

*It's time to pull
up your SOX*



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The birth of SOX



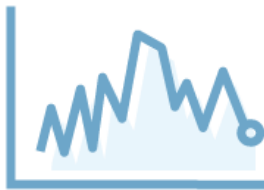
The word is rocked to its core by accounting scandals and lack of ownership by Management. Enter Paul Sarbanes and Michael Oxley....



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Timeline

2000



Dot com bubblebursts

2001-2002



Corporations face fraud charges

2002



Congress passes Sarbanes-Oxley Act for financial oversight

2019



IT departments must ensure compliance for financial files and records



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Objectives

Attempts to strengthen Corporate oversight.

Improve internal controls.

Provides the foundation for new Corporate Governance rules, regulations and standards issued by the SEC.



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Key clauses of the SOX Act

Section 301 Whistleblower Hotline

- Requires companies to set-up procedures for the confidential, anonymous submission by employees with concerns regarding questionable accounting or auditing matters

Section 302 CEO, CFO Certification

- Requires management to quarterly evaluate the design and operational effectiveness of disclosure controls and procedures (disclosure controls include internal controls)

Section 404 Internal Controls

- Requires companies to annually test the effectiveness of internal controls over financial reporting and the external auditors to audit internal controls

Section 906 Criminal Penalties

- Imposes criminal penalties if the information contained in the Forms 10-Q and 10-K do not fairly represent the financial condition and results of the operations of the Company



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SOX Compliance



**Comprehensive
testing
procedures**

Helps To verify
whether controls
are operating
effectively



**High-Quality
Documentation
of the test
procedures**

Data organized ,
documented, and
accessible for SOX
auditors



**Identifications
of
shortcomings**

Every hitch is
referenced to the
related paper,
providing evidence
and remediation
for the deficiencies



**Cutting Edge
Technology**

Real Time reporting,
implementing a
data security
software platform
for SOX auditors and
management



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