



# Continuous Auditing Customer Success Story

## HIGHLIGHTS

### INDUSTRY

BANKING

### NO. OF LOCATIONS

150

### Challenges

- Analytic tools are in place generating exceptions but without supporting workflow
- Exceptions and reports are emailed to branches and completed manually
- It is manually intensive to compile and aggregate the 1000s of reports coming from the 150 branches
- The manual process is a bottleneck to proactive internal control initiatives

### Solution

- Internal Audit (IA) is able to monitor every transaction in every location
- The automation of scripts creates more efficient controls testing
- Distributed issue management is now monitored centrally and managed through workflows

### Results

- 95% of all issues are remediated on time
- Cost savings
- Automation of data analytic tools generates more efficient and timely results
- Activities in 150 branches are now remotely monitored
- The solution is easily implemented to meet the local regulatory environment
- Over 300 controls are being tested automatically

## INTERNAL AUDIT USES CASEWARE™ MONITOR TO GAIN OVERALL BUSINESS INSIGHT

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. In a burgeoning economy, BCR is one of Costa Rica's leading financial service providers and 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 over 25%, asset growth over 17% and loan portfolio growth of more than 30%.

### CHALLENGES

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. Each one of BCR's 150 branches would email their controls' status reports to IA.

BCR could not properly and adequately control the branches' responses 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 in a timely manner, and which ones did not. This made their internal control initiatives delayed and extremely reactive.

Furthermore, 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 had not been addressed 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 measures with the unresponsive branches and now has timely resolution on over 95% of the cases sent to each branch every month.

## RESULTS

Through the use of automated scripts IA can generate results more frequently, creating a more efficient audit process. Data analysis and mining are now easier allowing Internal Audit more time to focus on identifying trends and risks.

BCR also got the following key benefits with the CaseWare™ Monitor Solution:

- Coordinated activities across locations are effectively monitored
- CaseWare™ Monitor automatically distributes the 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
- Internal Audit has a repository of the cases and issues and their remediation history

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

## ABOUT CASEWARE RCM INC.

CaseWare RCM Inc. is a pioneering software company in providing solutions and services for monitoring and managing organizational risks and controls. The company's flagship product is CaseWare™ Monitor, a sophisticated risk and controls monitoring solution that allows business, risk and control professionals as well as auditors to quickly and confidently monitor any automated system. This ensures that executives and other key decision makers are given the opportunity to maximize every possible advantage in monitoring risk and make better business decisions to boost profitability.

The CaseWare family of products is available in over 130 countries in 16 languages, and is used by Big Four and other major accounting firms, federal, state, provincial and local governments, as well as Fortune 500 and Global 500 companies across varying industry sectors.



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