



# SOX Compliance Checklist

19 May 2023 / Gabriels-Smith Corporation

**Complete**

Flagged items	9	Actions	6
<b>Company Name</b>	Gabriels-Smith Corporation		
<b>Registered Address</b>	781 Morning Glory-Tr, Cheyenne, WY 82007, USA		
<b>Prepared by</b>	Brett Gabriels		
<b>Conducted on</b>	19.05.2023 11:15 PST		

# Table of Contents

<b>Flagged items &amp; Actions</b>	<b>3</b>
<b>Inspection</b>	<b>5</b>
Management Assessment of Internal Controls	5
Sign Off	8
Management Team	9
Member	9
Member 1	9
Member 2	9
Member 3	9
Member 4	9
Member 5	9
<b>Media summary</b>	<b>11</b>

## Flagged items & Actions

9 flagged, 6 actions

### Flagged items

9 flagged, 6 actions

Inspection / Management Assessment of Internal Controls

**Does operating management update all process and control documentation promptly throughout the year and not just when auditing season starts?**

No

we currently bulk update all process and control documentation before the sox audit starts but updating them promptly makes more sense to make the changes less prone for errors

To Do | Assignee SafetyCulture Staff | Priority Low | Due 26.05.2023 11:19 PST | Created by SafetyCulture Staff

Schedule monthly update for all process and control documentation

Inspection / Management Assessment of Internal Controls

**Is the use of internal resources optimized, including the use of internal auditors to perform testing or to validate the management's effectiveness assessment?**

No

not yet, nominating committee has yet to appoint internal auditors specifically to test SOX compliance controls

Inspection / Management Assessment of Internal Controls

**Has overall staffing been optimized, reducing reliance on more expensive external consultants and testers?**

No

In Progress | Assignee SafetyCulture Staff | Priority Low | Due 26.05.2023 11:22 PST | Created by SafetyCulture Staff

Report opportunities on optimizing overall staff

Inspection / Management Assessment of Internal Controls

**Has reliance from the external auditor on the management's effectiveness assessment been optimized?**

No

To Do | Assignee SafetyCulture Staff | Priority Low | Due 26.05.2023 11:22 PST | Created by SafetyCulture Staff

Evaluate and improve management's effectiveness assessment process

Inspection / Management Assessment of Internal Controls

**Is there a detailed project plan with testing scheduled in such a way that all key controls are tested by mid-year, with additional testing to update the results scheduled closer to year-end?**

No

just ran our anti-data tampering test on yearly financial data, looks good, will perform other tests for key controls

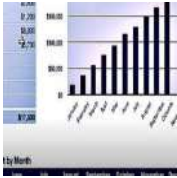


Photo 9

Complete | Assignee SafetyCulture Staff | Priority Low | Due 26.05.2023 11:23 PST | Created by SafetyCulture Staff

Implement mid-year key controls testing

Inspection / Management Assessment of Internal Controls

**Is there a detailed project plan detailing all required resources, including specialists (e.g., for IT or tax processes and controls), so they can be scheduled early?**

No

To Do | Assignee SafetyCulture Staff | Priority Low | Due 26.05.2023 11:24 PST | Created by SafetyCulture Staff

Report opportunities on maximizing internal resources

Inspection / Management Assessment of Internal Controls

**Potential resource issues?**

No

Inspection / Management Assessment of Internal Controls

**Is early warning provided for potential deficiencies being identified during the SAS 70 audit?**

No

To Do | Assignee SafetyCulture Staff | Priority Low | Due 26.05.2023 11:25 PST | Created by SafetyCulture Staff

Develop a system for early warning communications

Inspection / Management Assessment of Internal Controls

**Is the Section 404 program itself assessed for effectiveness on a continuing basis, to ensure it is improved as the organization learns from experience and benefits from changes in regulations or their interpretation?**

No

we just did it today, but assessing effectiveness on a continuing basis is what we're here for and what we're aiming to achieve



Photo 10

**Other actions**

0 actions

# Management Assessment of Internal Controls

**Has operating management taken ownership of their processes and documentation, rather than leaving it to the Section 404 team or the internal auditing function?**

