

Table of Contents

ACKNOWLEDGEMENTS	I
TABLE OF CONTENTS	II
TABLE OF FIGURES	IV
ABBREVIATIONS	VI
ABSTRACT	VII
1 INTRODUCTION	1
2 PROBLEM STATEMENT	3
2.1 HISTORY.....	3
2.2 FINANCIAL FRAUDS.....	7
2.2.1 Enron	7
2.2.2 WorldCom.....	11
2.2.3 Parmalat	13
2.3 SUMMARY.....	18
3 THE SARBANES-OXLEY ACT OF 2002	19
3.1 CONTENT	19
3.1.1 Title I – Public Company Accounting Oversight Board	22
3.1.2 Title II – Auditor Independence	25
3.1.3 Title III – Corporate Responsibility	26
3.1.4 Title IV – Enhanced Financial Disclosures	29
3.1.5 Title V – Analyst Conflicts of Interest.....	32
3.1.6 Title VI – Commission Resources and Authority.....	32
3.1.7 Title VII – Studies and Reports.....	33
3.1.8 Title VIII – Corporate and Criminal Fraud Accountability	34
3.1.9 Title IX – White-Collar Crime Penalty Enhancements.....	35
3.1.10 Title X – Corporate Tax Returns.....	36
3.1.11 Title XI – Corporate Fraud Accountability.....	37
3.2 INTERNAL CONTROL SYSTEM	38
3.2.1 Definition.....	38
3.2.2 Objectives.....	38
3.2.3 Committee of Sponsoring Organizations of the Treadway Commission.....	39
3.3 SUMMARY.....	40

4	THE EMPIRICAL SURVEY	41
4.1	LITERATURE REVIEW	41
4.1.1	Sarbanes-Oxley – Beyond Planning	42
4.1.2	Sarbanes-Oxley Implementation Survey	43
4.1.3	Insights on Today’s Sarbanes-Oxley and Corporate Governance Challenges.....	44
4.1.4	Internal Audit – Sarbanes-Oxley Survey	46
4.1.5	Business Ethics and Compliance in the Sarbanes-Oxley Era.....	47
4.1.6	Sarbanes-Oxley Compliance Costs Exceed Estimates	48
4.1.7	Sarbanes-Oxley Section 404 Work – Looking at the Benefits	48
4.1.8	Delisting and Deregistering of German Issuers in the USA	50
4.1.9	Summary	51
4.2	METHODOLOGY	53
4.2.1	Research Intention	55
4.2.2	Definition of Information Needed	55
4.2.3	Implementation of Variables	57
4.2.4	Information Collection.....	61
4.2.5	Data Preparation	62
4.2.6	Interim Cognition	64
4.2.6.1	Part I – Company Based Questions	64
4.2.6.2	Part II – Implementation Based Questions	72
4.2.6.3	Part III – Cost Based Questions.....	85
4.2.6.4	Part IV – Benefits Based Questions	93
4.2.7	Cognition Utilization.....	116
4.3	SUMMARY	117
5	EXECUTIVE SUMMARY	119
	APPENDIX I.....	122
	APPENDIX II.....	127
	INDEX.....	140
	BIBLIOGRAPHY.....	142