November 8, 2009

Mary Schapiro
SEC Chairperson
Security and Exchange Commission
Washington, D.C.

Re: Proxy Disclosure and Solicitation Enhancements
File No. S7-13-09

Commissioner and Chairperson Schapiro,

I believe corporate accountability is a shared responsibility between the regulatory agencies, board of directors, corporate management, shareholders and stakeholders. The corporation needs to be accountable to shareholders. Shareholders need the tools of accessibility, disclosure and transparency through relationship to the board of directors. The board of directors is to represent the best interest of the shareholders in this competitive and diverse global marketplace.

Since the first minority and female sat on a corporate board of directors, the impact and contributions of cultural and racial diversity was felt immediately. Dr. Rev. Leon Sullivan, the first minority to sit on a corporate board (General Motors), challenged corporate ethical and social responsibility. Dr. Sullivan and the “Sullivan Principles” changed corporate thinking from “maximizing investments” to companies exhibiting proper fiduciary, civic and social responsibilities. After thirty years the “Sullivan Global Principles” are still providing equality of access in business operations. Barbara Kaczynski was the first and only woman to sit on a board of directors in the all male dominated video game industry. Ms. Kaczynski, a former CFO for the National Football League, challenged corporate management’s, ethical and moral practices that could jeopardize the company and shareholder investments.

Recently corporate accountability concerning the board of directors has greatly deteriorated, especially concerning shareholder’s access to diversity information. Shareholders can no longer count on corporate resources such as shareholder meetings, corporate reports or websites for EEO and diversity information.

1. Many of the corporations no longer provide diversity information on the pool of candidates for board of directors in their reports.

2. Most corporate websites (about 1/2 of the Fortune 500 companies) no longer include pictures or designations of the diversity of the corporate board of directors;

3. Most corporate annual, diversity reports or proxy statements no longer include pictures of board members or give race designations.

4. Some corporate board members do not attend or are not required to attend annual shareholder meetings; giving shareholders less of an opportunity to witness the diversity of their board.

5. Now some companies like Intel will hold only electronically telecasted annual shareholders meetings, <u>isolating</u> board of directors even more from shareholders.

Today's barriers to corporate diversity are no different from the last Glass Ceiling Report over a decade ago.

1. In one survey of corporate board members, it was reported that more than 55% of the U.S. publicly traded company's directors do not want their boards becoming more diverse by increasing their minority representation. (Heidrick & Struggles International, Inc. and the Center for Effective Organizations, University of Southern California's Marshall School of Business.).

2. A 2008 diversity report suggested white males (86%) still hold a disproportionate share of board of director seats. (Alliance for Board Diversity report: *"Women and Minorities on Fortune 100 Boards") and;*

3. The 2008 diversity report revealed the trend of numbers of African Americans sitting on Board of Directors has been steadily declining by 5%. (Alliance for Board Diversity report: *"Women and Minorities on Fortune 100 Boards".*

4. Asian and Asian Pacific Americans (APA) are still under represented on Fortune 500 boards and there are only 1% of APA sitting on multiple boards compared to the average of 21%. ("Committee of 100's" corporate diversity report (2004),

5. Today at least 20% of the Fortune 500 corporations still have no women on their Board of Directors. (2009 ICCR survey of Fortune 500 corporations)

6. After 20 years of socially responsible investor inquiry to corporations on diversity in board of director pool of candidates, many are till being told by corporations that qualified diverse candidates for the board of directors is unattainable.

   Yet a survey by ICCR on presidents and former presidents' of Historical Black College and Universities, (the largest and most distinguished pool of possible African American candidates) 70% of the respondents revealed corporations have never contacted them in search for board of directors candidates (2008/2009 ICCR survey).

7. Finally despite the success of many Native American leaders in government and business, there has never been a Native American assigned to a Fortune 500 board of directors.

Today shareholders are asking companies for a breakdown of the board of directors by race, gender and the positions they hold on the board of directors, similar to the EEO-1 Report. SRI institutions believe corporations are responsible for keeping shareholders informed about the competitiveness of their company in a very diverse and global marketplace. Corporations should bear responsibility for demonstrating an intention towards racial and cultural diversity in board of directors appointments.

Sincerely,

Gary Brouse

cc: Rene Redwood, Former Executive Director of the Glass Ceiling Commission
Harry Alford, CEO, National Black Chamber of Commerce