

INTERNAL CONTROLS & RISK MANAGEMENT

LEVERAGING INTERNAL CONTROLS TO MANAGE COMPLIANCE RISKS AND ENHANCE OPERATING EFFICIENCIES

At Berdon, we bring a risk-based, business-oriented approach to every consulting engagement — delivering practical solutions that address your unique business needs.

OUR SERVICE TEAM

Berdon's internal controls expertise crosses many business sectors from nonprofits to closely held businesses to publicly traded companies.

Our service team is led by accomplished professionals with extensive knowledge in internal controls, process re-engineering, and system implementation. This seasoned group has been successful in delivering controls and process enhancement solutions that are both effective and economical.

OUR CONSULTING SERVICES

Since well before the enactment of the Sarbanes-Oxley Act, clients have come to Berdon for assistance in controls enhancement, documentation, and validation. In addition to providing internal controls support on Sarbanes 404 compliance, we:

- Conduct a comprehensive risk assessment and process review to identify and size the control gaps
- Develop and implement corrective actions to eliminate the control gaps and remediate existing deficiencies
- Evaluate the effectiveness of controls over fraud prevention and detection
- Assist in developing antifraud programs
- Evaluate the effectiveness of controls over information security, change management, and data backup and restoration
- Assist in developing a business continuity plan and in evaluating the company's readiness in its disaster recovery objectives
- Develop and implement monitoring review procedures to ensure compliance with rules and regulations
- Assist in revising and enhancing process flow to achieve operational efficiencies

SERVICE OVERVIEW

Our consulting engagements typically consist of two distinct phases.

PHASE 1 SCOPING AND PLANNING

We begin each engagement with a preliminary risk assessment to help validate your needs and determine the level and nature of consulting assistance required to address the related compliance, business, and fraud risks. During the scoping phase, we:

- Size your risks and identify the control gaps and specific internal control matters that warrant immediate attention
- Rank and prioritize such matters based on the likelihood and magnitude of the related risks
- Develop a high-level work plan with proposed efforts and due dates for each stage of the internal controls enhancement process

PHASE 2 CONTROLS EVALUATION, REMEDIATION, AND DOCUMENTATION

During this phase, we:

- Review available process documentation and conduct a process walkthrough and inquiry of management to validate our understanding of your current practice;
- Evaluate the design and operating effectiveness of key controls in place
- Recommend changes to your current practice based on specific control gaps or issues identified
- Implement remedial actions to fix the gaps and address related process issues
- Document the new processes
- Provide appropriate training to process owners
- Perform testing to validate the controls effectiveness and confirm compliance