



Committee of Sponsoring Organizations of the Treadway Commission

Internal Control—Integrated Framework

An abstract graphic composed of numerous overlapping, semi-transparent triangular shapes. These shapes are arranged in a way that creates a sense of depth and movement, resembling a stylized sunburst or a cluster of sharp, crystalline forms. The colors transition from light yellow and white on the left to deep blues and purples on the right, with various shades of green and grey in between. The overall effect is a complex, layered geometric pattern.

Public Exposure Feedback Questions December 2011

To submit comments on this Public Exposure Draft, please visit the www.ic.coso.org website. Responses are due by March 31, 2012.

Respondents will be asked to respond to a series of questions. Those questions may be found on-line at www.ic.coso.org and in a separate document provided at the time of download. Respondents may upload letters through this site. Please do not send responses by fax.

Written comments on the exposure draft will become part of the public record and will be available on-line until December 31, 2012.

To assist you in developing your views of the *Internal Control — Integrated Framework*, COSO and PwC have prepared a series of questions for consideration. Respondents can answer these questions on the website. Those questions are reproduced here for reference as you consider the updated *Framework*.

General Questions

1. Are you a member of one or more of the COSO organizations?
2. Are you responding on behalf of yourself or an organization or company?
3. Where do you reside?
4. Where within your organization do you apply the COSO *Framework*?
 - Compliance activities
 - External financial reporting
 - External non-financial reporting
 - Internal management reporting (financial or non-financial)
 - Internal control reporting
 - Internal audit
 - Operations activities
 - Other
 - We do not use the *Framework* at this time

Overall Impressions on the *Framework* (answered on a scale of 1 to 5)

5. The updated *Framework* will help strengthen an entity's systems of internal control
6. The updated *Framework* is internally consistent and logical
7. The updated *Framework* is written in a manner that is understandable and provides ease of use
8. The updated *Framework* is applicable to organizations of varying legal structures and sizes, and operating in various geographies and industries
9. The updated *Framework* will impose additional burdens on entities' reporting on internal control—e.g., reporting on internal control over external financial reporting based on Sarbanes–Oxley Act of 2002 (SOX) requirements
- 9.a If you believe that there is an additional burden, is the change appropriate? If not, why not?

Questions on Specific Areas of Interest (answered on a scale of 1 to 5)

10. Compared to the 1992 framework, the updated *Framework* creates a higher threshold for attaining effectiveness of internal control
11. The 17 principles set out in the updated *Framework* are a complete set of principles

12. The 17 principles with related attributes are helpful in describing important considerations of an effective system of internal control
13. There are necessary changes to the principles
14. An entity can conclude that it has effective internal control if one or more of the 17 principles are not present and functioning
15. The updated *Framework* appropriately expands the reporting objective category (i.e. internal and external reporting, financial and non-financial reporting)
16. The expanded reporting objective, and the manner in which this objective category is presented in the *Framework*, does not diminish our ability to apply the *Framework* when reporting on internal control over external financial reporting
17. The updated *Framework* provides an appropriate balances of reporting, operations, and compliance related approaches and examples

Summary

18. Are there any other general comments that you would like to provide