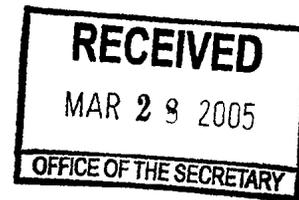


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March 21, 2005

Mr. Jonathan G. Katz  
Secretary  
Securities and Exchange Commission  
450 Fifth Street, NW  
Washington, DC 20549-0609



File Number 4-497

Dear Mr. Katz:

I believe the purpose of the SEC's request for feedback from interested parties is to temper the effect of the legislation with some practicality – and to also provide a public outlet for such concerns.

My hope is that this will not result in a “watered-down” version of the SEC's interpretation of the legislation. Despite the endless griping by Corporate Executives about “wasteful spending” on internal controls, these are the same individuals that take home millions of dollars each year that far exceed the costs of Sarbanes. The Sarbanes-Oxley compliance costs have been relatively immaterial to large corporations, especially in comparison to CEO and CFO compensation.

Sarbanes-Oxley has changed the relationships between auditors, Chief Financial Officers, Chief Executive Officers and Audit Committees. I personally believe the change is healthy, and it was overdue. I also believe that further, small modifications of these relationships, would be beneficial to the investor community – and these changes would help clarify the roles of the constituents noted above.

**MODIFYING THE CFO ROLE AT PUBLIC COMPANIES**

As you may know, many CFO's find themselves in the awkward position of balancing their loyalties toward the CEO, the Audit Committee and Board of Directors, and shareholders of the Company – as well as their obligation to support the independent audit of an entity. Additionally, the CFO is usually charged with managing the independent auditor, including managing the audit fees. This also sometimes involved the CFO suggesting audit procedures to make the auditor's engagement more “efficient.” The CFO will also be evaluated on how well the auditor expense is managed – most CEOs view the audit opinion as a commodity – necessary evil – and something that they do not want to dedicate time or money toward.

In terms of a perceived conflict of interest, the relationship between the CFO and the independent auditor – with respect to fee negotiations – has not gotten much press attention. This is understandable, as the perception is now that the Audit Committee performs these negotiations. However, that is NOT reality at most corporations. (It is

**Mr. Jonathan G. Katz, Secretary**

interesting to note; however, that Audit Committees at most mutual fund complexes actually negotiate and approve the audit fees).

The SEC and the PCAOB should consider working together to remove the direct negotiation of independent audit fees from the role of the CFO. This negotiation process should take place at the Audit Committee Level; the CFO should not be evaluated on his ability to negotiate lower fees with the auditor. Rather, he/she should be evaluated on how well he manages corporate compliance with accounting rules and regulations. And, he/she should be evaluated by the Audit Committee as to his/her level of cooperation with the independent auditor.

Freddie Mac and Fannie Mae's recent situations have caused some significant changes in corporate governance – including the separation of the Chairman and CEO roles. Modifying the CFO role to require direct reporting to and evaluation from the Audit Committee relative to the independent audit process would provide a great benefit to investors, Audit Committees, CFOs and independent auditors.

My hope is that with the recent situations hitting the press lately from the investigations by Mr. Elliot Spitzer will have highlighted the need for this type of reform; which I believe will give renewed vigor to both the CFO and the independent auditor in serving the interests of the general public.

Sincerely,

Anonymous CPA