

# SOX Ongoing Compliance

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## Four Key Take-Aways From The Conference

### ***Ongoing compliance is not just a mere extension of first-year compliance***

It is radically different in nature:

- the ability to comply becomes a given, though remaining first-year control issues obviously need to be remedied
- the objective becomes to engrain SOX compliance in the “company’s DNA”.

### ***Ongoing compliance is about remaining compliant while finding ways to improve compliance management***

Key areas for compliance management improvement:

- process management and process-owner empowerment
- balancing internal and external (outsourced) resources
- SOX software tools, which do not solve compliance issues but can help manage documentation and controls (cost/benefit need to make sense)
- “enterprise architecture” functions will help include SOX compliance in process management, and avoid redundancies of related activities
- Compliance needs to be managed per business area with relevant metrics

### ***SOX compliance cost reduction is a priority focus***

Many companies are looking into the following areas:

- SOX scope, materiality levels for risk management and number of controls have a major impact on compliance costs. They need to be revisited and, as needed, renegotiated with external auditors.
- Sub-optimal control design can generate undesired workload, namely at supervision levels: revisit controls design.
- Simplifying the organization can significantly reduce the cost of compliance. Areas to work on include centralization of activities, standardization of processes, consolidation/simplification of the portfolio of system applications in scope of SOX.

### ***SOX ongoing compliance improvement requires planning***

Changes in processes, systems, organization can prove very costly from a SOX compliance standpoint if not properly planned and executed. Improvement initiatives will be of multiple nature and need to be managed as an ongoing program.