Commercial Mortgage | Risk & Controls Assessment – Road Map Development

Situation

The largest non-bank commercial mortgage servicer in the nation had recently experienced high profile internal control breakdowns and required assistance to address the Board's ongoing concerns regarding data protection, the possibility of economic loss due to control failure, and segregation of duties. Management additionally wanted to improve their preparedness to address and respond to the following cyber threats:

- Was the user community trained appropriately?
- Was the IT security environment prepared to address regulatory concerns?
- How mature were the processes to address IT Risk?

SolomonEdwards stepped in to identify, assess, mitigate and control risks that were either currently affecting the Company, or that may have future financial impacts. We leveraged our managed services model to drive creation of an effective solution, scope the initiative and staff it with experts in commercial mortgage, and develop a roadmap to execute on the assessment.

Solution

To achieve the client's objectives, SolomonEdwards conducted two assessments:

1. Risk and Control Framework Assessment (RCFA): In order to determine the effectiveness of the risk, control and performance relationship, SolomonEdwards conducted a maturity assessment of the control environment by evaluating the design, and providing insights into the key components that form the basis of the Client's competency to manage risk and control; and

2. Information Technology Control Assessment (ITCA): The ITCA assessed the maturity of the IT security, governance and data processes and provided a roadmap to ensure ongoing compliance.

Results

Through this model the SolomonEdwards team developed the following:

1. *Information Security Assessment*: Detailed assessment evaluating IT's capabilities for protecting information as well as the maturity of the client's information security protection program;
2. *Process & Control Flows:* 59 process/control flows for 15 in-scope business segments;
3. *Identified Issues & Gaps:* A detailed listing of identified control issues and gaps; and
4. *Remediation Roadmap:* This roadmap addressed the people, process and technology changes required to close the identified issues and contained short-term "fixes", long term solutions and a high level estimate of the economic and/or process efficiency benefit.

INDUSTRY:
Banking - Mortgage

DEPLOYMENT:
Team (2-10)

SERVICES:

Governance & Regulatory Compliance

Risk & Control Framework: Assessment & Remediation