



Optimizing Spreadsheet Controls

A Proactive Approach to Sustaining Compliance

September 19, 2007



Welcome!

Today's Facilitators

- Dannette Roberts
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Microsoft Corporation
- Terry Nystrom
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Prodiance Corporation

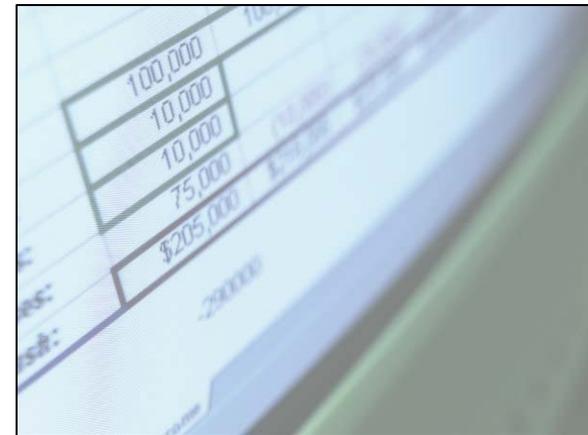
Agenda

- Terminology
- Key Spreadsheet Issues
- What's at Risk
- Types of Spreadsheet Controls
- Latest Guidance from Auditors
- Steps to Controlling Spreadsheets
- Spreadsheet Development Best Practices
- Questions & Answers

Terminology

- “Spreadsheets” generic term for
 - End User Computing (EUC) Tools
 - User Developed Applications (UDA)

- Also consider:
 - Access databases
 - Other user designed databases
 - Applications “outside the general controls of the Information Technology function”



Key Issues

- Uncontrolled spreadsheets present an unacceptable business risk for organizations today
 - Microsoft and Proliance recommending a proactive approach to remediation:
 - Risk assessment and evaluation of existing controls
 - Spreadsheet auditing, security and change controls
 - Management of associated electronic evidence
 - Automation and monitoring of key financial processes involving spreadsheets
 - Application of spreadsheet development Best Practices
 - Benefits include reduced risk of errors in the financial reporting process, increased visibility and control, better productivity
-

The Ubiquitous Spreadsheet...

92%

The number of public companies using spreadsheets for revenue recognition

CFO.com

RevenueRecognition.com

*Revenue Management Resources for
Today's Financial Executive*



92% of Public Companies' Revenue Processes at Risk for Compliance Failures and Restatements

New study by RevenueRecognition.com and IDC reveals widespread reliance on spreadsheets, which greatly increases the likelihood of control weakness and accounting errors.

Download the [full report](#) now.

www.RevenueRecognition.com and IDC, RevenueRecognition.com

A recent survey of 685 senior financial executives from a broad range of companies, revealed that revenue recognition and reporting activities are not automated within Financial/ERP systems. As a result, 92% of public companies are forced to rely on spreadsheets to fill vital gaps in their revenue reporting processes—despite the fact that spreadsheets are prone to errors, lack audit capabilities, and resist internal controls. This, and other findings, is from a new report by www.RevenueRecognition.com and IDC, "Enterprise Systems and Revenue Recognition: The Missing Link".

Revenue Spreadsheets: The Compliance Killers

Source: IDC, 2006

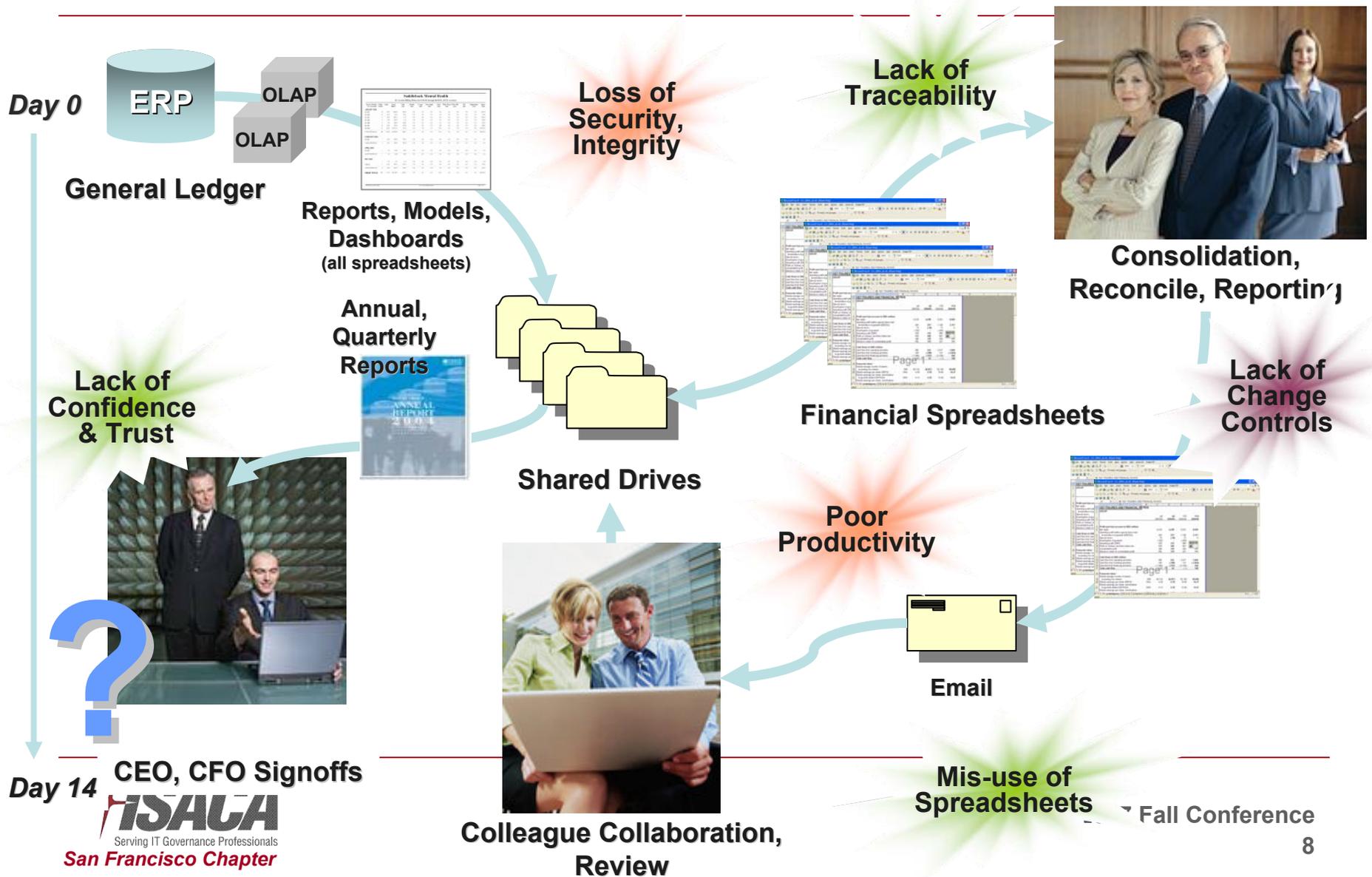
Research on Spreadsheet Errors

***“ Audits of real-world spreadsheets
found that ...”***

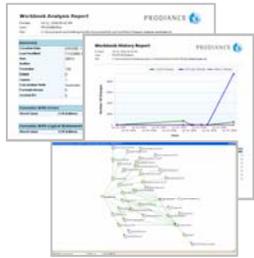
- **94% of audited spreadsheets contained errors**
- **91% of audited spreadsheets contained at least a 5% error in a bottom line value**

Source: Sarbanes–Oxley: What about All the Spreadsheets?
Raymond R. Panko and Nicholas Ordway, University of Hawaii
Presented at EuSpRIG 2005
July 7/8, 2005, University of Greenwich, London, UK
European Spreadsheet Research Information Group
<http://www.eusprig.org>

Spreadsheet Challenges in Closing-the-Books



Where Does All the Electronic Evidence Go?



