



**Armanino Helps Cloud Software  
Company with SOX Alert No. 11  
and SEC Reporting  
Case Study**

## At A Glance

### Customer Profile:

With double-digit growth, multiple acquisitions, and increased Sarbanes-Oxley Act (SOX) reporting requirements to implement, this software company's accounting team needed help to handle all the work. Armanino provided staff augmentation to enable the software vendor to meet its Securities and Exchange Commission (SEC) and SOX reporting requirements.

### Services

- Armanino Governance, Risk, and Compliance Consulting Services

### Benefits

- Delivered in-depth technical accounting and SOX skills, knowledge, and experience
- Completed both SEC and SOX work on time to meet audit and reporting deadlines
- Shared proven techniques, templates, and processes that will help the software company handle future SOX requirements more efficiently and effectively

## Challenge

Everyone knows that growth is good, but they also know that it presents new challenges for companies, particularly when that growth comes quickly. That's the situation in which a global cloud software company found itself.

The software company had seen five straight years of strong revenue growth, along with double-digit increases in annual contract value and its customer base. That sustained growth, together with multiple acquisitions, combined to stretch the resources of the accounting team to their limits.

The team was also facing an increased workload as it moved to adapt its Sarbanes-Oxley Act (SOX) reporting to conform to Staff Audit Practice Alert No. 11 from the Public Company Accounting Oversight Board. While the company attempted to keep up with the expanding SOX and Securities and Exchange Commission (SEC) reporting demands, it simply couldn't hire qualified accounting staff quickly enough.

## Solution

The SEC and SOX manager at the software company knew exactly who to call for help: Armanino, the largest independent accounting and consulting firm in California. Armanino's Governance, Risk and Compliance practice had been conducting SOX testing for the software vendor for several years and the SEC and SOX manager knew that Armanino was the best source for temporary skilled resources to help with reporting and technical accounting.

Initially, the software company believed it needed only one consultant from Armanino, someone to specifically help with SEC reporting. However, the company soon realized it needed even more assistance. The external SOX auditors had just completed their review, which resulted in a large number of changes that needed to be implemented, including SOX documentation updates and report testing.

Armanino quickly provided another skilled and experienced resource to help with the SOX work. The Armanino consultants made updates, performed reviews, and worked with the accounting and IT teams to address the changes requested by the SOX audit firm.

*“Armanino was extremely responsive to our needs and provided resources quickly with the right skills, knowledge, and experience for the effort.”*

**-SEC and SOX Manager**

## Results

With help from Armanino exactly when they needed it, the accounting team at the software company received a clean SOX opinion from its auditors, with no technical accounting issues. The SEC reporting was completed on time as well. “Armanino was extremely responsive to our needs and provided resources quickly with the right skills, knowledge, and experience for the effort,” says the SEC and SOX manager at the software company.

In addition to helping the software vendor meet its deadlines for accounting changes and reporting, having skilled, knowledgeable resources working hand-in-hand onsite delivered longer-term benefits as well. “Our Armanino resources shared proven techniques, templates, and processes to address the emerging issues in Alert No. 11,” says the SEC and SOX manager at the software company. “Now we’re better prepared to handle future auditing and reporting requirements because we have the right tools and knowledge.”

For Armanino, that’s the added value the firm strives to bring to every engagement. Explains Jeremy Sucharski, partner and leader of Armanino’s Governance, Risk and Compliance practice, “One of our core tenets is to share our knowledge with clients so they can apply that insight on their own. It’s all about helping them understand why and not just how.”

## About Armanino<sup>LLP</sup>

Armanino provides an integrated set of accounting services—audit, tax, consulting and technology solutions—to a wide range of organizations operating both in the US and globally. You can count on Armanino to think strategically, to provide the sound insights that lead to positive action. We address not just your compliance issues, but your underlying business challenges, as well—assessing opportunities, weighing risks, and exploring the practical implications of both your short- and long-term decisions. When you work with us, we give you options that are fully aligned with your business strategy. If you need to do more with less, we will implement the technology to automate your business processes. If it’s financial, we can show you proven benchmarks and best practices that can add value company-wide. If the issue is operational, we’ll consult with your people about workflow efficiencies. If it’s compliance, we’ll ensure you meet the requirements and proactively plan to take full advantage of the changes at hand. At every stage in your company’s lifecycle, we’ll help you find the right balance of people, processes, and technology.