



# Compliance Gap Analysis Template

1 Oct 2024 / Theodore Lebsack

Complete

<b>Score</b>	15 / 17 (88.24%)	<b>Flagged items</b>	11	<b>Actions</b>	2
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**Conducted on**

01.10.2024 13:30 PST

**Prepared by**

Theodore Lebsack

**Location**

2415 N Burdick St, Kalamazoo, MI  
49007, USA  
(42.3157036,  
-85.58445019999999)

**Flagged items & Actions** 11 flagged, 2 actions

Flagged items 11 flagged, 0 actions

Regulatory/Compliance Requirements / Regulations / Regulations 1  
**Current Compliance Status** Partially Compliant

Regulatory/Compliance Requirements / Regulations / Regulations 2  
**Current Compliance Status** Non-Compliant

Regulatory/Compliance Requirements / Regulations / Regulations 3  
**Current Compliance Status** Partially Compliant

Risk Management / Risks / Risks 1  
**Risk Impact** High

Risk Management / Risks / Risks 1  
**Likelihood** High

Risk Management / Risks / Risks 1  
**Priority** High

Risk Management / Risks / Risks 2  
**Risk Impact** High

Risk Management / Risks / Risks 2  
**Likelihood** High

Risk Management / Risks / Risks 2  
**Priority** High

Risk Management / Risks / Risks 3  
**Likelihood** High

Risk Management / Risks / Risks 3  
**Priority** High

**Other actions** 2 actions

Risk Management / Action Plan / Action Plan 1  
**Responsible Department/Person**  
Finance, Internal Audit

**To do** | Assignee: Latte Norwich | Priority: High | Due: 11.10.2024 12:00 PST | Created by: SafetyCulture Staff

Comprehensive review of all controls  
Hi Norwich, please make sure to forward your findings by our meeting next week.

**Corrective Action**

Enforce record retention policies with periodic audits of both physical and electronic records.

**To do** | Assignee: SafetyCulture Staff | Priority: High | Due: 04.10.2024 12:00 PST | Created by: SafetyCulture Staff

Digitize files

Hi Admin Staff, please digitize the remaining files in the filing room.

<b>Regulatory/Compliance Requirements</b>	3 flagged, 0 / 2 (0%)
Regulations	3 flagged, 0 / 2 (0%)
Regulations 1	1 flagged, 0 / 1 (0%)

**Requirements (Attach file if needed)**

CEO/CFO must certify the accuracy of financial reports and internal controls over financial reporting (ICFR).

**Source of Requirements (Regulation/Policy/Standard)**

Sarbanes–Oxley Act Section 302

**Relevant Department/s**

Finance, Executive Management

**Current Compliance Status**

Partially Compliant

**Current State**

The CFO certifies the accuracy of financial reports, but ICFR documentation is incomplete in some areas.

**Required State**

Full documentation of ICFR controls, including all critical reporting areas.

Regulations 2	1 flagged
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**Requirements (Attach file if needed)**

Company must have internal controls for financial reporting, audited by an independent external auditor and certified by management.

**Source of Requirements (Regulation/Policy/Standard)**

Sarbanes–Oxley Act Section 404

**Relevant Department/s**

Finance, Internal Audit

**Current Compliance Status**

Non-Compliant

**Current State**

Internal audit department lacks a formal ICFR framework; external audit team identified deficiencies.

**Required State**

Establish a formal ICFR framework, and address deficiencies found in external audit.

Regulations 3	1 flagged, 0 / 1 (0%)
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**Requirements (Attach file if needed)**

The company must retain all audit, financial, and electronic records for at least seven years.

**Source of Requirements (Regulation/Policy/Standard)**

Sarbanes-Oxley Act Section 802

**Relevant Department/s**

IT, Legal

Involve manpower from the Admin Team to do the scanning of physical documents

**Current Compliance Status**

Partially Compliant

**Current State**

Records retention policy exists but lacks enforcement in the IT department; some electronic records are missing.

**Required State**

Enforce stricter records retention policies, especially for digital files across all departments.