Inventory & Analysis Reports



Process Narratives



SOX 404 Control Registers



Executive Dashboards



Meeting Minutes



Audit Work Papers



GL Reports



Certifications



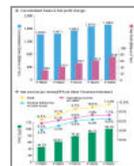
Forms, Checklists



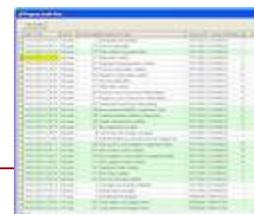
Financial Spreadsheets



Policies & Procedures



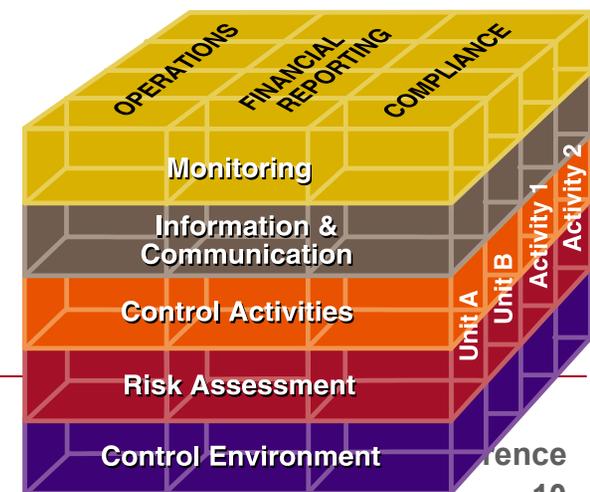
Revenue, Sales Reports



Audit Logs

What's at Risk?

- Regulatory Compliance – SOX 404 efforts require spreadsheet documentation and tighter spreadsheet controls
- Accuracy of account balances used in Financial Reporting, Financial Planning and Analysis, Operations, and Performance Metrics
- Operational Analysis – metrics and management reporting
- Knowledge retention and continuity for critical spreadsheets when key employees leave the company
- Undetected Fraud
- Lost Earnings
- Company Reputation & Image



Auditor Guidance

Apply Financial Spreadsheet Controls

Change control, testing and acceptance of changes, version control, security and integrity of data, documentation, logic inspection, input/output control, ownership and role, backup and restoration, archiving and expiration

Manage All Electronic Evidence

Provide a secure repository for all financial compliance information
(e.g. spreadsheets, process narratives, control registers, reports, audit logs, action plans, GL reports, change requests, etc.)

Automate and Monitor Key Business Processes

Utilize workflow solutions to automate/monitor key SOX 404 processes
(e.g. 10-K/10-Q, consolidation, reconciliations, monthly compliance checklists, change requests, alert notifications, etc.)

Spreadsheet Controls

External controls consist of:

1. **Development controls** – require that spreadsheets are developed using best practices and are tested and approved prior to deployment into production.
2. **Access controls** – restrict who has access to critical spreadsheets. They also define and control user privileges.
3. **Change controls** – define the process to be followed anytime formula changes or structural changes are made to a critical spreadsheet. They also define the testing and approval process required prior to deploying the modified critical spreadsheet back into the production environment.
4. **Segregation of duties** – requires that duties, roles and responsibilities are defined for development, usage, changes, testing and approving of spreadsheets.
5. **Backup and archival** – requires that spreadsheets be maintained on a secured server that is backed-up on a regular basis, with prior versions of critical spreadsheets moved to a secure archive folder to ensure they are not accessed and used in error.

Spreadsheet Controls

Internal controls consist of:

1. **Documentation controls** – require that critical spreadsheets include a documentation worksheet tab.
2. **Data security and integrity** – requires that critical input cells that do not change on a periodic basis are locked to prevent unintentional changes to the data. Also, data validation to control or restrict input into critical cells should be used.
3. **Input/output controls** – require the use of cross checks and balancing to ensure all input data has been accounted for and reflected in the outputs, along with data validation to prevent or highlight potential output errors.
4. **Version Controls** – require standard naming conventions incorporating intelligence with regard to the application, time period and current version of the spreadsheet.

Steps to Controlling Spreadsheets

- Define critical spreadsheet population
- Perform a risk analysis on critical spreadsheets
- Document and review logic of critical spreadsheets
- Audit critical spreadsheets for mathematical accuracy
- Implement access, change and version controls
- Maintain on-going compliance for all critical spreadsheets
- Develop a spreadsheet control policy & procedures
- Conduct training on spreadsheet development best practices

Final
Final
FINAL!

Define Critical Spreadsheets

Critical spreadsheets can be Financial, Analytical or Operational

- **Financial – Support key controls in the financial reporting process**
 - Develop journal entry input
 - Support a significant account balance
 - Support regulatory reporting (e.g., tax compliance, industry specific requirements)
 - Provide 10Q - 10K disclosure information
- **Analytical – Relied upon for critical business decisions**
 - Forecasting
 - Capital expenditure analysis
- **Operational – Monitor subsidiary systems activity and related controls**
 - A/P, A/R, F/A, P/R, Inventory
- **Critical spreadsheets also include:**
 - Spreadsheets that are linked to critical spreadsheets and supply input data
 - Spreadsheets that are the source of manual input data into critical spreadsheets

Perform Risk Analysis

The following criteria should be considered when conducting a critical spreadsheet risk assessment

- **Dollar amount impacted**
- **Use or application of the spreadsheet**
 - Creation of a journal entry from spreadsheet outputs
 - Uploading information into ERP or Legacy system
 - Documentation support for 10Q/10K disclosures
- **Spreadsheet criticality**
 - Size
 - Complexity of formulas
 - Complexity of spreadsheet operations (Look-up tables, macros, Pivot tables, etc.)

Documentation of Critical Spreadsheets

All critical spreadsheets must be properly documented

- **Documentation control typically includes information such as:**
 - Spreadsheet file name and path
 - Developer/owner/user of the spreadsheet
 - Purpose, logic and operations of the spreadsheet
 - Data input sources and outputs of the spreadsheet
 - Controls applied to the spreadsheet
 - Lifecycle history of the spreadsheet's development, changes, versions, testing and retirement from production
- **Documentation control provides the information necessary to ensure:**
 - Adherence to spreadsheet controls (especially version and change controls)
 - Understanding and continuity of use in the event of employee turnover

Audit Critical Spreadsheets

Conduct an independent logic review and mathematical Verification

- Conduct a walk through of the spreadsheet logic
- Validate the logic of complex formulas, Look-up tables, Pivot tables, etc.
- Verify the mathematical accuracy of formulas and output values

Policy & Procedures

- Criteria for key vs. non-key spreadsheets
- Level of controls to be applied by spreadsheet category
- Development controls – spreadsheet documentation, spreadsheet testing, etc.