Yes



Photo 1



Photo 2

**Does operating management update all process and control documentation promptly throughout the year and not just when auditing season starts?**

No

we currently bulk update all process and control documentation before the sox audit starts but updating them promptly makes more sense to make the changes less prone for errors

To Do | Assignee SafetyCulture Staff | Priority Low | Due 26.05.2023 11:19 PST | Created by SafetyCulture Staff

Schedule monthly update for all process and control documentation

**Is there an effective change management process in place, including the timely assessment of process changes for their potential impact on key controls?**

Yes

**Is operating management committed to assess and remediate all control deficiencies promptly?**

Yes

deviations from controls may not be detected so we held an emergency meeting last March 26 to fix this



Photo 3

**In situations where remediation is not justified based on management's assessment of risk and cost, is management committed to communicating that decision promptly so the effect on management's overall assessment of controls can be identified and discussed?**

N/A

**Has a top-down, risk-based approach been used to identify the key controls?**

Yes

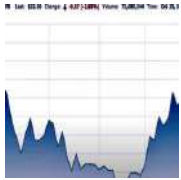


Photo 4



Photo 5



Photo 6

**Is management confident that all identified key controls are truly key?**

Yes

**Has the design of the related processes been reviewed to determine if changes can result in fewer and more effective controls, relying more on automated controls or on higher-level controls?**

Yes



Photo 7



Photo 8

**Is management of the Section 404 program at a sufficiently high level within the organization to influence operating management relative to completion of their responsibilities?**

Yes

yes, we've broken down our board members into specific committees

**Is management of the Section 404 program at a sufficiently high level within the organization to communicate effectively with executive management the program's progress and potential issues?**

Yes

**Is management of the Section 404 program at a sufficiently high level within the organization to negotiate as needed with the external auditor?**

Yes

**Is the use of internal resources optimized, including the use of internal auditors to perform testing or to validate the management's effectiveness assessment?**

No

not yet, nominating committee has yet to appoint internal auditors specifically to test SOX compliance controls

**Has overall staffing been optimized, reducing reliance on more expensive external consultants and testers?**

No

In Progress | Assignee SafetyCulture Staff | Priority Low | Due 26.05.2023 11:22 PST | Create d by SafetyCulture Staff

Report opportunities on optimizing overall staff

**Has reliance from the external auditor on the management's effectiveness assessment been optimized?**

No

To Do | Assignee SafetyCulture Staff | Priority Low | Due 26.05.2023 11:22 PST | Created by SafetyCulture Staff

Evaluate and improve management's effectiveness assessment process

**Does the external auditor follow a top-down, risk-based approach as required?**

N/A

**Is there a detailed project plan that includes a walk-through of all significant processes early in the year, preferably in the first quarter?**

Yes

**Is there a detailed project plan with testing scheduled in such a way that all key controls are tested by mid-year, with additional testing to update the results scheduled closer to year-end?**

No

just ran our anti-data tampering test on yearly financial data, looks good, will perform other tests for key controls

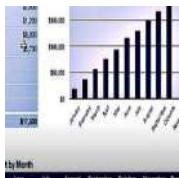


Photo 9

Complete | Assignee SafetyCulture Staff | Priority Low | Due 26.05.2023 11:23 PST | Created by SafetyCulture Staff

Implement mid-year key controls testing

**Is there a detailed project plan that includes all key activities required to complete the program, such as fraud risk assessment, consideration of any end-user computing issues, assessment of SAS 70 reports from service providers, etc.?**

Yes

**Is there a detailed project plan detailing all required resources, including specialists (e.g., for IT or tax processes and controls), so they can be scheduled early?**

No

To Do | Assignee SafetyCulture Staff | Priority Low | Due 26.05.2023 11:24 PST | Created by SafetyCulture Staff

Report opportunities on maximizing internal resources

**Is there a detailed project plan with regular reporting that focuses on key metrics and issues?**

Yes

Including

**Progress against timetables, highlighting steps that are or may be behind schedule?**

Yes

**Percentage of key controls tested compared to their**

Yes

scheduled completion level?

