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Letter of Comment No: 3582 —
File Reference: 1102-100

From: Joe Goffeney [jgoffeney@aol.com]
Sent: Wednesday, June 09, 2004 6:18 PM
To: Director - FASB
Subject: Share-Based Payment Exposure Draft

Joe Goffeney
1456 Little Spring Ct
Las Vegas, NV 89128

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.

The Sierra Health Services ESPP program, as it now operates, is an extremely important benefit to me. As a middle income employee, the occasional opportunity to obtain a substantial (for me) amount of unencumbered income has afforded an opportunity to purchase and to continue to contribute to an IRA. This would be beyond my reach were it not for the Sierra ESPP. I can occasionally afford some of the things that transform an Existence into a Life. I can put tires on the car without have to pay 18% interest on a Credit Card; I can put a bit into my Grandchildrens College fund. Without the Sierra ESPP earning that allow me, as an ordinary citizen, to reap some of the benefits of a healthy, growing economy without the unaffordable risk of ordinary stock investments. There are just not many opportunities for the working stiff to have little nest egg come there way once-in-a-while. Please don't close this avenue to us. Thank you Joe Goffeney

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,

Joe Goffeney