

# *Data Systems Development Inc*

**2535 Tech Dr Ste 105  
Bettendorf, IA 52722-3278**

**Letter of Comment No: 3128  
File Reference: 1102-100**

May 25, 2004

Robert H. Herz, Chairman  
Order Department, Financial Accounting Standards Board  
401 Merritt 7, P.O. Box 5116  
Norwalk, CT 06856-5116

**Director of Major Projects—File Reference No. 1102-100**

Dear Chairman Robert H. Herz:

Small businesses need all the resources they can in order to attract and retain the best employees. A company's ability to offer employee stock option plans is an important resource in doing this.

The value of an unexercised stock option is an unknown amount. Federal accounting standards based on unknowns would be a very dangerous precedent. Yet that is exactly what we will get if the proposed FASB standard on stock options accounting is permitted to become law.

I sincerely hope that you will see the disadvantages of the mandatory expensing of stock options particularly as they would affect small business owners. Expensing stock options would most definitely slow economic growth and reduce the amount of new technologies. Additionally, it would be infringing on how a business owner and employee agree on compensation. Please help fight these unnecessary and burdensome measures. Thank you for your time and action on this important matter.

Sincerely,

  
Jeffery Crump