Solutions Approach

Maintain On-going Compliance

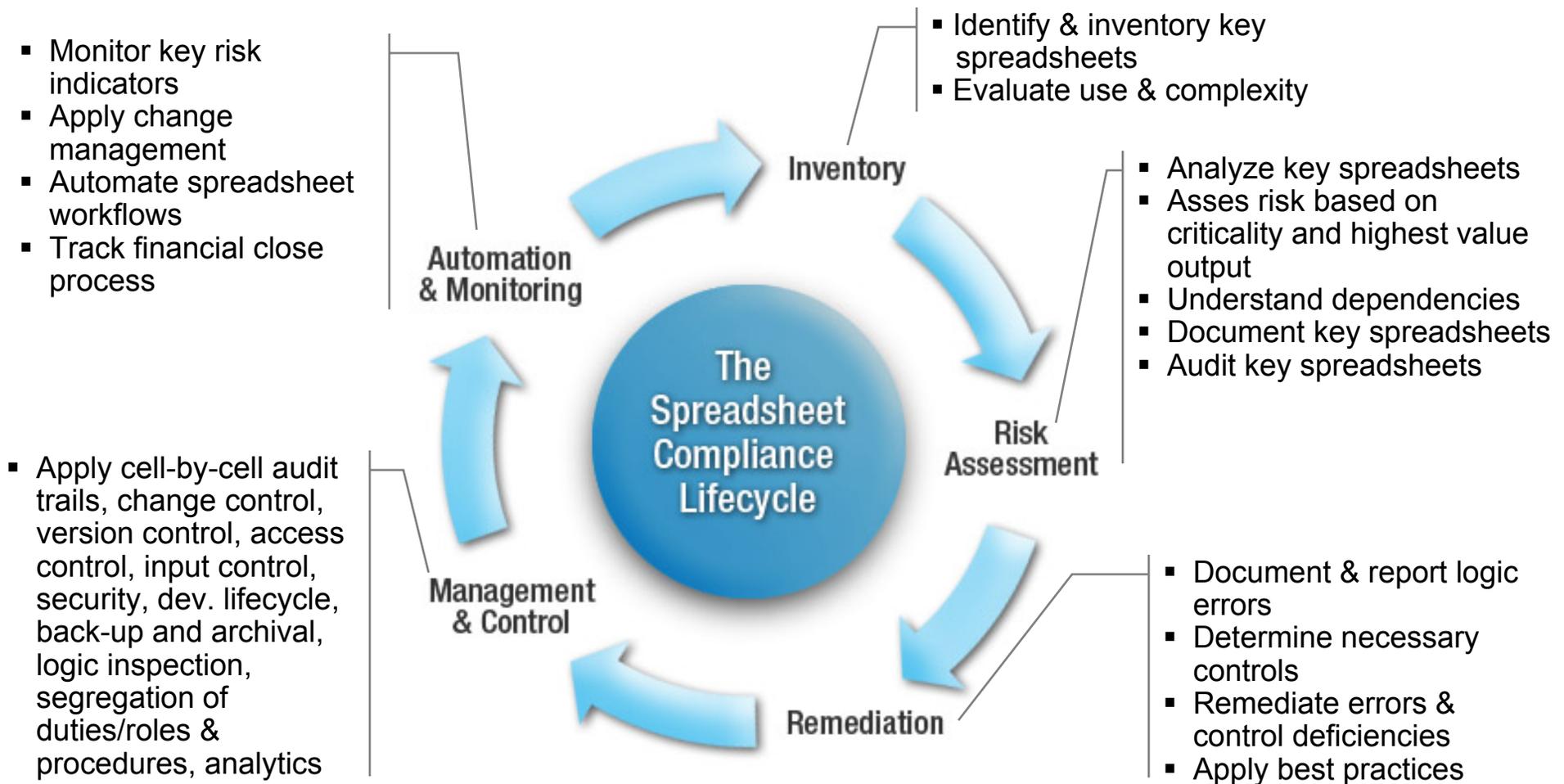
Manual Controls

- **Access controls**
 - password protection of critical spreadsheet workbooks
 - restrict folders on shared drive and/or edit restriction of critical cells or workbooks
- **Change controls**
 - password protection of worksheets and workbooks with respect to read/write privileges
- **Version controls**
 - adoption of a standard naming convention that enables accurate identification of the most current production version of the spreadsheet
- **Backup controls**
 - Maintain on secured server that is backed-up regularly

Automated Controls

- **Prodiance and Microsoft**
 - Spreadsheet Compliance Manager
 - Spreadsheet IQ
 - Workflow
 - Secure Repository

Spreadsheet Compliance Lifecycle



Source: PriceWaterhouseCoopers, *The Use of Spreadsheets: Considerations for Section 404 of the Sarbanes-Oxley Act*, July 2004.

Spreadsheet Compliance Technology

Document and Records Management

Workbook Inventory Report

Printed: Oct 03, 2006 05:18 PM
User: PRODIANCE\demouser

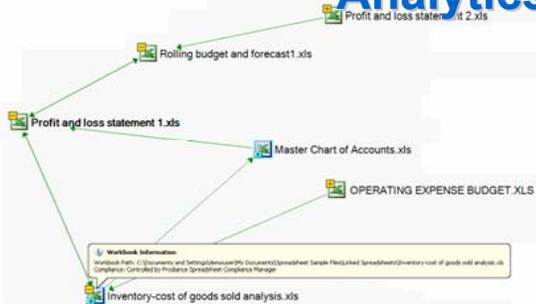
File Name	Creation Date	Last Modified	File Size (bytes)	Author
C:\Documents and Settings\demouser\My Documents\Spreadsheet Sample Files\Linked Spreadsheets				
Inventory-cost of goods sold analysis.xls	Jul 26, 2006 04:20 PM	Jul 26, 2006 04:25 PM	38400	
Master Chart of Accounts.xls	Jul 26, 2006 04:20 PM	Jul 26, 2006 04:25 PM	101889	Cheryl O'Neill
Operating expense budget.xls	Jul 26, 2006 04:20 PM	Jul 26, 2006 04:25 PM	73216	
Profit and loss statement 1.xls	Jul 26, 2006 04:20 PM	Sep 09, 2006 11:57 AM	33290	

Workbook Analysis Report

Printed: Oct 03, 2006 05:28 PM
User: PRODIANCE\demouser
File: C:\Documents and Settings\demouser\My Documents\Spreadsheet Sample Files\Compliance\Headcount and payroll planning.xls

Summary	External Links	Sheets
Creation Date: Jul 26, 2006 03:54 PM	0	2
Modified Date: Oct 03, 2006 05:16 PM	0	0
File Size (bytes): 107,520	0	0
Title: Very Hidden Sheets	1	0
Author: Hidden Rows and Columns	0	0
Named Items: 3	Occupied Cells: 1,357	
Formulas: 715	Blank Cells: 16,217	
Approx Formulas: 0	Hidden Cells: 178	

Spreadsheet Analytics



PRODIANCE Financial Services This Site: Financial Services

Financial Services

- View All Site Content
- Documents**
 - Corporate Documents
- Lists**
 - Team Calendar
 - SCM Links
- Discussions**
 - Issue Resolution
- Sites**
- People and Groups**
- Recycle Bin

Financial Close Metrics

Show Only Problems

Indicator	Goal	Value	Status
Overdue Approvals	0%	0%	●
My Group's Unclaimed Tasks	25%	100%	●

Queued Approval Tasks

ID	Title	Status	Due Date	Assigned To	Created By	Start Date
2	Please approve November 06 Transaction Summary	Not Started		Finance Managers	Jeff Kahsen	1/8/2007
4	Please approve Headcount and payroll planning_010807	Not Started	1/13/2007	Finance Managers	Jeff Kahsen	1/11/2007
6	Please approve MyBook 1 NEW	Not Started	1/19/2007	Finance Managers	Jeff Kahsen	1/17/2007
9	Please approve Book 4 level 3 NEW	Not Started	1/19/2007	Finance Managers	Demo User	1/17/2007

My Tasks

ID	Description	Title	Status	Due Date	Created By	Modified
5	Please approve	Please approve Headcount and payroll planning_010807	In Progress	1/13/2007	Jeff Kahsen	1/18/2007 9:46 AM

Corporate Documents

Type	Name	Modified By	EUC Type	Modified	Version
	http://pinehurst/sites/prodiance/Documents/Corporate Workbooks/West/Headcount and payroll planning_tn.xls				0.20

Finance Calculators

- 401(k) Contribution Continuation
- Average Tax Rate
- Life Insurance Calculator

Financial News

Yahoo! finance: Top Stories

Stocks Waver After Bernanke Comments (AP)
Thursday, January 18, 2007 - Wall Street were mixed Thursday as investors pored over recent economic data and after U.S. Federal Reserve Chairman Ben Bernanke left investors with little clue about the direction of interest rates.
More...

