

FOR IMMEDIATE RELEASE

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CONTACT: Trish Harris
PHONE: +1-407-937-1245
EMAIL: trish.harris@theiia.org



COSO Releases Exposure Draft of Guidance on Monitoring Internal Control

Public comment period to end August 15

Altamonte Springs, FL, June 4 — The Committee of Sponsoring Organizations of the Treadway Commission (COSO) is pleased to announce the release of its exposure draft document: *Guidance on Monitoring Internal Control Systems*. Developed by COSO and led by a diverse Grant Thornton LLP team, the guidance is designed to help organizations monitor the quality of their internal control systems. Accompanying the release of the exposure document is access to a Web-based feedback portal on the COSO Web site at <http://www.coso.org/guidance.htm>. The comment period will end August 15, 2008.

"This guidance more fully develops the monitoring component of our *Internal Control - Integrated Framework*," says COSO Chairman Larry Rittenberg, Ph.D. "It is designed to assist organizations of any size or structure in developing efficient means to monitor the continued operating effectiveness of internal control related to financial reporting, operational, and compliance control objectives."

Public input from the discussion document COSO released in September of 2007 was used in developing the exposure draft, which includes practical application guidance and case studies, as well as clarification of the concept of monitoring internal control.

The guidance includes the principles of effective internal control over financial reporting developed by COSO in 2006, and reiterates the importance of those principles to all organizations, regardless of size. The project's scope has been extensive, comprising the fundamentals of monitoring and an in-depth examination of various types of information normally available in an organization — information that could be used to monitor the effectiveness of internal control. It also includes examples of effective monitoring from a wide variety of organizations observed by the Grant Thornton team.

In addition to the project team — including Grant Thornton LLP partners and led by Grant Thornton National Managing Partner of Corporate Governance Trent Gazzaway — the project has an oversight task force consisting of representatives from COSO's five sponsoring organizations and other experts; participation by the U.S. Government Accountability Office; and representatives from audit firms and both large and small companies. Also, there are project observers from both the SEC and the PCAOB.

“We were diligent in being *inclusive* of a variety of entities from the very beginning of this important project and were pleased to incorporate input and feedback from task force members who deal with controls and operations every day,” says Rittenberg.

Through the feedback portal, COSO encourages input on the clarity and applicability of the guidance provided. Input from respondents will be used in developing the final release of the project, currently scheduled for the fall of 2008. The goal is to deliver a finished product with broad relevance and demonstrable effectiveness.

Originally formed in 1985 to sponsor the National Commission on Fraudulent Financial Reporting, COSO is a voluntary private sector organization dedicated to improving the quality of financial reporting through business ethics, effective internal controls, and corporate governance. COSO comprises the American Accounting Association (AAA), the American Institute of Certified Public Accountants (AICPA), Financial Executives International (FEI), the Institute of Management Accountants (IMA), and The Institute of Internal Auditors (IIA).

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