

April 14, 2005

Mr. Jonathan G. Katz, Secretary  
Securities and Exchange Commission  
450 Fifth Street, N.W.  
Washington, D.C. 20549-0609

RE: File Number 4-497  
Feedback on the Implementation of Sarbanes-Oxley Internal Control Provisions

Dear Mr. Katz,

In response to your request for feedback on the implementation of Sarbanes-Oxley Internal Control Provisions, I would like to respond to you from the viewpoint of an educator, an accounting policy researcher, and an investor.

As an educator, it is apparent that the goals of the Sarbanes-Oxley Act need to be understood and taught in our educational systems, and in professional advancement education programs. The long-term benefits of this education will be realized in the performance and strength of our capital markets.

As an accounting policy researcher, it is apparent that the Internal Control Provisions were intended to strengthen the probability that financial statements would be presented fairly and be in accordance with GAAP. A larger issue that needs to be addressed is the primary driver of the accounting, which is the accounting policy. The current disclosures of significant accounting policies do not consistently require examples of representative transactions that reflect the thought process of the accounting principles applied. Such a requirement, when incorporated into the standard under Section 404, Management Assessment of Internal Controls, would go further to be supportive of the overall goals of the Sarbanes-Oxley Act of 2002.

As an investor, I am pleased to see the progress many companies have made in complying with the provisions of the Act. I also believe the current reflection of the material weakness issue by such a large number of companies is undermining investor confidence. From an investor point of view, it seems a disclosure of material weakness should also require an independent risk based assessment of the potential impact. Investor reactions based on disclosures so far have led to a significant increase in short positions and weakening of individual securities' market prices. Such reactions may decrease the willingness by some companies to fairly and timely report the results of their compliance efforts. It may in fact be better to require such disclosure only under a much narrower view of what is representative of a material weakness.

Thank you for the opportunity to provide comments on this important issue.

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