

Navigating Your GRC Journey

Spreadsheet Risk and Governance

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Agenda

- Introduction
- The unspoken risk in GRC
- Are Spreadsheets important?
- Enterprise Spreadsheet Data Management
- MetricStream/Boardwalktech and GRC for Spreadsheets

Are Spreadsheets still important?



1 in 7 people

Over 1 billion people use Office. That's 1 in 7 people on the planet. (Source: Microsoft)

And How Much in Business?

Spreadsheet Management
Not what you figured



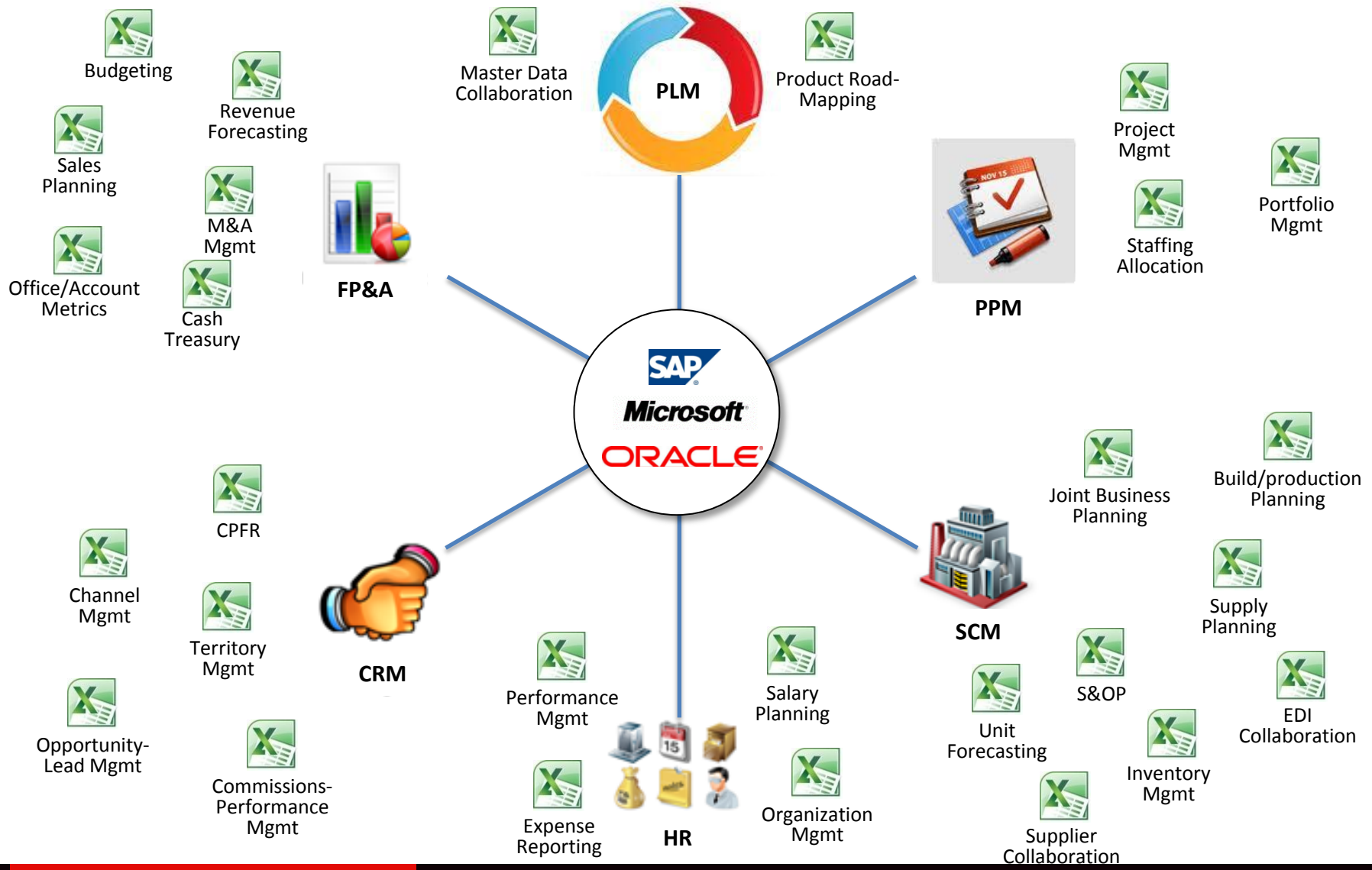
Deloitte.

Which option best describes the level your company utilizes spreadsheets to support business processes or financial reporting?

Votes received: 2,804

Heavy. We rely on spreadsheets for critical portions of the business 70.1%

How Do Companies Really Run Their Business?