Inflation Has Best Showing in 3 Years (AP)
Thursday, January 18, 2007 - The Labor Department reported Thursday that consumer prices rose by 2.5 percent in 2006, the best showing since prices had increased by just 1.9 percent in 2003. The improvement came in spite of the fact that consumer prices jumped 0.5 percent in December, as gasoline prices staged a momentary rebound.
More...

Rite Aid Shareholders OK Eckerd Deal (AP)
Thursday, January 18, 2007 - Rite Aid Corp. shareholders

File:

Version:

From: **Cell:**

To: **Old Value:**

Sheet: **New Value:**

Version:

Version	DateTime	User	Sheet	Cell	OldValue	NewValue	D
0.20	8/2/2007 11:26:00 AM (GMT -07:00)	PRODIANCE\tnystrom	Headcount and Payroll Planning	G13	=SUM(G7:G12)*1.25	=SUM(G7:G12)*1.28	Fc
0.19	8/2/2007 10:30:00 AM (GMT -07:00)	PRODIANCE\tnystrom	Headcount and Payroll Planning	H13	=SUM(G7:G12)*1.25	=SUM(H7:H12)*1.25	Fc
0.19	8/2/2007 10:30:00 AM (GMT -07:00)	PRODIANCE\tnystrom	Headcount and Payroll Planning	H22	=SUM(G16:G20)*0.125	=SUM(H16:H21)*0.125	Fc
0.19	8/2/2007 10:30:00 AM (GMT -07:00)	PRODIANCE\tnystrom	Headcount and Payroll Planning	H93	=G13+G22+G35...	=(H13+H22+H35...)*1.1	Fc
0.19	8/2/2007 10:30:00 AM (GMT -07:00)	PRODIANCE\tnystrom	Headcount and Payroll Planning	G13	=SUM(G7:G12)*1.25	=SUM(G7:G12)*1.25	Fc
0.19	8/2/2007 10:30:00 AM (GMT -07:00)	PRODIANCE\tnystrom	Headcount and Payroll Planning	G22	=SUM(G16:G20)*0.125	=SUM(G16:G20)*0.125	Fc
0.19	8/2/2007 10:30:00 AM (GMT -07:00)	PRODIANCE\tnystrom	Headcount and Payroll Planning	G35	=SUM(G25:G34)	=SUM(G25:G34)	Fc
0.19	8/2/2007 10:30:00 AM (GMT -07:00)	PRODIANCE\tnystrom	Headcount and Payroll Planning	G47	=SUM(G38:G46)	=SUM(G38:G46)	Fc
0.19	8/2/2007 10:30:00 AM (GMT -07:00)	PRODIANCE\tnystrom	Headcount and Payroll Planning	G58	=SUM(G50:G57)	=SUM(G50:G57)	Fc
0.19	8/2/2007 10:30:00 AM (GMT -07:00)	PRODIANCE\tnystrom	Headcount and Payroll Planning	G69	=SUM(G61:G68)	=SUM(G61:G68)	Fc
0.19	8/2/2007 10:30:00 AM (GMT -07:00)	PRODIANCE\tnystrom	Headcount and Payroll Planning	G79	=SUM(G72:G78)	=SUM(G72:G78)	Fc

Risk-based Spreadsheet Analytics

Workbook Inventory Report
 Printed: Oct 03, 2006 05:18 PM
 User: PRODIANCE\demouser

File Name	Creation Date	Last Modified	File Size (bytes)	Author
C:\Documents and Settings\demouser\My Documents\Spreadsheet Sample Files\Compliance\Headcount and payroll planning.xls				
Inventory-cost of goods sold analysis.xls				
Master Chart of Accounts.xls				
Operating expense budget.xls				
Profit and loss 1.xls				
Profit and loss 2.xls				
Rolling budget forecast.xls				

Workbook Analysis Report
 Printed: Oct 03, 2006 05:20 PM
 User: PRODIANCE\demouser
 File: C:\Documents and Settings\demouser\My Documents\Spreadsheet Sample Files\Compliance\Headcount and payroll planning.xls

Summary		External Links	
Creation Date	Jul 26, 2006 03:54 PM	External Links	0
Modified Date	Oct 03, 2006 05:16 PM	Sheets	2
File Size (bytes)	107,520	Hidden Sheets	0
Title		Very Hidden Sheets	1
Author		Hidden Rows and Columns	0
Named Items	3	Occupied Cells	1,357
Formulas	715	Blank Cells	16,217
Array Formulas	0		
Formulas With Errors	3		

Formulas With Errors	
Sheet Name	Cell Address
Headcount and Payroll Planning	H95
Headcount and Payroll Planning	I95
Summary	F30

Formulas Referencing Hidden	
Sheet Name	Cell Address
Summary	F4
Summary	G4
Summary	L4
Summary	Q4:R4
Summary	F5
Summary	G5
Summary	L5
Summary	Q5:R5
Summary	F6
Summary	G6
Summary	L6

Workbook Relationship Diagram

The diagram shows a network of spreadsheets with dependencies. At the bottom are 'Inventory-cost of goods sold analysis.xls' and 'OPERATING EXPENSE BUDGET.XLS'. Arrows point from these to 'Profit and loss statement 1.xls' and 'Rolling budget and forecast 1.xls'. From 'Rolling budget and forecast 1.xls', arrows point to 'Profit and loss statement 2.xls' and 'Master Chart of Accounts.xls'. A tooltip for 'Inventory-cost of goods sold analysis.xls' shows its path and compliance status.

Prodiance Spreadsheet IQ
 Risk-based Analytics, Inventory, Documentation, Cell/Workbook Dependencies, Multi-workbook Reporting, Management Reports, Cell Color Schemes, Error Checking

- Spreadsheet Inventory
- Spreadsheet Analysis & Diagnostics
- Error Checking
- Multi-workbook Audit Reports
- Cell & Workbook History Reports
- Workbook & Cell Dependency Diagrams
- Cell Color Schemes
- Spreadsheet Documentation

Inventory & Diagnostic Reports

and payroll planning_tn.xls

Format Tools

Workbook Analysis Report

1 of 2 100% Find | Next

Workbook Analysis Report



Printed: Mar 28, 2007 11:51 AM
 User: PRODIANCE\tnystrom
 File: http://thevault.prodiance.com/sites/demo/SCM/Corporate Documents/Corporate Workbooks/West/Headcount and payroll planning_tn.xls

Summary			
Creation Date	Mar 21, 1999 07:46 PM	External Links	0
Modified Date	Mar 26, 2007 11:18 AM	Sheets	3
File Size (bytes)	95,744	Hidden Sheets	1
Title	Headcount and Payroll Planning	Very Hidden Sheets	0
Author	ACME Corporation	Hidden Rows and Columns	3
Named Items	2	Occupied Cells	1,374
Formulas	720	Blank Cells	1,258
Array Formulas	0	Merged Cells	118
Formulas With Errors	6	Validated Cells	5

Formulas With Errors			
Sheet Name	Cell Address	Formula	Value
Headcount and Payroll Planning	H95	=H93*0/0	#DIV/0!
Headcount and Payroll Planning	I95	=I93/0	#DIV/0!
Summary	F30	=1/0	#DIV/0!
Summary	F31	=C32/0	#DIV/0!
Summary	F32	=C33/0	#DIV/0!

