February 13, 2006

U. S. Securities & Exchange Commission
100 F Street, N.E.
Washington, DC 20549-0213

To Whom It May Concern:

Thank you for allowing us the opportunity to comment on the proposed legislation regarding executive compensation. The Montana State University Masters of Professional Accountancy program recently completed a research project concerning executive compensation. As students, this project allowed us to thoroughly research select public company's proxy statements since 1992. The results of this intensive research gave each of us a glimpse into the many difficult issues surrounding the disclosure of executive compensation. With the information we gathered, we attempted to draw a conclusion about the levels of executive compensation and the changes that have taken place since 1992 after the enactment of Internal Revenue Code Section 162(m).

The current structure of executive compensation has many faults and is in dire need of revamping. The SEC and the IRS are inconsistent in how they treat different forms of compensation. If both organizations could come to a conclusion about what is included in the calculation of total compensation, it would provide a more consistent representation to investors. The proposed Compensation Discussion and Analysis provide companies with more flexibility to explain compensation than the Management Discussion & Analysis section and will help to provide a clearer picture to investors. The proposal focuses more on the material aspects underlying the company's compensation policies and procedures. If companies are not required to disclose future performance levels, they may be able to avoid adverse affects to the company. We are also concerned about how the SEC plans to ensure that companies are disclosing all the "material factors underlying compensation policies." Our understanding is that each company may decide how to present the information in the analysis section. Ensuring that each company discloses the needed information seems like an impossible task for the SEC, unless they were to require tabular disclosure.

We also believe that eliminating the extra jargon that goes with these statements encourages the companies to be more honest about their disclosures. The changes that are being proposed to eliminate boilerplate disclosures about executive compensation are very adequate. We do not suggest any further changes than already proposed. If the report is not over the names of the compensation committee, it would seem that they are not being held accountable for what is in the report.

Thank you allowing us to comment on this subject and we look forward to the results of the final regulation imposed on the disclosure of this information.

Sincerely,
Montana State University Masters of Professional Accountancy Students
Angela Chappa
Annie Gabel
Michelle Prater