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Letter of Comment No: 3910  
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**From:** Barbara Ellison [Ellison@SierraHealth.com]  
**Sent:** Thursday, June 10, 2004 11:07 AM  
**To:** Director - FASB  
**Subject:** Share-Based Payment Exposure Draft

Barbara Ellison  
8520 Millsboro Dr.  
Las Vegas, NV 89134

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.

My name is Barbara Ellison and I am an administrative assistant for Sierra Health Services. A long-term employee (23 years) who through the ESPP with my Company, I have been able to fund home improvements to my home, to assist my grandchildren with their educational needs and many other extras that the elimination of this program would absolutely prohibit in the future. The elimination of this program would be just another example of someone getting richer on the backs of the working class people. For shame that such a change of this magnitude is even being entertained by the FASB. I urge you to reconsider this action.

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,

Barbara Ellison