Remediation – Cell Analysis

Microsoft Excel - Headcount and payroll planning_tn.xls

File Edit View Insert Format Tools Data Window Help Compliance Spreadsheet IQ

Type a question for help

F16 58000

Acme Corporation, Inc
Headcount and Payroll Planning
2006

HEADCOUNT SUMMARY

Executive	Count
Chief executive officer	1
Chief financial officer	1
Chief operating officer	1
Chief information officer	1
President	1
Total	5

Finance

Position	Count
Vice president	1
Financial planning director	1
Financial analyst	2
Credit analyst	2
Advisor	1
Total	7

Human Resources

Position	Count
Vice president	1
Director	1
Senior HR representative	1
Benefits coordinator	7
Compensation manager	1
Human resource generalist	1
Payroll	1
Total	13

Information Technology

Position	Count
Vice president	1
Director	1
Systems engineer	2
Systems analyst	5
Technician	1
Total	10

Total

Category	Count	Q3 cost	Q4 cost
Executive	5	\$87,500	\$0
Finance	7	\$50,000	\$0
Human Resources	13	\$0	\$56,250
Information Technology	10	\$300,000	\$0
Total	35	\$493,750	\$0

Cell Analysis - Headcount and payroll planning_tn.xls

Show: Cells with formulas With: Errors Analyze Diagram

#	Sheet	Cell	All Conditions	Value	Comment
1	Summary	F30	Errors	#DIV/0!	
2	Summary	F31	Logical Values	#DIV/0!	
3	Summary	F32	Numeric Values	#DIV/0!	
4	Summary	F33	Text Values	#DIV/0!	
5	Headcount and Payroll Planning	H95	=Budget/0	#DIV/0!	demouser@This
6	Headcount and Payroll Planning	I95	=H93*0/0	#DIV/0!	demouser@This

Count: 6

Ready [Compliance Enabled] [Online]

NUM

Auditing Changes to Critical Spreadsheets

Prodiance Spreadsheet Compliance Manager
 Change Auditing & Reporting, Cell Locking, Differencing, Alerts & Notifications

- Configurable cell-by-cell auditing of data, formulas, macros
- Change Comparison
- Range Auditing
- Smart Auditing
- Cell Protection
- Cell Highlighting

Audit Trail - http://scmportal/sites/prodiance/Documents/Accounting/Headcount and payroll planni - Windows Internet Explorer

File: http://scmportal/sites/prodiance/Documents/Accounting/Headcount and payroll planning 2007.xls
 Version: 0.4

From: [] Cell: []
 To: [] Old Value: []
 Sheet: [] New Value: []

Version	Date/Time	User	Sheet	Cell	Old Value	New Value
0.4	6/20/2007 11:41:00 AM (GMT -07:00)	eric.perry@prodiance.com	Summary	L24	=+Headcount and Payroll Planning!Q94	=+Headcount and Payroll Planning!Q94
0.4	6/20/2007 11:41:00 AM (GMT -07:00)	eric.perry@prodiance.com	Summary	L25	=+Headcount and Payroll Planning!Q94	=+Headcount and Payroll Planning!Q94
0.4	6/20/2007 11:41:00 AM (GMT -07:00)	eric.perry@prodiance.com	Summary	N17	=Summary!C33/Headcount and Payroll Planning!D94	=Summary!C33/Headcount and Payroll Planning!D94
0.4	6/20/2007 11:41:00 AM (GMT -07:00)	eric.perry@prodiance.com	Summary	C5:D5	7	6
0.4	6/20/2007 11:41:00 AM (GMT -07:00)	eric.perry@prodiance.com	Summary	C13:D13	73	72
0.4	6/20/2007 11:41:00 AM (GMT -07:00)	eric.perry@prodiance.com	Summary	C18:D18	7	6
0.4	6/20/2007 11:41:00 AM (GMT -07:00)	eric.perry@prodiance.com	Summary	C26:D26	73	72
0.4	6/20/2007 11:41:00 AM (GMT -07:00)	eric.perry@prodiance.com	Summary	E17	6,849315068493	6,949315068493
0.4	6/20/2007 11:41:00 AM (GMT -07:00)	eric.perry@prodiance.com	Summary	E18	9,589041095890	8,33333333333333
0.4	6/20/2007 11:41:00 AM (GMT -07:00)	eric.perry@prodiance.com	Summary	E19	9,589041095890	9,72222222222222



Export to Excel...

Auditing workbooks - Non-invasive for End Users

The screenshot displays two overlapping browser windows from the 'PRODANCE Spreadsheet Management' application.

The top window, titled 'Documents - Windows Internet Explorer', shows a list of documents under the path 'Spreadsheet Management > Documents > Accounting'. The document list includes:

Type	Name	Modified	Modified By	Version	Risk Level	Checked Out To	Approval Status	Department
	April 2007 Internal Commitments	6/20/2007 4:17 PM	Eric Perry	7.2	Low		Draft	Accounting
	BRJU 0507 IAS	6/20/2007 4:16 PM	Eric Perry	3.4	High		Draft	
	Headcount and payroll planning 2007 NEW	6/20/2007 4:09 PM	Eric Perry	1.0	Low		Approved	Accounting
	Headcount and synergy NEW	6/20/2007 2:55 PM	Eric Perry	0.2	Medium		Draft	Accounting
		6/20/2007 4:20 PM	Eric Perry	0.4	Medium		Pending	Accounting

The bottom window, titled 'Audit Trail - http://scmpilot/sites/prodiance/Documents/Accounting/Headcount and payroll planni...', shows the audit trail for the file 'http://scmpilot/sites/prodiance/Documents/Accounting/Headcount and payroll planning 2007.xls' (Version: 0.4). The audit trail table is as follows:

Version	Date/Time	User	Sheet	Cell	Old Value	New Value	Description	Reason
0.4	6/20/2007 11:41:00 AM (GMT -07:00)	eric.perry@prodiance.com	Summary	L23	=+'Headcount and Payroll Planning'!Q94	=+'Headcount and Payroll Planning'!Q93	Formula Changed.	updated template for new or
0.4	6/20/2007 11:41:00 AM (GMT -07:00)	eric.perry@prodiance.com	Summary	L24	=+'Headcount and Payroll Planning'!Q94	=+'Headcount and Payroll Planning'!Q93	Formula Changed.	updated template for new or
0.4	6/20/2007 11:41:00 AM (GMT -07:00)	eric.perry@prodiance.com	Summary	L25	=+'Headcount and Payroll Planning'!S94	=+'Headcount and Payroll Planning'!S93	Formula Changed.	updated template for new or
0.4	6/20/2007 11:41:00 AM (GMT -07:00)	eric.perry@prodiance.com	Summary	N17	=Summary!C33/'Headcount and Payroll Planning'!D94	=Summary!C33/'Headcount and Payroll Planning'!D93	Formula Changed.	updated template for new or
0.4	6/20/2007 11:41:00 AM (GMT -07:00)	eric.perry@prodiance.com	Summary	C5:D5	7	6	Calculated Value Changed.	updated template for new or
0.4	6/20/2007 11:41:00 AM (GMT -07:00)	eric.perry@prodiance.com	Summary	C13:D13	73	72	Calculated Value Changed.	updated template for new or
0.4	6/20/2007 11:41:00 AM (GMT -07:00)	eric.perry@prodiance.com	Summary	C18:D18	7	6	Calculated Value Changed.	updated template for new or
0.4	6/20/2007 11:41:00 AM (GMT -07:00)	eric.perry@prodiance.com	Summary	C26:D26	73	72	Calculated Value Changed.	updated template for new or
0.4	6/20/2007 11:41:00 AM (GMT -07:00)	eric.perry@prodiance.com	Summary	E17	6,849315068493 -2	6,94444444444444 -2	Calculated Value Changed.	updated template for new or
0.4	6/20/2007 11:41:00 AM (GMT -07:00)	eric.perry@prodiance.com	Summary	E18	9,589041095890 -2	8,33333333333333 -2	Calculated Value Changed.	updated template for new or
0.4	6/20/2007 11:41:00 AM (GMT -07:00)	eric.perry@prodiance.com	Summary	E19	9,589041095890 -2	9,72222222222222 -2	Calculated Value Changed.	updated template for new or

At the bottom left, the ISACA logo is visible with the text 'Serving IT Governance Professionals San Francisco Chapter'. At the bottom right, there is a footer with 'Prodiance® Compliance Manager Copyright © 2007, Prodiance® Corporation' and an 'Export to Excel...' button.