<b>Risk Management</b>	8 flagged, 2 actions, 12 / 12 (100%)
Risks	8 flagged, 9 / 9 (100%)
Risks 1	3 flagged, 3 / 3 (100%)

**Compliance Gap**

Incomplete internal control documentation: Financial reports may be inaccurate, leading to potential restatements, penalties, and loss of investor trust.

<b>Risk Impact</b>	High
<b>Likelihood</b>	High
<b>Priority</b>	High
Risks 2	3 flagged, 3 / 3 (100%)

**Compliance Gap**

Lack of formal ICFR framework: Inadequate oversight of financial reporting could result in undetected fraud or material misstatements.

<b>Risk Impact</b>	High
<b>Likelihood</b>	High
<b>Priority</b>	High
Risks 3	2 flagged, 3 / 3 (100%)

**Compliance Gap**

Missing electronic records: Missing records could lead to compliance violations, fines, and reputational damage.

<b>Risk Impact</b>	Medium
<b>Likelihood</b>	High
<b>Priority</b>	High
Action Plan	2 actions, 3 / 3 (100%)
Action Plan 1	1 action, 1 / 1 (100%)

**Gap Identified**

Incomplete internal control documentation.

### Corrective Action

Conduct a comprehensive review of all internal controls and finalize documentation for all critical areas.

### Responsible Department/Person

Finance, Internal Audit

**To do** | Assignee: Latte Norwich | Priority: High | Due: 11.10.2024 12:00 PST | Created by: SafetyCulture Staff

Comprehensive review of all controls

Hi Norwich, please make sure to forward your findings by our meeting next week.

### Status

In Progress

### Deadline for Resolution

11.10.2024 12:00 PST

Action Plan 2

1 / 1 (100%)

### Gap Identified

Lack of formal ICFR framework.

### Corrective Action

Implement a formal internal control over financial reporting (ICFR) framework and provide employee training.

### Responsible Department/Person

Internal Audit, Finance

### Status

Pending

### Deadline for Resolution

30.10.2024 12:00 PST

Action Plan 3

1 action, 1 / 1 (100%)

### Gap Identified

Missing electronic records of documents located in the filing room

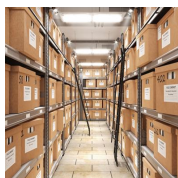


Photo 1

### Corrective Action

Enforce record retention policies with periodic audits of both physical and electronic records.

**To do** | Assignee: SafetyCulture Staff | Priority: High | Due: 04.10.2024 12:00 PST | Created by: SafetyCulture Staff

Digitize files

Hi Admin Staff, please digitize the remaining files in the filing room.

**Responsible Department/Person**

IT, Legal

**Status**

Pending

**Deadline for Resolution**

30.10.2024 12:00 PST



<b>Monitoring and Review</b>	3 / 3 (100%)
Compliance Tracking	3 / 3 (100%)
Compliance Tracking 1	1 / 1 (100%)

**Monitoring Plan**

Audits of internal controls and record-keeping by the Internal Audit team, with corrective actions documented

<b>Review Frequency</b>	Monthly
Compliance Tracking 2	1 / 1 (100%)

**Monitoring Plan**

External audit conducted annually to evaluate compliance with SOX Sections 302 and 404 requirements

<b>Review Frequency</b>	Bianually
Compliance Tracking 3	1 / 1 (100%)

**Monitoring Plan**

IT department to conduct regular checks of electronic records to ensure compliance with retention policies.

<b>Review Frequency</b>	Quarterly
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## Sign-off

### Compliance Gap Analysis Template Reviewed By

*Angelica Gaylord*

Angelica Gaylord  
18.10.2024 14:56 PST

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### Designation of the Reviewer

Chief Compliance Officer

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### Reviewer's Comment or Feedback

Hi Theo, thanks for working on this. Please see my detailed feedback and let's schedule a meeting to discuss it further. Thanks

[Compliance Gap Analysis Feedback.pdf](#)

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### Date Reviewed

18.10.2024 14:30 PST

## Media summary



Photo 1

## File summary

[Compliance Gap Analysis Feedback.pdf](#)