Accounting

Name

Institutional Affiliation

SOX mandate senior executives to take responsibility for the accuracy and completeness of financial reports.

Do you think SOX has been successful in corporations being more ethical?

Yes,first the changes resulted in creation of the Public Company Accounting Oversight Board, the assessment of personal liability to auditors, executives and board members and creation of the Section 404. The section is the required internal control procedureswhich did not exist before SOX. Public companies are now required to include an internal control report with their annual audit. Monitoring public accounting companies is the responsibility of the oversight board, which works with the SEC. Accounting firms undergo reviews every one to three years according to size. (Sarbanes Oxley Compliance Journal)

Public accounting firms carry personal liability for their audits. SOX created a total revision of the regulatory framework for the public accounting and auditing profession and provided guidance for strengthened corporate governance.It credited for strengthening at least two major areas of investor protection: CEO and CFO responsibility and accountability for all financial disclosures and related controls; and increased professionalism and engagement on the part of corporate audit committees (Curtis C. Verschoor)

What are some examples, beside Enron?

Besides Enron, Tyco and WorldCom are some of the companies SOX has successfully contributed in making them more ethical. (Sarbanes Oxley Compliance Journal)

References

[Sarbanes Oxley Compliance Journal: The Impact Of Sarbanes Oxley On Companies, Investors &amp; Financial Markets](http://www.s-ox.com/dsp_getFeaturesDetails.cfm?CID=1141)

[The Association of Advance Collegiate Schools of Business: The SarbanesOxley](http://www.aacsb.edu/publications/archives/julyaug05/p24-29.pdf)

Verschoor, Curtis C. **Strategic Finance**86.7 (Jan 2005)