



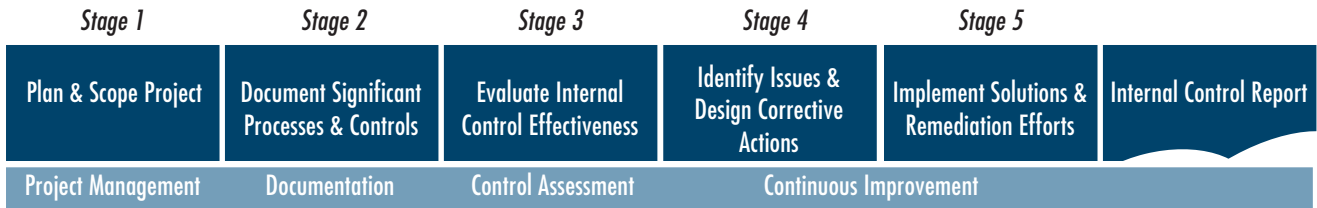
SARBANES-OXLEY: SECTION 404(B) COMPLIANCE

KEYS TO A SUCCESSFUL FIRST-YEAR COMPLIANCE EFFORT

Given the recent announcement from the SEC Chairman, non-accelerated public filers and their auditors must issue an internal control report within the annual report asserting on the internal control structure over financial reporting for fiscal years ending on or after December 15, 2009. This is the most costly aspect of the legislation for companies to implement, as documenting and testing critical financial manual and automated controls requires enormous effort. Frazier & Deeter has the well-qualified personnel necessary to help your management team develop a successful top-down, risk based approach to Sarbanes-Oxley, while helping management minimize the costs associated with a successful result.

Our Approach

Like any project, a Sarbanes-Oxley Section 404 (SOX) effort is executed in multiple stages. Our personnel at Frazier & Deeter have the capability to assist companies in the overall project or provide management with assistance in certain stages of the project. The key stages within a successful Sarbanes-Oxley project are highlighted below:



Key factors in containing the time and cost of management's assessment are the preciseness of the scoping procedures and the degree to which a top-down, risk-based approach is applied. One of the true pitfalls of early adopters of Sarbanes-Oxley was that scoping was inadequate, which resulted in additional costs and deficiencies as management and their external auditors wasted resources on evaluating controls, which were unlikely to materially affect the accuracy of financial statements.

Time efficiencies can be gained with careful consideration of what internal controls should be tested and with timely control deficiency remediation. The execution of the control testing, actual test results, and any remediation efforts that may be required are critical steps in management's assessment of the effectiveness of their internal control structure. This can also provide management with a strong foundation for their assessment of the internal control structure and sign-off on the Section 404 Certification.



For more information about our SOX readiness or other assurance & advisory services, please visit www.frazierdeeter.com or call 404.253.7500.

The Frazier & Deeter Advantage

Since Sarbanes-Oxley compliance was put into effect 5 years ago, some better practices and tools have emerged. Our firm's deep collective Sarbanes-Oxley experience enables us to take advantage of these practices and tools to improve the overall compliance efforts and experience for our clients.

We have a dedicated group of professionals that have extensive experience assisting management with every aspect of Sarbanes-Oxley compliance. Our team provides services for a wide range of companies, including certain companies that are included on the Fortune 500 and Fortune 1000 lists. We also have several members of our firm that worked at the Public Company Accounting Oversight Board (PCAOB) and assisted in the development and writing of the inspection guidance for Internal Controls over Financial Reporting. Frazier & Deeter has a proven methodology and a wealth of knowledge capital to add efficiencies and minimize costs associated with your successful compliance effort.