

How can I create a sustainable FCPA compliance program to reduce our risks and the costs associated with FCPA-related controls?

CA and Greenlight Technologies offers a foundation for SOX and FCPA compliance, providing automated financial control monitoring, policy management, risk management, role-based compliance dashboards and integrated compliance program management capabilities.

Overview

Challenge

FCPA-related policies and procedures are difficult to control with remote offices, employees and agents. Also, it is difficult to know who is a foreign government official or foreign representative. In addition, FCPA audits are very difficult and expensive.

Foreign government policies and procedures can vary by country. The complexity of adhering to FCPA and foreign regulations makes establishing controls and control testing very costly.

Organizations struggle with implementing mitigating controls to support their internal FCPA policies.

Solution

CA and Greenlight Technologies can help organizations build a Sustainable FCPA Compliance Program. This includes

- FCPA Program Mgt.
- Policy Attestation Mgt.
- FCPA Dashboards Views
- Enterprise Risk Mgt
- Key Risk Indicators
- Automated Financial Control Monitoring
- Preventative Segregation of Duty and Access Control
- Detective Red Flags and Anomalies

Benefits

The CA and Greenlight comprehensive FCPA solution provides management, legal and operations with a holistic view of a FCPA program. In turn, this helps:

Reduce the cost of managing and auditing FCPA controls.

Reduce exposure to large fine violations by supporting a good faith effort in managing FCPA controls.

Reduce FCPA related violations with a combination of automated preventive and detective controls.

Increase employee FCPA awareness through policy attestation and controls.

Increase controls with remote operations and employees.

The CA Advantage

The FCPA solution includes the integration of the CA GRC Manager and Greenlight TRAC software. Together, CA and Greenlight help unify and simplify the management of compliance. This solution is designed to also manage any regulatory compliance initiative or program.

The CA GRC Manager provides core functionality such as Risk Management, Audit and Control Testing, Policy Management, Program and Project Management, Issue and Remediation Management and Regulatory Control Mapping (with harmonized control objectives covering approximately 400 regulations, frameworks and best practices).

The Greenlight Technologies TRAC system provides financial continuous control monitoring, supporting out of the box Access Control, Segregation of Duty and Financial Transaction Processes across enterprise financial systems and repositories (SAP, Peoplesoft, JD Edwards, Legacy Systems, Hyperion, etc.). Greenlight TRAC system automated controls are used for regulations such as SOX and FCPA.

The CA GRC Manager and Greenlight TRAC systems are highly extendable and configurable to fit each client's specific requirements and are designed to reduce the internal audit and control testing costs, increase the effectiveness of controls and provide faster and greater visibility into control issues, risks and vulnerabilities. This integrated solution can help address SOX and FCPA requirements.

Organizations Face Multiple FCPA Challenges

The U.S. Foreign Corrupt Practices Act of 1977 prohibits U.S. companies, their subsidiaries, as well as, their officers, directors, employees and agents from making corrupt payments or favorable treatment to “foreign officials” for the purpose of obtaining or keeping business.

The U.S. Securities and Exchange Commission and U.S. Dept of Justice are working together on FCPA related investigations and have increased their efforts on aggressive prosecutions.

FCPA presents many challenges

Global corporations nearly always start addressing FCPA by creating corporate policy. However, having an anti-corruption and anti-bribery corporate policy does not guarantee an organization is not at risk of non-compliance with the FCPA regulation. Due to some of the factors discussed below, the FCPA presents many challenges for organizations to ensure they are compliant.

WIDESPREAD CORRUPTION VARIES BY COUNTRY A large number of countries and companies have been identified with widespread corruption. Doing business in these countries can increase the likelihood and risk of FCPA violations. Watch groups such as Transparency International www.transparency.org which is a global coalition originated to fight corruption, tracks and ranks countries and companies known as corrupt. Transparency International is established in over 90 countries, tracking and reporting on corruption and policies. They provide an annual ranking of 180 countries with their perceived levels of corruption, as well as their annual Bribe Payers Index.

DIFFICULT TO CONTROL REMOTE OFFICES, EMPLOYEES AND AGENTS Many organizations have different policies, procedures and levels of automated systems in place in their remote offices. Many procedures are manual, which adds to the complexity of monitoring and enforcing policies of remote employees and agents. Segregation of Duties (SoD) best practices are often impossible to achieve due to the office location, number of limited employees and the size of the operation. Organizations that do not have the luxury of having different people performing key financial transactional processing and approvals, increase their risk significantly for errors, fraud or inappropriate activities.

