

# GOVERNANCE INSIGHT: YOUR SARBANES-OXLEY SOLUTION

## Compliance Challenges

Since the introduction of the Sarbanes-Oxley Act of 2002, many companies have struggled to implement and maintain an effective compliance program. Organizations are continuing to spend significant resources to comply with the legislation using word processing documents and spreadsheets, only to find that even their best efforts are not enough. Because internal controls data is inherently complex and ever-changing, it requires constant attention. Some companies are finding it necessary to institutionalize internal controls data, and maintain data in a specific application or central repository. This is just the first step, however, to getting the compliance process under control. Managing change control, properly assessing internal controls, identifying and remediating deficiencies, performing and monitoring controls, testing, and reporting, are all examples of challenges companies face when attempting to develop an effective Sarbanes-Oxley program. At Vital Insight, we have designed solutions to help tackle these challenges. Our Governance Insight application can help transform your organization's Sarbanes-Oxley investment into a true governance asset.

## Product Overview

Vital Insight's flagship product, Governance Insight SOX Enterprise™, streamlines compliance by centrally managing control activities, audit project steps, documentation, workflow, and reporting. Beyond that, it provides a platform that leverages information gathered during compliance projects to manage all corporate governance and reporting requirements within a single, easy-to-use application. Starting with a database of your organizational structure (including processes, risks, controls, and policies), Governance Insight provides all elements needed for a successful Sarbanes-Oxley compliance project.

## Powerful Modules

Governance Insight SOX Enterprise™ is comprised of six fully integrated modules coupled with powerful grid-based and dashboard reporting. The modules include Organizational Structure, Controls Monitoring, Documents & Deliverables, Risk Assessment, Standards & Policies, and Project Planning.

## Document and Maintain

The Organizational Structure module provides users with a powerful and user friendly way to organize and manage internal controls data. It is extremely flexible, scalable, and able to support and represent the design of any organization. Organizational Structure provides a 'tree-like' architecture allowing users to easily create, change and manage data in a hierarchal fashion. Users are provided with an easy-to-navigate interface with very familiar commands (e.g., drag/drop, copy/paste).

Organizational Structure also includes ready-to-use Process, Risk, and Control Libraries. Provided through

our domain experts and partner network, this proven process and control content helps simplify and accelerate compliance projects.

Whether you are developing your internal controls documentation for the first time or needing to convert your existing data, we have the solution. There are numerous supported methods to develop and/or import your internal controls data into Governance Insight including:

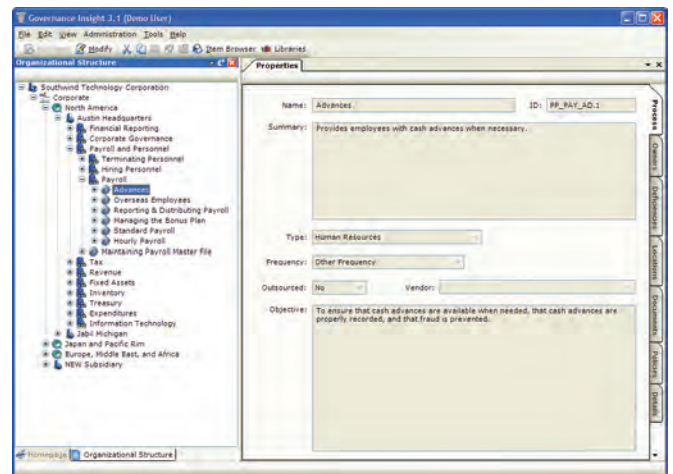
**Manual Data Creation:** The intuitive menus, forms, and custom built document templates allow users to create internal controls data directly in Organizational Structure.

**Using Process and Control Templates:** Leveraging Vital Insights' proven Process and Controls libraries provides users with the ability to build internal control documentation using templates. Process and Control libraries can also be used to evaluate the adequacy of existing processes and controls.

**Importing:** Vital Insight has authored the XML-based Enterprise Risk Markup Language (ERML). Existing internal controls documentation can simply be converted from an existing application into ERML, or exported into provided Excel Spreadsheets that conform to ERML. The internal controls data in ERML or template Excel format can be easily and quickly imported into Governance Insight.

## Key Benefits

- Simplifies your compliance process by quickly securing your internal controls data in an intuitive, easy-to-navigate interface.
- Imports existing internal controls data easily using XML or Excel based template solutions.
- Reduces compliance costs by enforcing standardization and eliminating rework and retesting.
- Implements early warning signs to proactively identify control weaknesses before they become deficiencies.
- Eliminates manual status and deficiency reporting by leveraging real-time and interactive dashboards. Drill-down capabilities allow any user to navigate to specific data with ease.



Organizational Structure

## Analyze, Remediate and Improve

When the internal control documentation process is complete, it is necessary to review and analyze your documentation. Determining whether deficiencies exist and improving the control environment is a task requiring reliable tools and effective management. Our Documents and Deliverables module provides users the ability to encapsulate and assign users to complete or review data, while maintaining restricted change control. Coupled with a robust and configurable workflow, our automated documents maintain complete audit trails, versioned archives, and allow management to oversee the status and schedule of work components through to completion. Our automated documents were developed to provide users with the same look and feel

of spreadsheets and word processing documents, but with the power of an integrated, multi-dimensional database application.

