

There has been much discussion about the increasing expectations placed on internal audit and the importance of technology – specifically audit analytics, continuous auditing and continuous monitoring solutions – to help audit achieve its goals. Not only is internal audit expected to become more efficient and effective in performing its traditional assurance role assessing the effectiveness of risk management processes, but it is also expected to add value to the organization. How can the audit team do this? Largely by leveraging the benefits of data analysis techniques, which have been used for years, to improve business performance.

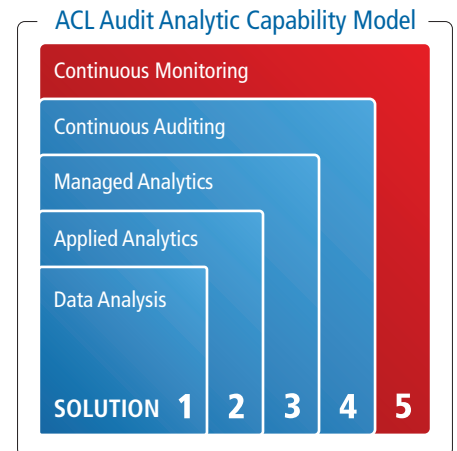
Working closely with our 14,700 customers worldwide, we understand how organizations can achieve great benefits from the use of data analytics, as well as why some have encountered challenges along the way. As a result, ACL developed the **Audit Analytic Capability Model**, five stages that help organizations track their progress along the continuum of analytic capabilities.

Here is the ACL **Continuous Monitoring solution offering** for level five of the capability model.

# Continuous Monitoring

## Reduce risk, lower costs and increase organizational performance

While audit analytics have been used successfully to assess internal controls and identify transaction errors and exceptions, such reviews frequently take place long after the transactions have occurred. This seriously limits management's ability to take timely and corrective action. The value of audit analytics is maximized when the results of continuous testing of transactions and controls are being provided directly to the business process owners for response. This allows for corrective action to be taken on a timely basis, directly improving the bottom line and business performance and reducing associated risks.



### Enable Rapid Response to Fraud, Errors and Inefficiencies

Detecting exceptions and control failures on a continuous or ongoing basis represents significant value to an organization. However, exceptions not reported on a timely basis or left uncorrected may continue to pose a compounding risk. Having the processes and technology in place to notify and report these instances to the business process owners for timely decision making improves organizational performance and strengthens controls.

Continuous monitoring enables management to determine more quickly and accurately where it should be focusing attention and resources in order to improve processes, implement course corrections, address risk, or launch initiatives to better enable the enterprise to achieve its goals.

### Strengthen Financial and Operating Controls

Continuous Monitoring provides an independent control review mechanism to help organizations assure the effectiveness of internal controls, reduce operational risks, minimize profit erosion, and mitigate the risk of fraud, while meeting increasing regulatory requirements. Management and business process owners receive timely notification of control breaches, can quickly review quantified exposure of business risk, and investigate and resolve potential problems before they escalate. Summary reports, available through an intuitive web-based interface, provide the opportunity to drill down to specific exceptions and transactions.

By monitoring and reporting on the strength of financial and operational controls on a continuous basis, organizations create a stronger and more effective control environment.

### Reduce Audit and Compliance Costs

The increasing costs of audits and compliance reviews are pressuring organizations to find a cost-effective, reliable, and sustainable means of validating controls performance. ACL's Continuous Monitoring solution automates internal controls testing in key financial and operational processes across the enterprise. This results in improved audit productivity since audit can place reliance on the monitoring procedures being performed and focus on areas that are not subject to these techniques. Audit and compliance costs are reduced while organizations gain independent, sustainable and comprehensive assurance of the effectiveness of internal controls.



## Solution Components

ACL's Continuous Monitoring solution is a combination of powerful analytic technology, consulting services from subject matter experts and training guidance from a global network of ACL certified trainers.

### Technology

ACL's Continuous Monitoring solution is powered by ACL AuditExchange™ and AX™ Exception. The AuditExchange platform is a server-based technology that provides automated data access capabilities and supports the scheduling and automation of audit analytics. AX Exception enables exceptions found during analysis to be passed seamlessly to the business stakeholders responsible for determining the cause, and correcting the control exceptions.

### Consulting

ACL provides end-to-end implementation and consulting services to support its solution offerings, ensuring clients realize the full value of their ACL investment. Our subject matter experts and technical consultants bring years of industry experience and a rigorously tested and proven methodology to all engagements. Consultants work with each client to understand their audit objectives, processes and data environments in order to provide a solution that best addresses their needs.

### Training

Introductory and intermediate training courses, delivered by ACL certified trainers, provide hands-on guidance as participants learn key ACL concepts and techniques and gather the building blocks necessary to integrate audit analytics into their audit programs. Training options include open enrollment classes, on-site classes, virtual classrooms and online learning. All courses are National Association of State Boards of Accountancy (NASBA) certified and offer Continuing Professional Education (CPE) credits.

# SIEMENS

## Continuous Monitoring Case Study

Siemens Financial Services, Inc. (SFS) is a leading provider of business-to-business financial services in the United States. The company, based in Iselin, NJ, enables business expansion for thousands of customers in the healthcare, energy, and industrial sectors by providing customized solutions that range from equipment financing and working capital to project and export finance, and insurance solutions.

### Results Using ACL

The SFS team uses ACL to run continuous controls monitoring routines on a daily basis. Business owners are notified about critical issues uncovered by ongoing analysis by the following morning, as extractions and analysis are run on the server overnight to promote peak performance. With almost no manual intervention, the analytics can reveal opportunities for greater profitability and data discrepancies that might impair management's ability to make informed decisions. The system provides a workflow that SFS has customized to notify stakeholders of exceptions, alerts, and critical business information. The new system not only offers time savings but also increased security over accessing the controlled analytic environment.

With ACL, SFS has automated data analysis routines that used to require manual testing – enabling staff members to apply their time to more significant, value-added activities. They have leveraged the flexibility of the platform to better pinpoint errors and maximize the use of repeatable analytics.

Most importantly, SFS has ACL to make its continuous monitoring plans a reality – increasing team efficiency and reducing the negative impact of exceptions on the business. SFS has built this monitoring across the entire continuous monitoring spectrum, including master data, system configuration, and transactions.



■ [acl.com](http://acl.com)  
 info@acl.com

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### About ACL Services Ltd.

ACL Services Ltd. is the leading global provider of business assurance technology for audit and compliance professionals. Combining market-leading audit analytics software with centralized content management and exception reporting, ACL technology provides a complete end-to-end business assurance platform that is flexible and scalable to meet the needs of any organization.

Since 1987, ACL technology has helped organizations reduce risk, detect fraud, enhance profitability, and improve business performance. ACL delivers its solutions to 14,700 organizations in over 150 countries through a global network of ACL offices and channel partners. Our customers include 98 percent of Fortune 100 companies, 89 percent of the Fortune 500 and over two-thirds of the Global 500, as well as hundreds of national, state and local governments, and the Big Four public accounting firms. Visit us online at [www.acl.com](http://www.acl.com).