DIFFICULT TO KNOW WHO YOU ARE DOING BUSINESS WITH The FCPA specifies guidelines when working with a foreign government official or foreign representative. Sometimes, it is very difficult to know if the person with whom you are doing business has an affiliation with a political party or government agency.

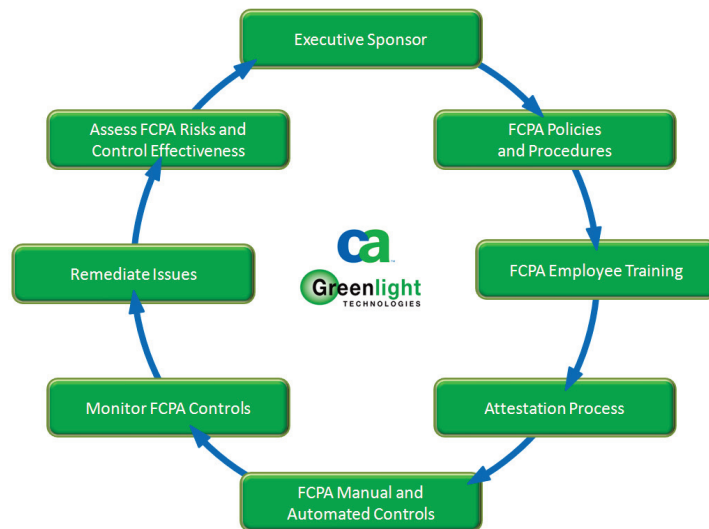
DIFFICULT AND EXPENSIVE TO AUDIT REMOTE OFFICES OR OPERATIONS Remote offices with a lot of manual procedures also provide challenges for internal audit teams. The costs per control test and for internal audits are generally significantly higher for remote and satellite offices. Unfortunately, at the same time the risks for a FCPA violation to occur are significantly increased.

Creating a Sustainable FCPA Compliance Program

HOW CA AND GREENLIGHT TECHNOLOGIES HELP ORGANIZATIONS CREATE A SUSTAINABLE FCPA PROGRAM

Creating a sustainable FCPA program requires a focused effort including people, processes and technology. CA works with several risk and compliance consulting companies that have subject matter expertise to address FCPA programs.

CA and Greenlight Technologies have partnered together to help organizations build and maintain a sustainable FCPA compliance program by leveraging technology to facilitate, manage, monitor, and react to FCPA related activities across an organization.



CA GRC Manager includes a **centralized compliance management system** which integrates functional compliance information such as processes, policies, risks and controls. Storing and linking all activities within a central repository provides greater visibility of risks across all of the organization, and eliminates the problem of redundant information stored in corporate silos. This repository provides the foundation for organizations to continuously optimize processes for identifying risks and controls

MANAGE FCPA POLICIES WITH ELECTRONIC ATTESTATIONS AND AUTOMATED CONTROLS CA GRC Manager lifecycle policy management functionality ensures **compliance with policies** by providing role-based dashboards that enable real-time monitoring on how the organization is performing with regards to those policies, and providing decision support tools for the monitoring and management of the resources utilized within compliance programs. Policy attestation campaigns provide electronic tracking and notifications to employees, vendors and customers of policy requirements based on roles.

MANAGE THE RISKS ASSOCIATED WITH NON-COMPLIANCE CA GRC Manager provides a unified view of all your enterprise risks, providing insight into the state of risk throughout your organization, helping to ensure immediate identification and execution of risk mitigation strategies. CA GRC Manager includes performance dashboards that allow executives to make fact-based decisions with respect to strategic risk and compliance initiatives. Integrated program management capabilities help ensure that optimal remediation plans are produced, communication barriers are eliminated and compliance projects are executed effectively.

AUTOMATED DETECTIVE AND PREVENTATIVE FINANCIAL CONTINUOUS CONTROLS MONITORING Greenlight's Tracking Risk and Compliance (TRAC) financial continuous control monitoring technology provides the most comprehensive platform for continuously

monitoring of transaction controls over heterogeneous system environments. Continuous database scanning provides up-to-date financial and operational risk profiles which can check 100% of the financial records. The Greenlight Control Library provides unprecedented pre-defined controls for the major ERP systems, plus other legacy applications for true cross-platform GRC performance.