So What's the Problem?

- Spreadsheets are largely uncontrolled
- Confidential Information contained in these Spreadsheets can be shared with anyone
- Enterprise applications do not address the spreadsheet “problem”
- File-level solutions (SharePoint, Box, Dropbox) do not address the problem
- Spreadsheet control technology not incorporated into governance, risk and compliance (GRC) software



Laws & Regulations Impacting Spreadsheet Management

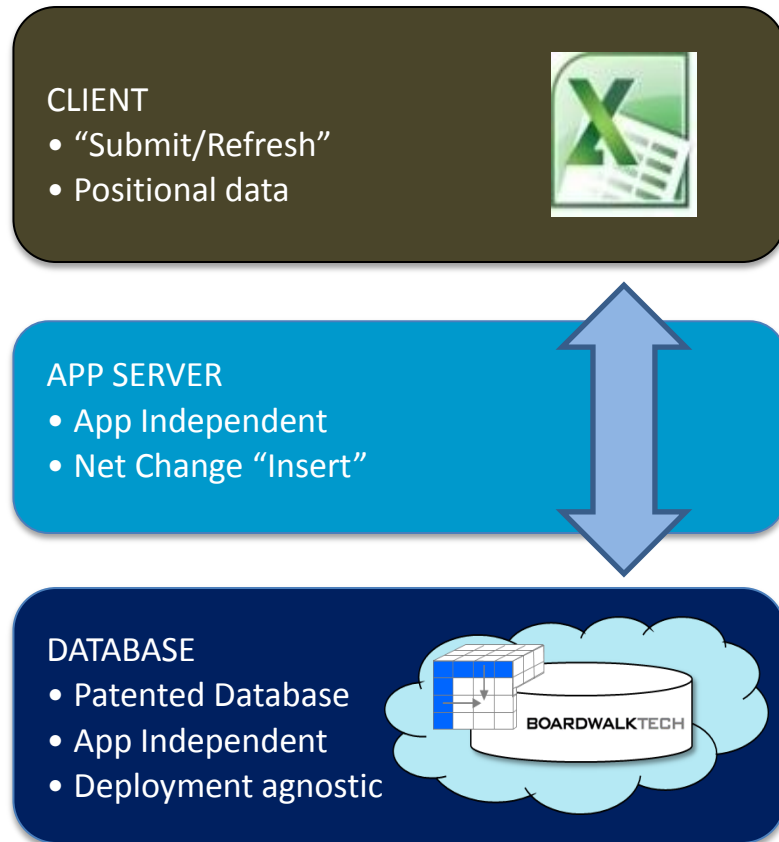
Law or regulation	Issuing authority	Primarily applies to
Basel II	International	Banks and financial institutions
California SB 1386	State of California	All companies doing business in California
Data Protection Act	U.K.	Companies doing business in the U.K.
DoD 5015.2	U.S.	Government contractors
Financial Industry Regulatory Authority (FINRA),	U.S.	Securities Firms
Gramm-Leach-Bliley Act (GLBA)	U.S.	Financial institution s
HIPAA	U.S.	Healthcare, Insurance companies, firms with access to employee or patient healthcare data
Centers for Medicare & Medicaid Services (OIG)	U.S.	Firms benefiting from Retiree Drug Subsidy (RDS) program
Markets in Financial Instruments Directive (MiFID)	U.K.	Banks and Financial institutions
Patriot Act	U.S.	Companies doing business in the U.S.
Sarbanes-Oxley	U.S.	Public companies

And If Things Go Wrong

- A US utility company found, at the last minute, that in a lengthy spreadsheet formula, parentheses were out of place – projected gains fell from \$200 million to \$25 million
- Executives from a healthcare service provider admitted preparing a false spreadsheet for auditors that inflated assets, thus falsifying the company's worth – earnings were overstated by at least \$3.5 billion
- Britain's second largest drug maker AstraZeneca was forced to reiterate its 2011 and mid-term financial forecasts after inadvertently releasing confidential company information to analysts via a spreadsheet file
- County of Bakersfield California overlooks, then finds, taxable property worth \$1.26 billion based on spreadsheet errors
- SEC "In addition, we noted that a spreadsheet error resulted in incorrect amounts for SEC's legal liability and lease liability disclosed in the notes to SEC's interim financial statements showing a lack of effective review procedures, which are even more critical given SEC's heavy dependence on spreadsheets and error-prone manual data entry for its financial reporting and accounting processes. "

The Boardwalk Collaboration Platform

Enterprise spreadsheet data management platform



- Patented cell-level data management
- Submit/Refresh from Excel = the way business users work today
- “Work Slices” cell-level access control
- Scalable, automated consolidation
- Enterprise security integration
- Enterprise integration and reporting
- Flexibility to change the model with the speed of business with no writing code

