

Nancy M. Morris,
Secretary Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

RE: File Number S7-06-03

February 27, 2008

Dear Ms. Morris,

As a current accounting student, the Sarbanes-Oxley Act of 2002 has had a tremendous impact on my current studies and will continue to affect me as a professional when I graduate. That is why I feel it is my duty to comment on the proposed amendment of the temporary rules regarding the postponement of the date that non-accelerated filers must include an independent auditor's attestation report. Presently, filers must include an attestation report on internal control over financial reporting for fiscal years ending on or after December 15, 2008. The proposal would postpone that date a full year, making filers include the auditor's report for fiscal years ending on or after December 15, 2009. After reviewing the proposed amendment literature, I feel that the postponement is unnecessary and detrimental to both the filer's internal controls and to people invested in the companies.

This is not the first time that filers have been given an extension. In 2006, the dates mandated by Section 404 of the Sarbanes-Oxley Act of 2002 requirements on internal control over financial reporting were extended for non-accelerated filers by five months. This meant that the management report requirement would not need to be met with compliance until December 15, 2007. At this time, the auditor attestation report was also postponed until December 15, 2008. I feel that ample time has been provided to non-accelerated filers regarding these issues. In 2006, I feel the postponement was with merit. The PCAOB was in the middle of preparing guidelines for auditors and smaller companies and changes were being made to AS No. 2. Since 2006, the PCAOB has finished internal control implementation improvements and AS No. 2 was replaced by AS No. 5. It has been six years since Sarbanes-Oxley, yet a significant requirement is still not in place. I believe it is time for companies to comply and no more excuses should be made for them.

Internal controls are vital to any organization's operations, no matter the size. If anything, smaller companies can benefit even more by having internal controls in place because of evidence citing that smaller companies make up the bulk of accounting fraud cases¹. While smaller companies may have fewer resources to work with, I do not believe them incapable of implementing some sort of internal control system. Their reputation in the business world is at stake and I feel that another postponement would hinder, rather than help. Without the attestation of an independent auditor, how can a shareholder feel confident in the operations of the company? How can a company know that their internal controls are actually doing their job? The answer: They can't. They need feedback on these issues sooner, rather than later.

¹"Separate Statement of Kurt Schacht, CFA, Executive Director, CFA Centre for Financial Market Integrity Relating to the Final Report of the SEC Advisory Committee on Smaller Public Companies" (February 23, 2006), page 10

An independent auditor's attestation becomes a key part of internal controls. A company's weaknesses can be revealed or their strengths lauded upon. In a corporate world tarnished by the likes of Enron and Arthur Anderson, internal controls should be embraced and not put off. A company should be able to boast about their internal controls and be proud of the energy expended to put them in place. Maybe it's just my naïve idealism, but I believe that companies should strive to be the best they can be.

Respectfully submitted,

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