. I plan to offer stock options in the future, but the FASB's proposal could change my plans as it will be more difficult to offer stock options to employees as an affordable incentive.

I hope you can see this issue from the same perspective as a small business owner. I understand this is just one of the many important issues you deal with on a daily basis and I thank you for taking the time to read this. But I feel that there are few policies as important as the mandatory expensing of stock options. It grossly affects the business prospects and livelihood of small business owners and their employees across the country. This proposal needs to be rejected to allow small businesses an opportunity to continue to thrive.

Sincerely yours,



Jennifer Wells