

Business Finance Article Archives

Upfront: Slow Uptake for Virtual Audit Tools

by [John Cummings](#)

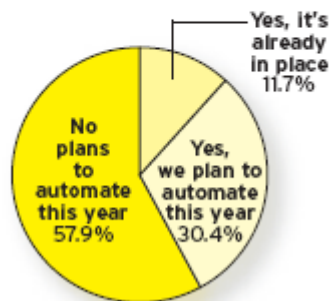
Finance executives want to automate continuous monitoring and audit processes, but CEOs aren't buying it.

In their second year of compliance, about 58 percent of companies have no plans to invest in technologies that automate continuous monitoring and auditing of internal controls -- even though many finance executives and internal auditors believe such technologies are key to sustained Sarbanes-Oxley compliance. This disparity is revealed in data generated from a survey of 247 senior audit professionals at corporations with more than \$1 billion in annual revenue. Business assurance analytics provider ACL Services Ltd. in Vancouver, B.C., and the Center for Continuous Auditing at Rutgers University in Newark, N.J., conducted the poll.

"The results of this survey mirror much of what we heard last year," says Harald Will, president and CEO of ACL Services. "Many companies still maintain a short-term mind-set when addressing the ongoing requirements set forth in Sarbanes-Oxley, despite a recognition of the benefits of ongoing and continuous monitoring of transactions for the purposes of assuring internal controls. And while internal auditors are overwhelmingly in favor of adopting the technology and best practices of continuous monitoring and auditing, organizations frequently don't seem ready or willing to back them up."

When asked to rate the importance of a range of factors in establishing a sustainable compliance effort, 94 percent of respondents -- the largest proportion -- say that reducing staff time and costs associated with internal controls testing is key. Eighty-five percent of participants say that increased investment in tools that continuously monitor internal controls is an important step.

During the current year's Section 404 compliance cycle, do you plan to automate your controls-testing process to run on a continuous basis?



Within your organization, who is responsible for continuous monitoring?



Who performs continuous monitoring?