Comparing Versions

Microsoft Excel

File Edit View Insert Format Tools Data Window Help Compliance Spreadsheet IQ

Microsoft Sans Serif 8 B I U

F16 60000

Headcount and payroll planning_tn.xls, version 3.0: 1/26/2007 12:06 PM [Read-Only]

Headcount and payroll planning_tn.xls

Acme Corporation, Inc Headcount and Payroll Planning 2006						
HEADCOUNT SUMMARY	Planned #	Budget Q1	Budget Q2	Budget Q3	Budget Q4	Annual Budget
Executive						
Chief executive officer	1	86,000	88,000	90,000		
Chief financial officer	1	60,000	65,000	70,000		
Chief operating officer	1	56,250	56,250	56,250		
Chief information officer	1	56,255	56,255	60,000		
President	1	75,000	75,000	75,000		
Total	5	333,505	\$ 340,505			
Finance						
Vice president	1	57,000	60,000	58,000		
Financial planning director	1	31,250	60,000	36,000		
Financial analyst	2	50,000	50,000	50,000		
Credit analyst	2	0	20,000	20,000		
Advisor	1	0	0	10,000		
Total	7	\$ 138,250	\$ 1,900			
Human Resources						
Vice president	1	35,000	35,000	40,000		
Director	1	25,000	25,000	30,000	30,000	\$ 110,000
Senior HR representative	1	40,000	40,000	40,000	40,000	\$ 160,000
Benefits coordinator	5	18,750	18,750	18,750	18,750	\$ 75,000
Compensation manager	1	18,750	18,750	18,750	18,750	\$ 75,000
Human resource generalist	1	16,250	16,250	16,250	16,250	\$ 65,000
Payroll	1	16,250	16,250	16,250	16,250	\$ 65,000
Total	11	\$ 170,000	\$ 170,000	\$ 180,000	\$ 190,000	\$ 710,000
Information Technology						
Vice president	1	0	0	0	0	\$ 0
Director	1	27,500	27,500	27,500	27,500	\$ 110,000

Acme Corporation, Inc Headcount and Payroll Planning 2006				
HEADCOUNT SUMMARY	Planned #	Budget Q1	Budget Q2	Budget Q3
Executive				
	1	86,000	88,000	85,000
	1	60,000	65,000	70,000
	1	56,250	56,250	60,000
	1	56,255	56,255	60,000
	1	75,000	75,000	75,000
Total	5	333,505	\$ 340,505	\$ 350,000
Finance				
	1	57,000	58,000	58,000
	1	31,250	35,000	35,000
	2	50,000	50,000	50,000
	2	0	20,000	20,000
	1	0	0	10,000
Total	7	\$ 138,250	\$ 1,630	\$ 86,500
Human Resources				
	1	35,000	35,000	38,000
	1	25,000	25,000	30,000
	1	40,000	40,000	40,000
	7	18,750	18,750	18,750
	1	18,750	18,750	18,750
	1	16,250	16,250	16,250
	1	16,250	16,250	16,250
Total	13	\$ 170,000	\$ 170,000	\$ 178,000
Information Technology				
	1	0	0	0
	1	27,500	27,500	27,500

Compare Detail

Sheet: Headcount and Payroll Planning

Cell: F16

Headcount%20and%20payroll%20planning_tn.xls:

60,000

Headcount and payroll planning_tn.xls:

58,000

Description:

Value changed

Close

Bringing Visibility to Potential Problems

planning_tn.xls

ols Data Window Help Compliance Spreadsheet IQ

Type a question for help

Microsoft Sans Serif 8

Identify Inconsistencies

Planned #	Budget Q1	Budget Q2	Budget Q3	Budget Q4	Annual Budget	Actual salary	Q1 #	Q1 cost	Q2 #	Q2 cost	Q3 #	Q3 cost	Q4 #	Q4 cost
1	86,000	88,000	85,000	95,000	\$ 35,400	\$350,000	1	\$87,500	1	\$87,500	1	\$87,500		\$0
1	60,000	65,000	70,000	70,000	\$ 265,000	200,000	1	\$50,000	1	\$50,000	1	\$50,000		\$0
1	56,250	56,250	60,000	65,000	\$ 237,500		1	\$0	1	\$55,000	1	\$0		\$0
1	56,255	56,255	60,000	57,000	\$ 229,510	225,000	1	\$56,250	1	\$56,250	1	\$56,250		\$0
1							1	\$0	4	\$240,000	5	\$300,000		\$0
5								\$0	8	\$488,750	9	\$493,750	0	\$0
1								\$0	1	\$50,000	1	\$50,000		\$0
1								\$0	1	\$31,250	1	\$31,250		\$0
2								\$0	2	\$50,000	3	\$75,000		\$0
1								\$0	0	\$0	1	\$17,500		\$0
1								\$0	0	\$0	0	\$0		\$0
7								\$0		\$0		\$0		\$0
1								\$0	4	\$131,250	6	\$173,750	0	\$0
1								\$0	1	\$35,000	1	\$35,000		\$0
1								\$0	1	\$25,000	1	\$25,000		\$0
1								\$0	1	\$20,000	1	\$20,000		\$0
7								\$0	1	\$18,750	1	\$18,750		\$0
1								\$0	1	\$18,750	1	\$18,750		\$0
1								\$0	1	\$18,750	1	\$18,750		\$0
1								\$0	2	\$32,500	1	\$16,250		\$0
1								\$0	1	\$16,250	1	\$16,250		\$0
13	\$ 170,000	\$ 170,000	\$ 178,000	\$ 185,000	\$ 966,000	\$600,000	8	\$166,250	8	\$166,250	7	\$150,000	0	\$0
1	0	0	0	0	\$ -	\$0	0	\$0	0	\$0	0	\$0		\$0

Apply Scheme

Formulas: =SUM(A1:A20)

Formulas with Errors: #DIV/0!

Used Input Cells: 123

Referenced Blank Cells:

External Links: =C:\[External Workbook.xls]Sheet1!B93

All Other Cells: Abcdef

Clear Conditional Formatting

Apply to: All Sheets

Apply OK Cancel

Managing Electronic Evidence

Financial Close Metrics

Show Only Problems

Indicator	Goal	Value	Status
Overdue Approvals	0%	0%	
My Group's Unclaimed Tasks	25%	0%	
Consolidated Revenue	500000000	523750000	
Unallocated Differences	0	123650	
Average EUC Review Cycle	3	4	

Financial Services > Corporate Documents > Corporate Workbooks

Corporate Documents

New Upload Actions View: All Documents

Type	Name	Version	Modified	Modified By	Document Approval	EUC Type	Approval Status	Document Approval
	test1	0.1	1/17/2007 1:55 PM	Demo User			Pending	
	2006 budget_sp	0.1	1/16/2007 4:47 PM	Demo User			Draft	
	balance_sheet_by_reporting_unit_2006_sp	0.1	1/16/2007 4:29 PM	Demo User		Spreadsheet	Draft	
	H and P planning_sp	0.1	1/16/2007 4:29 PM	Demo User		Spreadsheet	Draft	
	Headcount and payroll planning_sp	2.0	1/17/2007 11:16 PM	Demo User	Approved	Spreadsheet	Approved	
	Inventory-cost of goods sold analysis_sp	0.1	1/16/2007 4:29 PM	Demo User		Spreadsheet	Draft	
	Master Chart of Accounts_sp	0.1	1/16/2007 4:29 PM	Demo User		Spreadsheet	Draft	
	Operating expense budget_sp	0.1	1/16/2007 4:29 PM	Demo User		Spreadsheet	Draft	
	Profit and loss statement 1_sp	0.1	1/16/2007 4:29 PM	Demo User		Spreadsheet	Draft	
	Profit and loss statement 2_sp	0.1	1/16/2007 4:29 PM	Demo User		Spreadsheet	Draft	
	Rolling budget and forecast 1_sp	0.1	1/16/2007 4:29 PM	Demo User		Spreadsheet	Draft	
	spygass inventory 011607	0.1	1/16/2007 4:29 PM	Demo User		Spreadsheet	Draft	

Financial Services > Tasks

Tasks

Task list for workflow.