### Perform and Monitor

Manually operated controls including reviews, reconciliations, signoffs, approvals, and meetings, typically make up 75% or more of an organization's key internal controls. Monitoring manual controls can be a daunting and time consuming task, requiring constant administration and frequent user interaction (e.g., reminders). Our Controls Monitoring module provides a complete framework to help monitor your controls. Any control can be monitored by providing a few simple preferences (e.g., monitoring frequency, duration). Once monitoring is established, Governance Insight takes over the role of reminding users of pending work/reviews, maintaining workflow, notifying management of delays, and collecting evidence for completion. Status and compliance is reported to management quickly and easily, giving visibility into the operations of the business that provides value far beyond simple compliance.

Governance Insight Controls Monitoring becomes the system of record, tracking control execution and allowing you to rely on the application to enforce proper control operation. When auditors or internal testers require documentation and reporting on the performance of these controls, Governance Insight Controls Monitoring makes it available at the click of a button. Controls Monitoring allows your organization to be proactive by identifying control operating effectiveness problems before they become deficiencies.

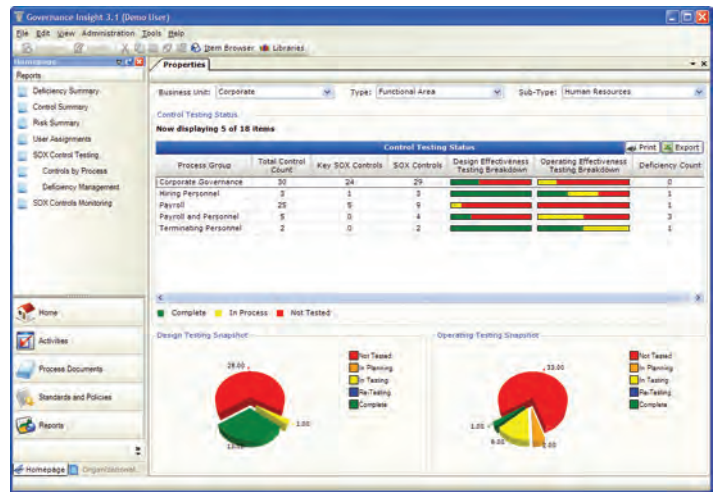
### Test and Report

Executing an effective control evaluation process begins with being able to identify the proper testing coverage for your organization. Maintaining a consistent risk-based approach that links financial, operational and environmental risks to your internal control data is a fundamental step towards appropriate control identification and test coverage. Our Risk Assessment module gives you the ability to import your financial statement data, and easily associate financial accounts (or reporting items) to business cycles, processes, and controls within your organization.

After helping identify the appropriate control coverage, Governance Insight provides comprehensive automated testing documents allowing effective test procedure development, results capture, and deficiency management. Users can define test sample sizes, procedures, and methods for individual and shared controls. Observations and deficiencies are easily created and directly associated to processes, process steps or controls.

One of the most important requirements for a successful Sarbanes-Oxley program is to be able to report on the

state of internal controls, status of assignments, and effectiveness of your testing and remediation projects. Governance Insight supplies a series of state-of-the-art grid-based and dashboard reports that provide real-time visibility into your internal controls data. Our dashboards present management level views, providing project managers and executives with snap shots of monitoring, testing, and deficiency management information. The dashboards also offer complete drill-down capabilities, allowing users to easily navigate to an individual process step or control level. With Governance Insight, executives can take action immediately to fix issues that are identified with a few mouse clicks.



SOX Control Testing Dashboard

### Technical Specifications

Governance Insight is a client-server application built on Microsoft .Net technology. Deployment of Governance Insight is managed through Microsoft's Click-Once deployment technology, which makes application deployment and updating as simple as clicking on a web page. Client installations are controlled through the server by notifying users over e-mail. Client installation takes less than one minute, and upgrades are applied (if necessary) each time a user opens the application. Since Governance Insight is a client-server based application, the network bandwidth usage requirements are very low when compared to a web-based solution. Most importantly, Governance Insight provides enhanced and familiar Windows-like capabilities that web-based solutions simply cannot emulate. As a result, implementation and training times are greatly reduced and adoption of the software is much easier for all users.

### How to Get Started

To learn more about us and how we can help you, please call (888) 618-4825, or visit us online at [www.vitalinsight.com](http://www.vitalinsight.com).

### Technical Requirements

Client machine requirements:  
 Windows XP - Service Pack 2  
 .NET Framework 2.0  
 300MHz or faster Intel Pentium/Celeron, AMD K6/Athlon/Duron or compatible  
 256 Mb RAM  
 50 Mb free disk space

Server machine requirements:  
 Windows 2000 Server or 2003 Server  
 SQL Server 2000 or 2005  
 .NET Framework 2.0  
 SMTP gateway for notification distribution  
 1 GHz Pentium III-compatible or faster processor  
 512 Mb RAM  
 100 Mb free disk space