Number and percentage of key controls that are failing?

Yes

Number of failed controls that are potentially significant to the Section 404 assessment?

Yes

The number of failed controls where remediation will not be completed within 30 days, so senior management can focus on a timely completion?

Yes

The number of key controls where remediation and retesting may not be completed with sufficient time for the external auditor to retest (these are likely to be open deficiencies at year-end)?

Yes

Costs to date and projected through the end of the year?

Yes

Potential resource issues?

No

Other issues, such as coordination and concerns raised by the external auditor?

Yes

Has there been communication and coordination with all service providers to ensure that a SAS 70 type II report will be available at the appropriate time?

Yes

Is early warning provided for potential deficiencies being identified during the SAS 70 audit?

No

To Do | Assignee SafetyCulture Staff | Priority Low | Due 26.05.2023 11:25 PST | Created by SafetyCulture Staff

Develop a system for early warning communications

Is the Section 404 program itself assessed for effectiveness on a continuing basis, to ensure it is improved as the organization learns from experience and benefits from changes in regulations or their interpretation?

No

we just did it today, but assessing effectiveness on a continuing basis is what we're here for and what we're aiming to achieve



Photo 10

## Sign Off

Additional Comments



Tons of work to be done for prompt controls and process documentation, testings, and communication. Also, we should improve in utilizing our internal resources!

---

### Management Team

---

#### Member

---

#### Member 1

---

#### Name & Signature



Brett Gabriels  
19.05.2023 11:26 PST

---

#### Position

CEO

#### Member 2

---

#### Name & Signature



Zionnette Smith  
19.05.2023 11:26 PST

---

#### Position

CFO

#### Member 3

---

#### Name & Signature



Shiloh McPearson  
19.05.2023 11:26 PST

---

#### Position

Chairperson, Auditing  
Committee

#### Member 4

---

#### Name & Signature



Jonathan Seville  
19.05.2023 11:27 PST

---

#### Position

Chairperson, Disclosure  
Committee

---

**Member 5**

---

**Name & Signature**



Synteche Gabriels  
19.05.2023 11:27 PST

---

**Position**

Chairperson, Nominating  
Committee

---

# Media summary



Photo 1

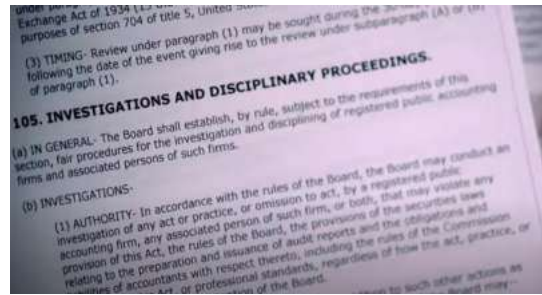


Photo 2



Photo 3



Photo 4

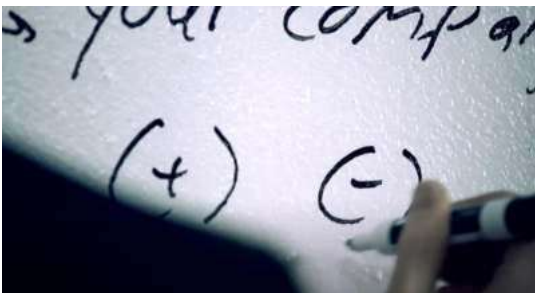


Photo 5



Photo 6



Photo 7



Photo 8

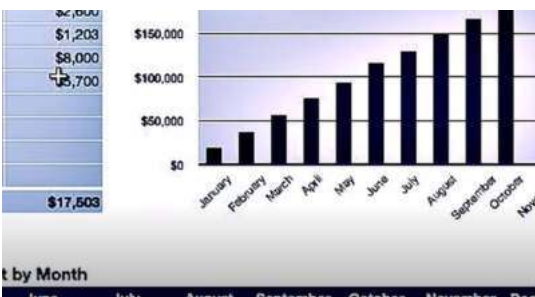


Photo 9



Photo 10