New Actions View: All Tasks

Title	Assigned To	Status	Priority	Due Date	% Complete	Link	Outcome
Please approve Performance Package 11 2006	Jeff Kahsen	Completed	(2) Normal		100%	Performance Package 11 2006	Approved by Jeff Kahsen
Please approve November 06 Transaction Summary	Finance Managers	Not Started	(2) Normal			November 06 Transaction Summary	
Please approve Performance Package 11 2006	Jeff Kahsen	In Progress	(2) Normal			Performance Package 11 2006	
Please approve Headcount and payroll planning_010807	Finance Managers	Not Started	(2) Normal	1/13/2007		Headcount and payroll planning_010807	
Please approve Headcount and payroll planning_010807	Demo User	In Progress	(2) Normal	1/13/2007		Headcount and payroll planning_010807	
Please approve MyBook	Finance Managers	Not Started	(2) Normal	1/19/2007		MyBook	
Please approve Headcount and payroll planning_sp	Demo User	Completed	(2) Normal	1/19/2007	100%	Headcount and payroll planning_sp	Approved by Demo User
Please approve Headcount and payroll planning_sp	Demo User	Completed	(2) Normal	1/19/2007	100%	Headcount and payroll planning_sp	Approved by Demo User
Please approve Book 4 level 3	Finance Managers	Not Started	(2) Normal	1/19/2007		Book 4 level 3	
Please approve Headcount and payroll planning_sp	Demo User	Completed	(2) Normal	1/19/2007	100%	Headcount and payroll planning_sp	Approved by Demo User

Prodiance KPI Dashboard
Management Reporting of key risk and performance indicators

- Workflow & Document Approval Status
- Tracking of Key Performance Indicators (KPIs)
- Management & Administrative Reports
- Extensive Cell-by-cell, File and System Level Audit Trails

Report Examples...

Change Report
Report Date: Jul 11, 2007 01:36 PM

Access Review Report
Report Date: Jul 11, 2007 01:33 PM

Title (File Name)	Description	Primary Owner	User Manager	User Name	Access Type
Corporate Sales for Q2.xls	Sales for Q2 2007	PRODIANCE\trystrom	adammembership:julie	Mark Mullins	Read/Write
HR Funds 2.xls	Human Resources Tax Information	PRODIANCE\cdemarest	adammembership:sohe	Mark Mullins	Read/Write
Manufacturing Supplies 1.xls	Manufacturing Supplies for August 07	PRODIANCE\trystrom	adammembership:sohe	Mark Mullins	Read/Write
Engineering Docs 1.xls	Engineering Costs Doc - July	PRODIANCE\dcrossex	adammembership:stev	Mark Mullins	Read/Write
IncomeStatementChanges.xlsx	IncomeStatementChanges	adammembership:demo	PRODIANCE\trystrom	Mark Mullins	Read/Write
EPS_2007_Q2.xlsx		adammembership:sohell	SCMPILOT\administrato	Mark Mullins	Read/Write
lManageTest.xls	Title Goes Here	adammembership:sohell	SCMPILOT\administrato	Mark Mullins	Read/Write

Operational Risk Report
Report Date: Jul 11, 2007 01:38 PM

Reporting Options:
In Scope Designation: Any

Inception Date	
Complexity Rating	High
Validation Required	Yes
Validation Date	
In Scope Designation	Yes
Significance	High

In-Scope Inventory Report
Report Date: Jul 11, 2007 01:37 PM

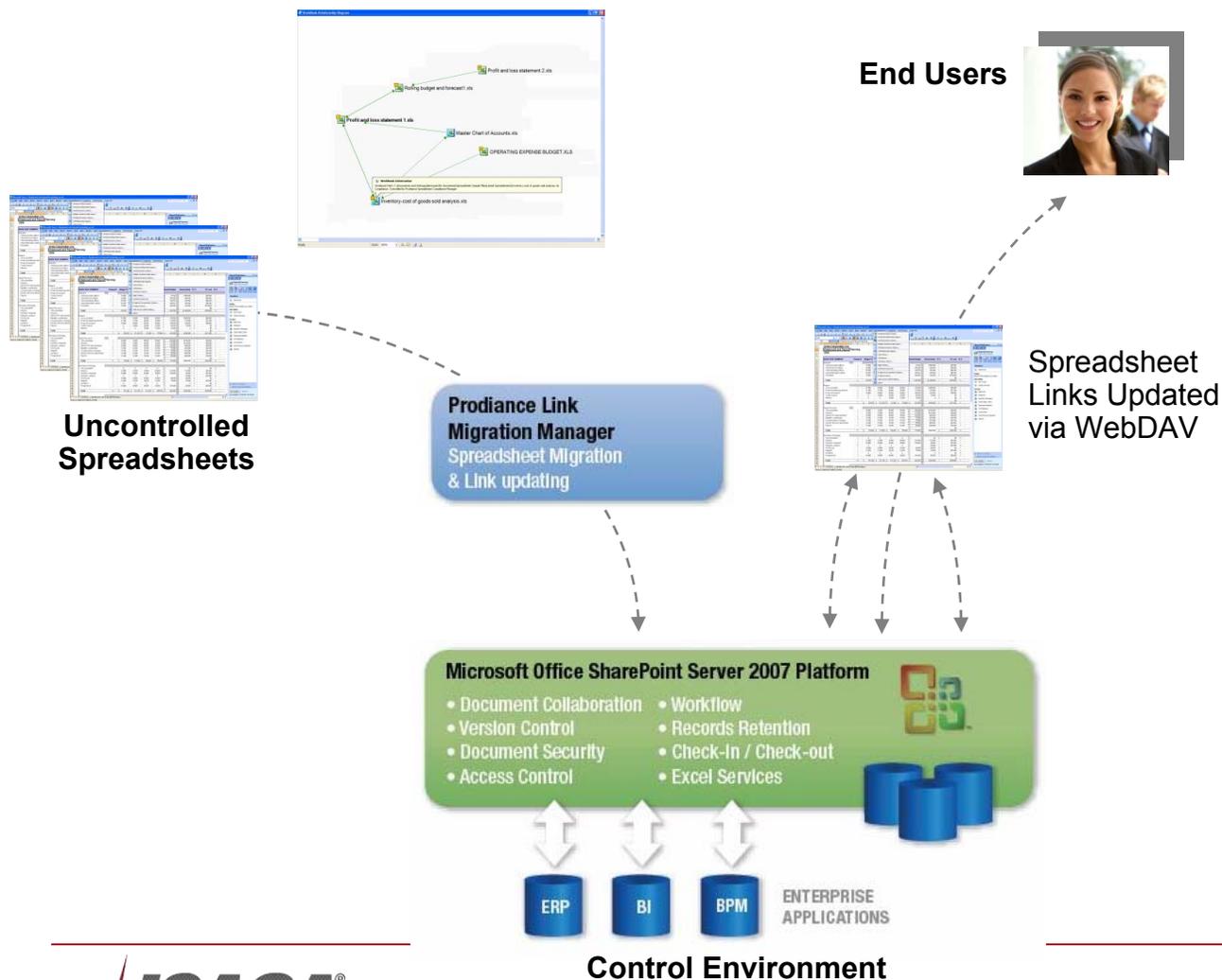
Description	Usage	Primary Owner	User Manager	Primary Business Supported	Significance
Document tracking the expenses in the Operations dept	Document tracking the expenses in the Operations department	PRODIANCE\aperera	PRODIANCE\ddunn	Operations	High
IncomeStatementChanges		adammembership:demou	PRODIANCE\trystrom	Accounting	High
Title Goes Here	This document is used to track sales numbers	adammembership:sohell	SCMPILOT\administrato	Finance	High
		adammembership:sohell	SCMPILOT\administrato	Finance	Medium

