

INTERNAL AUDIT USES CASEWARE™ MONITOR TO GAIN OVERALL BUSINESS INSIGHT

Highlights

- Automation of data analytic tools to generate more efficient and timely results
- Activities in 150 branches are now remotely monitored
- Easily implemented to meet local regulatory environment
- Over 300 controls are being tested automatically



With an AA+/F1 rating, Banco de Costa Rica (BCR) has a stellar reputation as one of the most profitable and best run banks in Latin America. It offers the full spectrum of individual and corporate financial services, namely, retail, brokerage and investment services. BCR is one of Costa Rica's leading financial service providers and has been consistently operated by blue chip management with over 75% of all transactions being electronic. The company, in the past year, has achieved net income growth of over 25%, asset growth of over 17%, and loan portfolio growth of more than 30%.

Challenge

The Internal Audit (IA) department used data analytic tools to test controls and do compliance revisions. These tools were used to monitor the compliance of ten (10) relevant rules, which were accompanied by their respective communication processes. This was the procedure for each one of approximately 150 branches.

BCR could not properly and adequately control the branches' response to the exceptions, especially when they numbered 10 rules x 150 branches = 1,500 reports. There was no way for BCR to know which branches had replied to exceptions and which ones did not in a timely manner. This made their internal control initiatives delayed and extremely reactive.

Also, there was the tedious task of monitoring hundreds of thousands of financial transactions per day to ensure regulatory compliance. IA needed a tool that aided in their mandate for proactive internal control initiatives.

“With
**CaseWare™
Monitor we
were able to
take control.**”

Chief Internal Auditor, BCR

Solution

CaseWare™ Monitor facilitated more efficient analysis and investigations to ensure IA's focus remained on proactively mitigating risks.

CaseWare™ Monitor is able to:

- Automate the running of scripts
- Comprehensively monitor transactions
- Properly manage workflow of issues across all branches

IA was able to gain control of the exceptions generated by their data analytic tools and to manage the workflow of how the exceptions were processed and analyzed by the branches. They were able to run their rules automatically and send notifications to branch personnel for follow-ups. Any breaches in their business process rules that hadn't been replied to within a set timeframe were then automatically escalated, which allowed IA to identify which offices had not dealt with the control breaches. As a result, IA took corrective measurements with the unresponsive branches and now has timely resolution on over 95% of the cases sent to each branch every month.

Results

- CaseWare™ Monitor automatically distributes exceptions, compliance rules and reports to the right branch personnel
- Branch personnel are automatically notified of pending issues requiring their attention, and any items not dealt with in a timely fashion are automatically escalated
- 95% of all cases and issues are now dealt with on-time
- Month-end reporting is now automatic and takes hours instead of days
- IA has a repository of cases and issues and their remediation history

Now that IA has changed its focus to proactively managing organizational risks, more than 300 rules-based tests have been implemented within the past year to monitor more than 300 controls. This entire process is automated.

Tel: 1-800-265-4332 Ext: 2803
sales@caseware-idea.com