



51A Middle Street Newburyport MA 01950
Phone: 800-588-7039 Fax: 877-902-4284
contact@bhfe.com www.bhfe.com

Course Information

Course Title: *Spreadsheet Controls Under Sarbanes-Oxley Section 404 #293317*

Recommended CPE credit hours for this course:

In accordance with the standards of the National Registry of CPE Sponsors, CPE credits have been granted based on a 50-minute hour.

CPA: 1.5: (Computer Science, 1; Auditing .5) (All states)

National Registry of CPE Sponsors ID Number: 107615.

Sponsor numbers for those states that require sponsor registration:

Florida Division of Certified Public Accountancy: 4761 (Ethics #11467)

Hawaii Board of Public Accountancy: 14003

New York State Board of Accountancy: 002146

Ohio State Board of Accountancy: M0021

Texas State Board of Accountancy: 009349

Course Description

Spreadsheets have become pervasive in most companies and have many uses. Those that are used in the financial reporting process are of most concern to the assessment of the effectiveness of internal controls over financial reporting mandated by Sarbanes-Oxley. This course discusses how to evaluate spreadsheets under the rules of Section 404 and AS 2201 as well as what specific compensating spreadsheet controls are supported by Excel 2007, Excel 2010, Excel 2013 and Excel 2016. This course has been written for Excel 2007. Steps that differ in Excel 2010, 2013 and 2016 have been noted in gray shadow boxes for the few instances where there is a difference.

Program Delivery Method: QAS Self-Study (interactive)

Subject Codes/Field of Study: Auditing, Computer Science

Course Level, Prerequisites, and Advance Preparation Requirements

Level: Overview.

This program is appropriate for professionals at all organizational levels.

Prerequisites: Excel 2007/ Excel 2010/ Excel 2013/ Excel 2016 is needed.

Advance Preparation: None

Course Content

Publication/revision date: 12/14/2016

Author: by Joseph P. Helstrom, CPA

Final exam: Ten questions (multiple-choice).

Instructions for taking this course

You must complete this course within one year of the date of purchase (if you do not complete the course within one year, contact us to determine whether an updated edition of the course is available, in which case we will provide you with a PDF of the updated course and the online exam at no charge).

A passing grade of at least 70% is required on the final exam for this course. You may retake the exam if you do not pass it on the first attempt (no charge).

Complete the course by following the learning objectives listed below, studying the text, and studying the review questions at the end of each major section (or at the end of the course). Once you have completed studying the course and you are confident that the learning objectives have been met, answer the final exam questions (online).

Instructions for Taking the Final Exam Online

- Login to your account online at www.bhfe.com.
- Go to "My Account" and view your course.
- Select "Take Exam" for this course and follow instructions.

Additional Information

- The exam may be started, stopped, then resumed at a later date.
- The exam is "open book," it is not timed, and it may be retaken if not passed on the first attempt (no charge).
- Results (correct, incorrect answers) and certificate appear immediately upon passing the exam.

Have a question? Call us at 800-588-7039 or email us at contact@bhfe.com.

Learning Objectives

Upon completion of this course, you should be able to:

- Recognize fundamental aspects of Section 404 of the Sarbanes-Oxley Act and Public Accounting Oversight Board AS 2201
- Recognize the process for evaluating spreadsheets under the rules of Section 404 and AS 2201
- Identify specific compensating spreadsheet controls supported by Microsoft Excel

Copyright © 2017 by Mill Creek Publishing

P.O. Box 611, Noblesville, IN 46061

All rights reserved. No part of this course may be reproduced in any form or by any means, without Permission in writing from the publisher.

Table of Contents

Course Information	ii
Learning Objectives	iii
Table of Contents	iv
Sarbanes Oxley	1
Public Company Accounting Oversight Board.....	1
AS 2201: An Audit of Internal Control Over Financial Reporting That Is Integrated with An Audit of	
Financial Statements.....	3
Introduction	3
AS 2201 Approach.....	4
Materiality.....	4
Using a Top-Down Approach	4
Identifying Entity-Level Controls.....	4
Identifying Significant Accounts and Disclosures and Their Relevant Assertions.....	6
Understanding Likely Sources of Misstatement	7
Selecting Controls to Test	8
Specific Procedures Related to Spreadsheets to Comply with Section 404 and PCAOB AS 2201	8
Inventory all spreadsheets.....	9
Determine how current spreadsheets are being used	9
Determine the risk factors of the spreadsheet.....	9
Evaluate compensating controls for risk factors.....	10
Documentation of procedures.....	10
Remediation	11
Controls that Excel supports.....	11
Access to the spreadsheet is limited to authorized users – Passwords.....	11
Controls to validate user input – data validation.....	15
Review Questions	23
Spreadsheets protected against unauthorized changes – Cell protection	24
Spreadsheets protected against unauthorized changes –Workbook Protection	33
Spreadsheet Documentation is Adequate – Comments.....	34
A Logic inspection by an independent party is performed – Formula Auditing	36
Highlighting all cells containing formulas	36
Trace Precedent and Dependent Cells.....	39
Error Checking.....	42
Watch Window	43
Logic Inspection – Inspect Document.....	44
Controls not supported by Excel	48
Summary	48
Review Questions:	49
Glossary.....	50
Index	51
Answers to Review Questions	52