No Activity Report
Report Date: Jul 11, 2007 01:38 PM

Reporting Options:
Start Date: 7/11/2007 1:37:32 PM
End Date: 7/12/2007 1:37:32 PM

Title (File Name)	Description	Usage	Primary Owner	User Manager	Last Modification
Corporate Sales for Q2.xls	Sales for Q2 2007	Tracking of all sales for Q2 of 2007	PRODIANCE\trystrom	adammembership:julie	7/6/2007 7:19:22 PM
HR Funds 2.xls	Human Resources Tax Information	Outlines all the taxes for the employees payroll	PRODIANCE\cdemarest	adammembership:sohell	7/3/2007 5:28:23 PM
Manufacturing Supplies 1.xls	Manufacturing Supplies for August 07	Inventory needed for the month of August to ship and packages goods.	PRODIANCE\trystrom	adammembership:sohell	7/3/2007 5:19:09 PM
Engineering Docs 1.xls	Engineering Costs Doc - July	To track the engineering project costs for the month of July	PRODIANCE\dcrossex	adammembership:stev	7/5/2007 11:57:27 PM
IncomeStatementChanges.xlsx	IncomeStatementChanges		adammembership:demo	PRODIANCE\trystrom	7/6/2007 12:18:55 AM
EPS_2007_Q2.xlsx			adammembership:sohell	SCMPILOT\administrator	7/6/2007 7:00:20 PM
lManageTest.xls	Title Goes Here	This document is used to track sales numbers	adammembership:sohell	SCMPILOT\administrator	7/3/2007 4:08:34 PM

Migrating some or all of Linked Spreadsheets



Prodiance Link Migration Manager
Spreadsheet Migration & Link updating

This is a **HUGE** Challenge if done manually

Migrate Uncontrolled Spreadsheets into Controlled Environment

Automatically Update All Spreadsheet Links to new "http://..." path during migration

End users access to spreadsheets in a secure environment and links update themselves via WebDAV protocol

Link Migration Management

demo.prodiance.com - Remote Desktop

Link Migration Report

1 of 2 100% Find | Next

Inventory Management Log

Printed: Mar 14, 2007 02:26 PM
User: PRODIANCE\trystrom



Options

Source Files	Destination Folder	Operation
5	http://thevault.prodiance.com/sites/demo/SCM/Corporate Documents/Corporate Workbooks/West	Copy specified files to destination folder, leaving original files after successful copy.

Summary

Start Time	End Time	Elapsed Time	Files Processed	Number of Changes
Mar 14, 2007 02:25:49 PM	Mar 14, 2007 02:26:13 PM	00:00:23	5	0

Details

Entry #	Original Workbook	Item	Description
1	C:\Documents and Settings\All Users\Documents\LinkedWorkbooks\Profit and loss statement 1.xls	(n/a)	Copied original workbook to 'http://thevault.prodiance.com/sites/demo/SCM/Corporate Documents/Corporate Workbooks/West/Documents and Settings/All Users/Documents/LinkedWorkbooks/Profit and loss statement 1.xls'.
2	C:\Documents and Settings\All Users\Documents\LinkedWorkbooks\Master Chart of Accounts.xls	(n/a)	Copied original workbook to 'http://thevault.prodiance.com/sites/demo/SCM/Corporate Documents/Corporate Workbooks/West/Documents and Settings/All Users/Documents/LinkedWorkbooks/Master Chart of Accounts.xls'.
3	C:\Documents and Settings\All Users\Documents\LinkedWorkbooks\Inventory-cost of goods sold analysis.xls	(n/a)	Copied original workbook to 'http://thevault.prodiance.com/sites/demo/SCM/Corporate Documents/Corporate Workbooks/West/Documents and Settings/All Users/Documents/LinkedWorkbooks/Inventory-cost of goods sold analysis.xls'.
4	C:\Documents and Settings\All Users\Documents\LinkedWorkbooks\Rolling budget and forecast 1.xls	(n/a)	Copied original workbook to 'http://thevault.prodiance.com/sites/demo/SCM/Corporate Documents/Corporate Workbooks/West/Documents and Settings/All Users/Documents/LinkedWorkbooks/Rolling budget and forecast 1.xls'.
5	C:\Documents and Settings\All Users\Documents\LinkedWorkbooks\Profit and loss statement 2.xls	(n/a)	Copied original workbook to 'http://thevault.prodiance.com/sites/demo/SCM/Corporate Documents/Corporate Workbooks/West/Documents and Settings/All Users/Documents/LinkedWorkbooks/Profit and loss statement 2.xls'.

Draw AutoShapes

Database Change Control

75% Find | Next

Microsoft Access Compare Report

PRODIANCE 

Date: Mar 09, 2007 04:33 PM
 User: PRODIANCE\lnystrom
 File 1: C:\Northwind1.mdb
 File 2: C:\Northwind2.mdb

Compare Options

Tables	Yes	Macros	Yes
Queries	Yes	Reports	Yes
Modules	Yes	Forms	Yes
Pages	Yes		

Tables

Table	Item	Old Value	New Value	Change Description
Employees	Col: LastName		Employee's Last name.	Column Description Changed
Employees	Col: City			Column deleted.
Employees	Col: Region	10	9	Column Position Changed
Employees	Col: PostalCode	11	10	Column Position Changed
Employees	Col: Country	12	11	Column Position Changed
Employees	Col: HomePhone	13	12	Column Position Changed
Employees	Col: Extension	14	13	Column Position Changed
Employees	Col: Photo	15	14	Column Position Changed
Employees	Col: Notes	16	15	Column Position Changed
Employees	Col: ReportsTo	17	16	Column Position Changed
Employees	Col: ZipCode			Column added.
Prodiance test table				Table deleted.
Shippers	Col: CompanyName	True	False	Column Value Required Changed
Vacations				Table added.

Queries

Name	Old Value	New Value	Change Description
Employee Sales by Country	...[Subtotal] AS SaleAm...	...Subtotal AS SaleAmou...	Query Text changed.
Employee Sales by Country	{Parameter} Record	{Parameters} Record	Query Description changed.

Workflow = Automation + Control + Visibility

The screenshot displays a Microsoft Outlook window with a message titled "EUC Approval has completed on Rolling budget and forecast 1. - Message (HTML)". The message is from sharepointAlerts@prodiance.com, sent on Friday, 3/9/2007 at 12:21 PM, to Terry Nystrom. The subject is "EUC Approval has completed on Rolling budget and forecast 1." The main body of the email contains the following text:

EUC Approval has completed on **Rolling budget and forecast 1.**
EUC Approval on Rolling budget and forecast 1 has successfully completed. All participants have completed their tasks.

Approved by Terry Nystrom
These changes look acceptable.

[View the workflow history.](#)

The Outlook interface includes a menu bar (File, Edit, View, Insert, Format, Tools, Actions, Help), a toolbar with icons for Reply, Reply to All, Forward, Send/Receive, Find, and other actions, and a search bar. The left sidebar shows a folder list with "Items (68)" and "4]". The right sidebar shows a list of messages with timestamps, including 12:09 PM, 11:21 AM, 11:20 AM, 11:18 AM, 10:54 AM, 10:28 AM, 10:25 AM, 10:23 AM, 10:18 AM, and 10:12 AM.

Things to Remember

Spreadsheet Controls Help Organizations:

- **Take a proactive approach to reducing the risk of errors in the financial reporting process**
- **Implement a sustainable solution for complying with SOX 404 mandates for spreadsheet use**
- **Improve:**
 - Spreadsheet development and use
 - Employee productivity
 - Business processes for closing-the-books (10-K/10-Q, consolidation, reconciliations, change control, etc.)

Thank You!

For more information please contact:

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Industry Partner Manager

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dannetr@Microsoft.com

Terry Nystrom

Senior Vice President, Field Operations

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tnystrom@prodiance.com