Cell-Level Data Management

Sharing data & formulas

		\$ 4,289,150		\$ 2,252,220	
Opportunity Name	Comments	Sales Rep	Forecast Sales	Sales Stage	Prob of Forecast
A. Datum Corporation		Rep1	\$ 135,000	Contract	100%
Analog Devices	latest update	Rep1	\$ 145,200	Opportunity	10%
Dundas Company		Rep1	\$ 162,500	Identified Need	25%
Harris Corp		Rep1	\$ 147,500	5-Sponsorship	85%
Adventure Works		Rep1	\$ 148,000	3-Budget Validated	50%
Alpine Ski House		Rep2	\$ 175,000	2-Identified Need	25%
Baldwin Museum		Rep2	\$ 149,000	5-Sponsorship	85%
choco sale		Rep5	\$ 135,000	1-Opportunity	10%
Blue Yonder Airlines		Rep5	\$ 142,000	3-Budget Validated	50%
City Power & Light		Rep1	\$ 172,500	4-Verbal Approval	70%
		Rep4	\$ 165,000	1-Opportunity	10%
		Rep4	\$ 163,500	5-Sponsorship	85%
		Rep3	\$ 155,500	6-Contract	100%

		\$ 3,285,950		\$ 1,637,300	
Opportunity Name	Comments	Sales Rep	Forecast Sales	Sales Stage	Prob of Forecast
A. Datum Corporation		Rep1	\$ 135,000	Contract	100%
Analog Devices	Looks good	Rep1	\$ 141,000	1-Opportunity	10%
Dundas Company		Rep1	\$ 162,500	Identified Need	25%
Harris Corp		Rep1	\$ 147,500	5-Sponsorship	85%
Adventure Works		Rep1	\$ 148,000	3-Budget Validated	50%
Alpine Ski House		Rep2	\$ 175,000	2-Identified Need	25%
Baldwin Museum		Rep2	\$ 149,000	5-Sponsorship	85%
choco sale		Rep5	\$ 135,000	1-Opportunity	10%
Blue Yonder Airlines		Rep5	\$ 142,000	3-Budget Validated	50%
City Power & Light		Rep1	\$ 172,500	4-Verbal Approval	70%
		Rep4	\$ 165,000	1-Opportunity	10%
		Rep4	\$ 163,500	5-Sponsorship	85%
		Rep3	\$ 155,500	6-Contract	100%

Boardwalk : Cell value changed from 141,000 to 145,200

Boardwalk : Cell value changed from Looks good to latest update

MetricStream

Worksheet | Participants | Updates

info@boardwalktech.com
11/20/2013 9:46:54 AM
Forecast Table
Updates: done - here are my changes, please

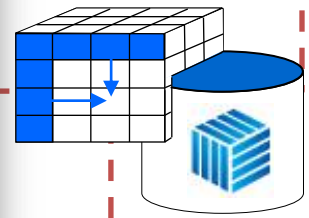
info@boardwalktech.com
11/20/2013 9:46:31 AM
Message: ok I will work on this now

jb.kuppe@boardwalktech.com
11/20/2013 9:38:13 AM
Message: please make sure you update t

jb.kuppe@boardwalktech.com
11/20/2013 9:37:46 AM
Message: invited info@boardwalktech.cc

Type Submit Comment or Chat Message

Submit Changes Refresh Changes Send Message Refresh Messages



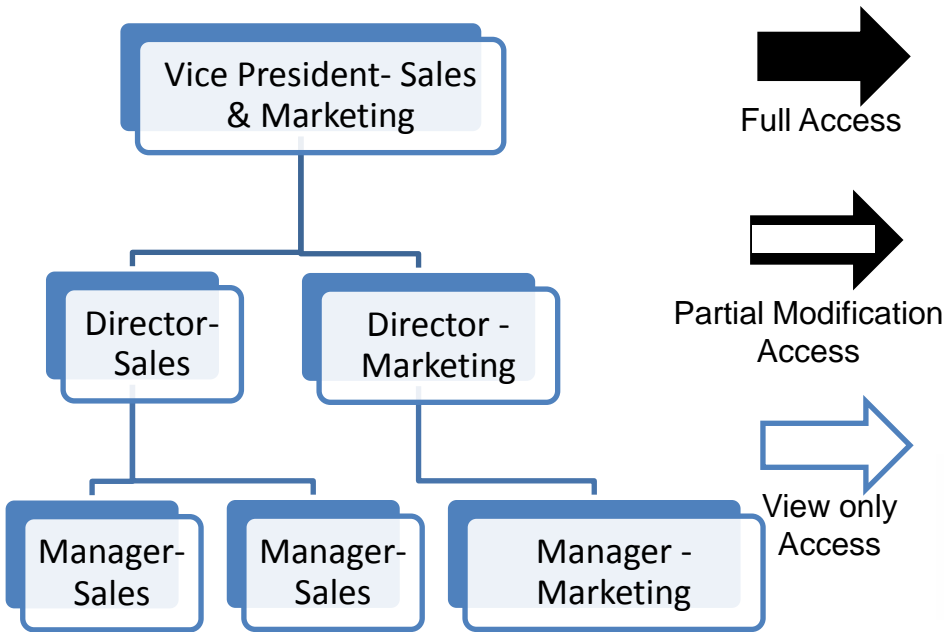
Cell-Level Audit Trail/Change Management

