

# Synaxion Urbidata CA/CM: Continuous Monitoring of Controls

## Introduction

The continuous monitoring of business processes in enterprise wide applications enables organizations to assess and optimize inefficient and ineffective controls.

Synaxion Urbidata provides you with a Continuous Auditing & Monitoring (CA/CM) software solution that allows you to monitor and optimize quickly, easily and automatically your critical internal controls, as shown in the examples given in the table below.

Control	Purchase to Pay	Order to Cash	Finance to Report	Material to Product
<b>User controls</b>	Monitoring open invoices	Monitoring open sales orders	Detecting duplicate payments	Detecting dead stock
<b>Configuration controls</b>	3-way match Matching	Configuration of sales condition types	Open posting periods	Configuration for negative stock
<b>Procedural controls</b>	Purchase order request procedure	Discount procedure	Group accounting manual	Scrapping procedure
<b>Authorization controls</b>	Authorization for changing approved purchase orders	Authorization on sales order document type	Authorization for reversing documents	Authorization for maintaining materials

## Benefits Synaxion Urbidata CA/CM

- Short implementation time
- Comprehensive collection of predefined indicators
- Flexible expandable with additional indicators
- Excellent price/performance ratio
- Information is available at individual posting / transaction level

## Functionalities

### Continuous Auditing & Monitoring (CA/CM)

Key Risk indicators (KRI's) are presented in a scorecard structure. Within this structure, the results are presented by period, business cycle and department. Using these periodic results, the efficiency and effectiveness of controls in the business cycles can be assessed and optimized if necessary.

### Data Analysis

Synaxion Urbidata CA/CM includes a Data Analysis module with the functionalities to detect specific undesired postings or master data. Using predefined filters, it is possible to detect fraudulent activities, incomplete master data, retrospective postings and actual breaches of segregation of duties. Also more advanced analyses like Bedford's Law Analysis, patterns & trends and duplicate master data is included.

### Monitoring Segregation of Duties (SoD)

Important authorization controls to ensure a proper Segregation of Duties (SoD) are reported at various levels in Synaxion Urbidata CA/CM:

- Monitoring of undesired combinations of authorizations that are granted to a single user
- Monitoring of the actual use of combinations of critical authorizations



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## Automatic monitoring using scorecards

In the Synaxion Urbidata CA/CM scorecards results are displayed on key risks like:

- Too long outstanding sales orders and purchase orders
- Too long outstanding entries on suspense accounts
- Long lead times in handling of purchase and sales cycles
- The incorrect use of payment periods, discounts and credit invoices

	Evaluation	Actual (%)	Number of docs.	Amount (local cur.)	Period
OPC01					
Purchase to Pay					
Purchase Orders					
Goods Receipt					
POs delivered too late [%]		50,58	1.428	11.879.049,61	May 2008
POs where creation date equals GR date [%]		13,21	333	7.355.282,35	May 2008
Invoice Receipts					
POs with creation date equal to inv. receipt [%]		2,07	65	249.890,18	May 2008
POs with PO - VI amount difference [%]		5,10	85	10.761,94	May 2008
Service POs where creation date eq. inv. receipt [%]		0,46	1	1.495	May 2008
Service POs with PO - VI amount difference [%]		33,83	45	252.520,32	May 2008
			8.384		May 2008

  

COUNT	FREQUENCY_GROUP	DOCUMENT_TYPE_TEXT	PURCHASE_ORGANISATION	6701	6702	6703	TOTAL
[12]	0 - 10 days after	POP PO		23	28		51
		Services PO		215		2	217
		Standard PO		405			405
[13]	10 - 20 days after	POP PO		15	17		32
		Services PO		159		1	160
		Standard PO		170			170
[14]	20 - 30 days after	POP PO		1	3		4
		Services PO		103		1	104
		Standard PO		29			29
[15]	30 - 40 days after	POP PO		1	1		2
		Services PO		77			77
		Standard PO		20			20
[16]	40 - 50 days after	POP PO			3		3
		Services PO		23			23
		Standard PO		36			36
[17]	50 - 60 days after	Services PO		17			17
		Standard PO		4			4
[18]	60 - 70 days after	Services PO		2			2
[19]	70 - 80 days after	POP PO			1		1
		Services PO		8			8
		Standard PO		8			8

## Return on Investment (ROI)

### Efficiency

- By automated testing, manual test work and assessments can be reduced by the different departments.
- Internal and/or external auditors can rely on the test work of the organization.
- Posting and processing errors can be identified at an earlier stage.

### Organisation

- Differences in the use of the business applications can be identified which could benefit the process of harmonization.
- Benefits, such as reduction of discounts and central purchases can be achieved.
- Contributes to a better and faster period closing, because the status of projects, purchases and sale contracts are made fully transparent.

### Controls

- By means of root cause analysis the controls can be improved continuously.
- The transition from manual to automatic controls monitoring contributes to an improvement of the entire system of internal controls.
- Laws and regulations can be monitored using compliance scorecards.