Greenlight's TRAC solution provides an immediate ROI by reducing the costs of control monitoring and testing. This is accomplished with over 1,500 predefined Access Control, Process Control and Segregation of Duty rules, as well as, Access Provisioning for SAP, Peoplesoft, Oracle Financials, and JD Edwards. These rules will help reduce the cost for FCPA, SOX and other governance best practices relating to financial access and transaction controls. TRAC has an Adaptor Studio module, which allows customers to connect and extend the TRAC Continuous Control Monitoring technology to any custom or 3rd party application. This capability adds intelligence to operational data stores. The robust underlying business engine provides business analysts the ability to create and maintain sophisticated rules for analysis. These rules can check and compare transactions or processes, which include multiple transactions to identify fraud, errors, suspicious "red-flags" activities and suspicious anomalies. For example, Greenlight rules can verify the proper inventory items and quantities were shipped and/or received compared to the invoice details; transactions can be flagged where the same employee created a vendor record, purchase order and/or payment. Duplicate transactions and sales expenses outside of the corporate policy can be flagged. The Greenlight test results from these rules include relevant information and links back to the specific transaction detail to enable optimized investigation and remediation processing.

GREENLIGHT TECHNOLOGY TRAC IS CA SMART CERTIFIED The integration of Greenlight Technologies' TRAC financial continuous control monitoring technology with the CA GRC Manager is CA Smart Certified. Summarized test results and metrics from Greenlight's financial continuous control monitoring are mapped to the CA GRC Manager Controls and Control Objectives. The GRC Manager imports the operational test results to drive role-based dashboards that allow executives to make better decisions based on more timely information. The GRC Manager dashboards highlight possible violations including identifying which specific policy, control or regulations are affected, and spawning the appropriate workflows and remediation tasks to mitigate these violations. This closed loop system helps organizations to increase their compliance effectiveness and reduce audit and control testing costs. This integration brings together CA's market leading governance, risk and compliance management platform and Greenlight's cross-platform deep inspection capabilities to deliver a solution that not only addresses FCPA, but provides a comprehensive and automated system to tackle many compliance initiatives.

INTEGRATED FCPA SOLUTION LEVERAGES INTEGRATION TO AUTOMATE CONTROL TESTING AND REDUCES FCPA RISKS AND COSTS Integration between Greenlight TRAC and the CA GRC Manager provides a single repository that can encompass IT, security and privacy controls, along with business, environmental, engineering and financial controls. The GRC Manager is optimized for managing controls, including the control effectiveness and control testing. Controls are mapped to business processes, assets, corporate policies, regulations and enterprise risks.

SECTION 3: BENEFITS

A Sustainable FCPA Compliance Program reduces Risks and Costs

The U.S. Security and Exchange Commission and U.S. Department of Justice fines have ranged from a couple of million dollars, to hundreds of millions, with the largest combined fines for one organization reaching \$1.6 billion US dollars. A sustainable FCPA Compliance Program, with detective and preventative controls will help demonstrate to the U.S. SEC and DOJ, a good faith and best-practice effort in adhering to FCPA regulations.

Why risk millions of dollars? A solution is available today to help you address violations, avoiding fines and damage to the corporate reputation and good will. Leveraging the CA GRC Manager and Greenlight Technologies financial continuous control monitoring system, TRAC, will help streamline and optimize the management of the policies and controls to mitigate FCPA related activities and the associated costs.

SECTION 4: THE CA ADVANTAGE

CA is the world's largest independent software manufacturer and has a heritage of providing best of breed, enterprise class software solutions. CA has been helping thousands of companies manage their IT and security infrastructure for over three decades. CA also provides comprehensive and proven solutions to unify and improve the management of enterprise risk management and compliance programs.

CA GRC Manager delivers a unified, enterprise-wide view of risks and controls. It helps to ensure that exposures are identified so that you can make informed decisions about risks, costs, remediation, benefits and action plans. And, it can help you streamline your risk and compliance activities by automating processes and removing redundancy.
www.ca.com/grc

SECTION 5: NEXT STEPS

Please visit ca.com/grc, ca-grc.com/greenlight and greenlightcorp.net for more information on the CA GRC Manager compliance solution and the Greenlight Technologies' Tracking Risk and Compliance (TRAC), financial continuous control monitoring solution.

To learn more, and see how CA software solutions enable other organizations to unify and simplify IT management for better business results, visit ca.com.