

Compliance in a [Sand] Box: Salesforce Sandbox Helps Charter with SOX Compliance



“With Sandbox, it really is a one-click step to create an exact cloned environment that’s completely on-demand. The ROI was pretty easy to see.”

— Chad Rycenga
Director of IT, Charter Communications

Industry

Communications

Geographies

United States

Challenges

- ❑ Ensure Salesforce customer and sales information is consistent with the company’s financial system in order to be Sarbanes-Oxley compliant
- ❑ Establish a common account number for each customer to be used across systems
- ❑ Validate procedures in a full test environment

Solution

To reconcile Salesforce with the billing system, Charter developed data-integration procedures to ensure consistency with any new customers and deals. The company developed procedures to update historical data in Salesforce, requiring sophisticated matching algorithms. Charter implemented salesforce.com **Sandbox** for the project, to create a complete copy of its production environment on isolated hardware.

Results

- ❑ Sandbox gives Charter the ability to create an exact on-demand cloned environment with one click
- ❑ Charter uses Sandbox for all of its development, testing, and training, promoting changes to its production environment once they’re verified
- ❑ With Sandbox, the large enterprise has found it easier to integrate Salesforce into its processes and meet compliance requirements

With Microsoft cofounder Paul Allen as its chairman and largest shareholder, you would expect Charter Communications, a leader in entertainment and information services and broadband educational content, to approach its challenges with innovation in mind. No surprise then that when it came time to ensure Sarbanes-Oxley compliance, Charter thought outside the box—and adopted Sandbox, salesforce.com’s innovative on-demand environment for developing and testing applications.

Like every public company in the United States, Charter, with approximately 15,500 employees operating in more than 4,200 locations across the country, has been busy meeting the requirements of the Sarbanes-Oxley Act of 2002. The Act, which went into effect in 2005, requires company executives to certify their financial results and report on the internal controls employed to ensure accuracy of those results.

The company’s business services subsidiary has been a salesforce.com customer since 2003. Adoption of salesforce.com’s CRM application expanded incrementally over time. Salesforce’s ease of use and on-demand delivery meant that adoption sometimes occurred under the radar of the corporate IT department.

“As we began investigating our business processes and operational systems in the context of Sarbanes-Oxley compliance, it became obvious that Salesforce SFA was at the heart of some of our key processes,” says Chad Rycenga, director of IT with Charter Communications. “Employees were constantly referring to Salesforce as a system they relied upon daily.”

Reconciling Discrepancies Between Systems

Because Salesforce contained both customer and sales information, the company needed to ensure that the information was consistent with its financial systems. “How much we commissioned sales representatives through payroll, for example, was driven by the data in Salesforce. However, our legacy billing application was the system of record for accounts and revenue recognition,” explains Rycenga. “We had to make sure that the systems matched.”

In preparation for Sarbanes-Oxley audits, Charter ran some tests to determine consistency between Salesforce and its billing system. It came as no surprise that Salesforce contained no data for customers or opportunities prior to its 2003 deployment. Furthermore, the company also found that the same customer was sometimes represented differently in each system because there was not a consistently used common account number across systems.

“When longstanding customers bought services from Charter, the monthly recurring revenue for the customer might be calculated differently between the two systems,” notes Rycenga. “To implement a key control from a Sarbanes-Oxley perspective, we needed to get the systems consistent. That would also help auditors perform a review of the commission’s expense line item.”

To reconcile Salesforce and the billing system, Charter developed data integration procedures to ensure consistency for new customers and deals in the future. The company developed separate procedures to update historical data in Salesforce, including the creation of pre-2003 accounts and deals that didn’t exist in Salesforce.

About Charter Communications

Charter Communications, Inc. is a leading broadband communications company and the third-largest publicly traded cable operator in the United States. Charter provides a full range of advanced broadband services, including advanced digital video entertainment programming (Charter Digital), Charter High-Speed Internet access service, and Charter Telephone services. Charter Business similarly provides scalable, tailored, and cost-effective broadband communications solutions to business organizations, such as business-to-business Internet access, data networking, and video and music entertainment services.

