



# PROTECT YOUR SOX UNIVERSE.

The professionals in Weaver's Advisory Services team can assist you in evaluating your SOX sustainability to help improve the internal control structure of your organization. SOX gives management verification that operating policies are being followed and offers peace of mind. It is a sound monitoring practice and is a part of good corporate governance.

For some smaller organizations, conducting all SOX related activities in-house may not be affordable or practical. In such instances, developing a compliance plan, assessing related risks, devising controls, maintaining documentation or other necessary activities can be outsourced to attain efficiency and optimize internal resources.

## How do I create a sustainable SOX Universe?

Whether your business is facing year one of Sarbanes-Oxley (SOX) compliance, or working on year two and beyond, focusing on **remediation, sustainability, and scalability** allows compliance to become a process that is maintained – and not re-created – from year to year.

By fine-tuning and nurturing SOX compliance throughout the year, you can effectively manage the project scope, avoid potential unforeseen difficulties and approach SOX compliance as an on-going process.

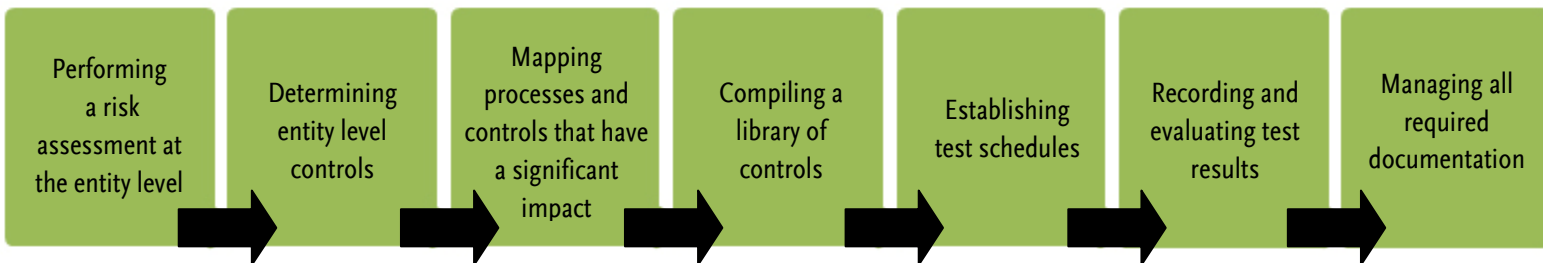
## How do I maintain SOX compliance?

SOX compliance can become an imbedded element of normal business operations, extending beyond greater financial reporting accuracy and continual compliance.

SOX is a continual mandate with requirements that must be met year after year. Sustaining compliance without overextending available resources requires approaching SOX as an ongoing process that is maintained - and not re-created - each year.

To keep your SOX universe spinning, each company should identify remediation needs, promote continuous improvement, and ensure the same weaknesses do not continually present difficulties. By devising and implementing remediation strategies, compliance efforts can be effectively and efficiently sustained.

## SOX compliance efforts include:





**1. Preliminary Risk Assessment**

- Define expectations
- Identify business processes and risks
- Solicit management's concerns

**2. Strategy Development**

- Select a champion for the project
- Organize the committee/project team
- Develop a project plan

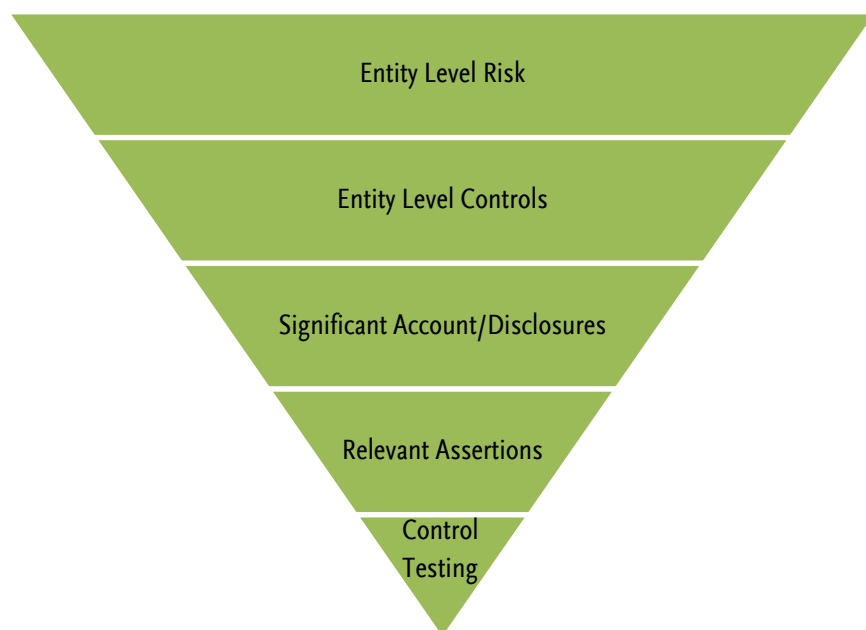
**3. Evaluation of Controls**

- Identify how management is controlling risks
- Identify business control processes
- Assess control environment
- Communicate and validate issues
- Define testing strategy

**4. Measurement of Effectiveness of Controls**

- Execute test programs
- Evaluate transactions
- Analyze the results
- Conclude on sufficiency of control environment

**A top-down, risk-based approach** focuses on the controls necessary to prevent or detect material misstatements. This approach presents the opportunity to focus the company and its auditors on what is most important and what most impacts the company and their investors. Organizations benefit by reviewing and improving their entity-level controls and risk management processes.



Organizations grow, and compliance efforts must be scalable to accommodate that growth or any other change. Making compliance a scalable process requires imbedding controls and accountability for compliance throughout the organization. In addition, by working with the external auditors, companies can focus on fewer key controls and reduce testing, directly impacting their compliance costs. The business benefits from improved risk management will result in enhanced, overall organizational performance.

Most companies are now beginning to build the infrastructure needed to sustain SOX 404 compliance for the long term. The Risk Assessment Sarbanes-Oxley Solutions team at Weaver understands the importance of sustaining compliance and ensuring your company's investment reaps benefits for your organization. We can assist your company in maintaining effectiveness of your internal controls, complying with disclosure controls requirements, integrating internal control testing and internal audit and leveraging the company's overall SOX investment.