

**The Bottom Line:** For 2006 and beyond, automating compliance activities is Job No. 1, with software vendors providing most of the pieces of a complex compliance puzzle.

### How do you make sense of all your compliance options?

Earlier this year, we published the AMR Research Report “Landscape of Sarbanes-Oxley Compliance Tools,” January 2005, to provide companies with baseline information on vendors that deliver risk management and internal control documentation software for Sarbanes-Oxley (SOX) Section 404 requirements. SOX has made most companies hypersensitive to any mention of “compliance.” Now, organizations are seeing compliance concerns – not just SOX concerns – in many different areas of the business. Questions from evaluators arise from many quarters:

- What compliance-related activities should we automate? How far should any automation go? What should we do now? What can wait until later?
- Should we take a preventive approach or an audit approach to testing and enforcing controls? How far should we delve into risk management?
- Which IT architecture extends most naturally from my existing infrastructure today?
- Which compliance programs are related? Can one or a handful of investments address multiple mandates? Can we apply the same concepts from compliance to improve the quality of transactions processed through existing business systems?

We won't address each question individually because each answer depends on the unique situation at every firm. We do provide a framework for managing future compliance initiatives and a guide for assessing vendors that can help you meet your company's long-term compliance and governance goals.

## PROFILES

### ACL Services Ltd.

#### Applications

*ACL Continuous Controls Monitoring (CCM), ACL™ Desktop/Network Edition, ACL™ Server Editions, Direct Link™ for SAP™ R/3®*

#### Best Fit

Auditing and monitoring the existence and effectiveness of key business process controls for business assurance and regulatory compliance

#### AMR Research Analysis

ACL Services Ltd. (ACL) has long been known as the provider of the tool of choice for both internal auditors and public accountants. ACL is making an aggressive push into the SOX and regulatory compliance arena with its ACL Continuous Controls Monitoring (CCM) product, which monitors the effectiveness of access and authorization controls, application controls, and transaction data rules from any enterprise system (e.g., SAP, Oracle, PeopleSoft, etc.) or custom application.

Customers can select additional modules to test general or specific controls in the order-to-cash cycle, payroll, purchasing, purchase-to-payment cycle, and travel and expenses processes. Because of its audit software background, the company uses its expertise to create standard processes that also look for fraudulent or failed control “fingerprints” – a combination of activities that look suspicious – to correct transactions recorded in error (or purposefully). This capability is especially interesting to internal auditors and compliance process managers who can use all the horsepower they can harness through technology to assist them in their day-to-day activities.

ACL's CCM product delivers summary views of areas of exposure with the ability to drill down to supporting detail for further analysis. The ability to export the data gives companies the capability to initiate correction processes and institute a quality review process to prevent these transactions from occurring in the future. Although the company has put all its firepower behind financial processes, the base technology can be applied to any business process or type of data.

Like other products in this continuous monitoring software category, ACL's product should be used in conjunction with other compliance management software. ACL's products should be evaluated by companies that are planning to automate testing of controls for compliance, especially those firms with an existing vendor relationship.

<b>ACL Services</b>	
<b>Year Established:</b>	1987
<b>Public/Private:</b>	Private
<b>Revenue:</b>	\$20M to \$30M (est.)
<b>Employees:</b>	180
<b>Offices:</b>	Corporate HQ: Vancouver, BC, Canada; Other locations: Belgium
<b>Estimated Annual Growth:</b>	25% to 50%
<b>Executive Management:</b>	Harald Will, CEO
<b>Number of Clients:</b>	More than 10,000 organizations, 170,000 licensed users
<b>Vertical Focus:</b>	None
<b>Marquee Customers:</b>	Telus, Wells Fargo, Foothills, Becton, Dickinson and Company, Big Four auditors
<b>Geographic Coverage:</b>	Global
<b>Key Partners:</b>	Technology: Paisley Consulting, SAP
<b>Frequent Competitors:</b>	Approva, Virsa, Applimation, Logical Apps, Oversight Systems
<b>Website:</b>	<a href="http://www.acl.com">www.acl.com</a>