“Sandbox is now a key part of our software development and change-management lifecycles, as well as the IT controls we use for Sarbanes-Oxley compliance. It helps large enterprise IT shops like ours more easily integrate Salesforce into our processes and meet our compliance requirements.”

— Chad Rycenga
Director of IT

For More Information

Contact your account executive to learn how we can help you accelerate your CRM success.

These procedures required sophisticated matching algorithms to link accounts, verify monthly recurring revenue, and update and lock down account details with values from the system of record. “The changes were complex, touched a lot of data, and affected users throughout the company,” says Rycenga. “We couldn’t afford to be wrong or make any mistakes.”

Production Challenges

Because the changes made during reconciliation could have an impact on financial reporting and therefore had Sarbanes-Oxley implications—and because it is good IT change-management procedure—Charter did not want to update the production environment without thorough validation. Proper change-management procedures, one of the general IT controls advocated as part of Sarbanes-Oxley compliance, suggest the separation of development and testing from the production environment.

Charter needed a full copy of production data to validate the procedures, adding complexity to the testing requirements. “We needed a means to test our changes in a duplicated production environment,” explains Rycenga. “We wanted to verify all the data changes. The scope of the changes meant that we didn’t want to take chances with our rollback procedures.”

Salesforce Sandbox Provides Peace of Mind

Just as Charter was confronting these challenges, salesforce.com released Salesforce Sandbox. Salesforce Sandbox provides customers with a complete copy of their organization’s production environment, including all data, configurations, and customizations. Sandbox is an exact replica of the production environment that customers can use for development, testing, and training.

Although salesforce.com provides numerous means for safely isolating and testing changes in the production environment, the Sandbox environment is an identical clone of the entire Salesforce stack, right down to the APIs. Sandbox runs on isolated hardware and offers customers more comprehensive development and testing capabilities, such as the ability to modify data and test integrations.

Charter decided to use Salesforce Sandbox for the project. “We really couldn’t have done this project without Sandbox,” says Rycenga. “We needed every bit of our data, and we needed a process that was reversible if we found a problem.”

“Compared to the test environments of some of our on-premise software, Sandbox offers a lot of benefits,” adds Rycenga. “Normally we would have to buy separate hardware, maintain multiple environments, and implement complex migration routines. With Sandbox, it really is a one-click step to create an exact cloned environment that’s completely on-demand. The ROI was pretty easy to see.”

Now Charter uses Sandbox for all of its development, testing, and training. “Once we verify that everything works, we can promote the changes to our production environment,” explains Rycenga. “Sandbox is now a key part of our software-development and change-management lifecycles, as well as the IT controls we use for Sarbanes-Oxley compliance. It helps large enterprise IT shops like ours more easily integrate Salesforce into our processes and meet our compliance requirements.”

The Americas

The Landmark @ One Market
Suite 300
San Francisco, CA 94105
United States of America
1-800-NO-SOFTWARE
www.salesforce.com

Latin America

Alfonso Napoles Gandara 50
4th floor
Col. Santa Fe
Mexico City
Mexico 01012
+52-55-9171-1882
www.salesforce.com

Japan

Ebisu Business Tower 18F
1-19-19 Ebisu, Shibuya-ku
Tokyo, 150-0013
Japan
+81-3-5793-8301
www.salesforce.com/jp

Asia/Pacific

Suntec Tower Two
9 Tamasek Tower
Singapore, 038989
+65-6302-5700
www.salesforce.com/au

Europe, Middle East & Africa

Ch. de la Dent d’Oche 1B
1024 Ecublens
Switzerland
+353-1-2723-500
www.salesforce.com

salesforce.com[®]
Success On Demand.™

Copyright ©2006, salesforce.com, inc. All rights reserved. Salesforce.com, the “no software” logo, and Team Edition are registered trademarks, and AppExchange, “Success On Demand,” and “The Business Web” are trademarks of salesforce.com, inc. All other trademarks mentioned in this document are the properties of their respective owners.

Charter_CS_v1 06.2014 08/06

