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

RE: File No. S7-06-03 Internal Control over Financial Reporting in Exchange Act Periodic Reports of Non-Accelerated Filers

Dear Ms. Morris:

I'm writing in regards to the proposed amendments to internal control over financial reporting in Exchange Act Periodic Reports of Non-Accelerated Filers and the consequences that would follow. The proposed amendments would postpone the date by which a non-accelerated filer would be required to include an auditor attestation and management's assertion report for one year.

The obvious pessimistic perception of the Sarbanes-Oxley Act is the high cost of compliance with minimal value being directly added to the company. According to an article from the Institute of Internal Auditors, Inc., Section 404 compliance costs averaged \$3.8 million in 2005, which was down 16 percent from the previous year. Take that figure into consideration when comparing two separate companies of different financial capacities. Assume the first has sales of \$1 billion, while the other has a mere \$100 million. 3.8% of sales is of significant value when it's allocated to a non-revenue producing cost center, such as an internal audit department. The postponement will allow organizations to take full advantage of research and guidance to implement a less costly, more efficient and successful internal control system.

Over my eight-month internship with Brunswick Corporation, I gained valuable internal control experience by working at the Mercury Marine division in the Business Governance department. I saw first hand the time, effort and resources necessary to comply with section 404. In 2007, Brunswick had net sales of \$5.7 billion, enabling the company to employ a company wide internal audit department responsible for all divisions in addition to a Business Governance department at their largest branch, Mercury Marine. It is difficult for small companies to fund a program of the sort, even on a smaller scale.

The risk exposure to large companies is greater than that of small organizations. In addition, the global awareness of SOX and the circumstances that brought forth the regulation has already helped to mitigate risks. The ability for smaller companies to postpone attestation and assessment allows for better overall assurance to the shareholders of the accuracy and reliability of the company's financial statements.

My concern with the deferral of the statements lies in the immediate quality of assurance to shareholders. By delaying these reports by a year, aren't we, as an industry, hindering one of the most important aspects of the Sarbanes-Oxley Act, which is to provide accurate and timely assurance of Financial Statements. Even when performing tests to comply with Section 404, we test to ensure reconciliations are performed in a timely manner.

Perhaps some sort of tax break for smaller companies who must engage in compliance with the regulation is a better approach that doesn't have a negative impact on potential investors and shareholders.

I appreciate the opportunity to comment on the proposal and may be contacted at 920.979.8986.

Sincerely,

John Schaeve