The screenshot illustrates the 'Cell History' feature in Microsoft Excel. A context menu is shown over a cell, with 'Cell History' highlighted. An arrow points from the menu to a callout box containing the audit trail for that cell. Another arrow points from the callout box to a table below showing a list of updates for the selected cell.

Sale Price	Q1 Units	Q2 Units	Q3 Units	Q4 Units	Year Total	Forecast Am
32	120	130	60	200	510	16,320
48	12		22	22	56	2,688
35	22	22			44	1,540
102	22			12	34	3,468
122	85	85			170	20,740
Boardwalk : jb.kuppe@boardwalktech.com, 2014-06-19 12:38:47.037 :						3,120
Changed Value From 12 To 22						6,336

Updated Value	Formula	Formula Updated	Updated By	Updated On	Comment
\$ 147,500		Y	admin@acme.com	01/26/2011 11:03 AM	Link export new table
\$ 155,000			rep1@acme.com	01/26/2011 11:06 AM	latest updates
\$ 165,000			rep1@acme.com	01/26/2011 11:24 AM	my changes
\$ 185,000			rep1@acme.com	02/24/2011 08:04 AM	my change
\$ 195,000			rep1@acme.com	02/25/2011 11:32 AM	my updates

MetricStream Spreadsheet Governance Solution Multi-level Access and Audit Control Use Case



Complete audit trail of changes across hierarchy

Updated Value	Formula	Updated By	Updated On	Comment
Request		dmitry@metricstream.com	04/04/2013 04:14 PM	my changes
Problem		BOARDW ALIC_BIT EGRATIO N	04/04/2013 04:22 PM	supermerge

Multi level real time excel consolidation

Enabling a Multi-user, Concurrent and Hierarchy controlled Functionality with Automated Multi-level Consolidation of Data elements

MetricStream Spreadsheet Governance Solution

Multi-level Access and Audit Control Use Case

Spreadsheet Workbench

Enterprise Spreadsheet Footprint

BU	Total Spreadsheets	Total Unique Users	Last Assessment ...	Overall Risk
Sales-NA	25	1505	01/09/2013	High
Sales-Partners	320	320	10/01/2014	High
Sales-APAC	12	24	01/05/2013	Medium
Sales-EU	25	1300	01/09/2013	High
Plant-ET	25	130	12/02/2014	Low
Plant-ME	19	210	15/02/2014	Low
Plant-TZ	23	210	01/03/2014	Low

Business Unit Spreadsheet

Spreadsheet	Created On	Owner	Number of...	Last Updat...	Total Chan...	Risk Score
NA-Forecast	02/03/2007	Jimmy H	34	02/09/2013	43	53
Cloud Revenue	01/02/2010	Karl K	33	01/02/2014	3	34
Cloud Costs	01/02/2010	VR	343	01/02/2014	34	32

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Rule based cell / cuboid level risk analytics to arrive at score

Change	Cell Location	Changed By	Approved By	Risk Contribution
343000 to 355000	Sheet2-G22	MM	None	15%
205000 to 208000	Sheet2-G35	MM	None	10%
RBS to R.B.S.	Sheet2-C10	MM	GK	9%
White-on-white	Sheet1-B22	MM	GK	5%

Page 1 of 1 | 20 | Displaying records 1 - 4 of 4

BU	Total Spreadsheets	Total Unique Users	Last Assessment	Overall Risk
Sales NA	23	2000	12/04/14	Low ●
Sales Partners	18	4500	14/04/14	Low ●
Sales EU	35	8000	18/04/14	High ●
Sales ET	12	1200	20/04/14	Medium ●

records 1 - 7 of 7

Enabling a Multi-user, Concurrent and Hierarchy controlled Functionality with Automated Multi-level Consolidation of Data elements

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Thank You