

February 26<sup>th</sup> 2007

Nancy M. Morris  
Secretary  
Securities and Exchange Commission  
100 F St, NE  
Washington, DC 20549-1090

Re: Comments on File S7-24-06

Dear Ms. Morris

Section 404 of SOX cements the relationship between internal controls and published financial statements of a publicly listed corporation. When the internal controls are monitored and deemed to be effective, investors and the public know that the financial statements are reliable. Every company should have a system in place to evaluate their internal controls and to present the findings to the public and the interpretive guidelines set forth how all companies can do this. Because of this, I feel that the proposed interpretive guidelines will be very helpful to all companies, especially smaller companies.

The guidelines give management the basics of how to determine if they have effective internal controls over financial reporting. However to be effective, I believe these guidelines should be made a rule and not an interpretation. All companies should be required to follow these guidelines so there is some uniformity. By doing this, consistency will be obtained in all companies, large or small, and investors can have reliable information. Although it is impossible for each company to have the same evaluation method due to the situational specifics of each company, the top down, risk based approach will provide some assistance on how to go about evaluating the controls.

These proposed guidelines should help ensure that the public interest is being protected because now all companies would be able to evaluate their internal controls and there would not be a "potpourri" of different ways to evaluate them. All companies should be required to disclose their internal control effectiveness in their year end statements including smaller companies. The fact that all controls do not need to be evaluated, only the ones that address financial reporting risk, will help out small companies that do not have as much time and resources to spend on the evaluation process.

As far as the proposed rule amendments, I feel that they will be helpful. The amendment to the Exchange Act Rules will make evaluation of the controls more effective. If a company evaluates the controls following the interpretive guidelines, the effectiveness will be deemed valid according to the rules.

However, I have concerns about a company assuming that because they followed the guidelines they satisfied their obligation. If they missed just one step their controls may not be effective and a false report would be filed.

Lastly, I feel that Rule 2-02(f) does need to be revised. I feel that the auditor needs to present his thoughts of the ICFR effectiveness, not on what he thinks about the

management's opinions. By doing this, the public can be assured that it is not only management that is deeming the controls effective.

Sincerely

Michelle Lange  
2008 Accounting Graduate  
University of Wisconsin-La Crosse