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Letter of Comment No: 4072
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From: Jenny DesVaux Oakes [JennyPR@SierraHealth.com]
Sent: Thursday, June 10, 2004 2:54 PM
To: Director - FASB
Subject: Share-Based Payment Exposure Draft

Jenny DesVaux Oakes
8404 Chinook Candy Ct.,
Las Vegas, NV 89113

June 10, 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 is and has been an extremely valuable investment for me and my husband. Five years ago, profits realized from the ESPP provided a portion of the down payment on a new home. In 2003, ESPP profits assisted us in retiring the mortgage on our home. This was very important as my husband is retired and I will reach retirement age within the next two years. It provides great peace of mind to know that I will retire with full ownership of our home.

I consider the ESPP an important employee benefit. I have been a regular contributor to the ESPP as part of my overall retirement investment strategy. My ability to continue investment in the ESPP should help to provide the funds necessary for a secure retirement.

Further, employee benefits, such as the ESPP, assist companies in the recruitment and retention of qualified employees and improve employee morale.

Jenny DesVaux Oakes, Assistant VP
Sierra Health Services, Inc.

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,

Jenny DesVaux Oakes