

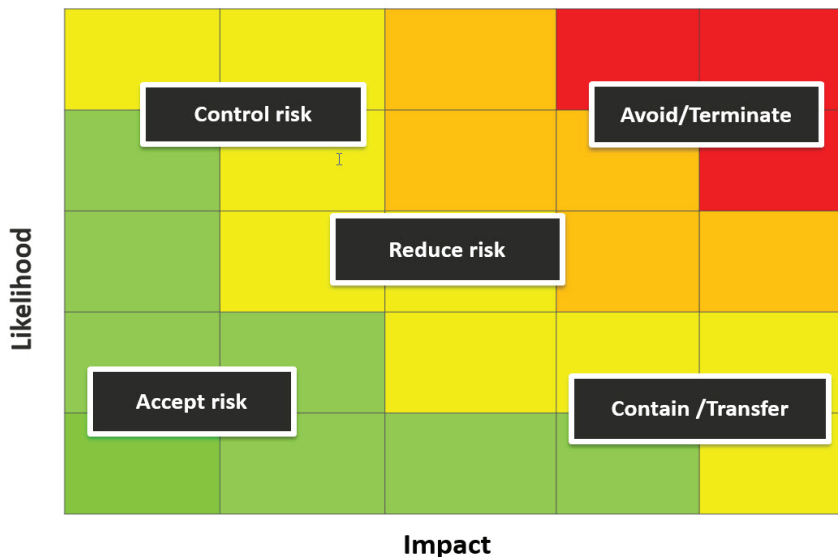
## RISK CONTROL SELF-ASSESSMENT (RCSA) APPLICATION FOR FINANCIAL SERVICES FIRMS



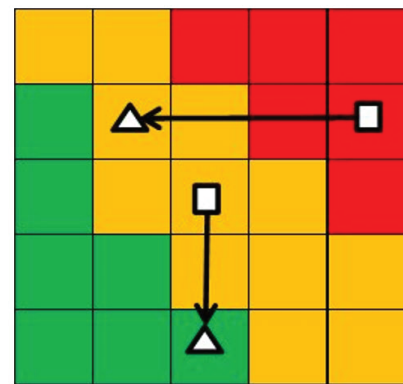
### RiskCounts helps companies design, create and manage Enterprise Risk Frameworks

Risk Control Self-Assessment is a major, and often mandatory, exercise by businesses to test the design AND effectiveness of internal controls; and to ensure that controls are reducing the inherent risk to the extent that they have been designed for i.e. to within Risk-Appetite.

RiskCounts provides a comprehensive RCSA Application that allows organizations to conduct periodic (say quarterly) risk-control reviews, with simple logical workflow execution on a single platform. An inbuilt issue-tracking and remediation module can also be easily integrated with other incident management processes and systems that an organization may have in place.



Delta is the effect of CONTROLS and the aim of Risk Management



Identification of Inherent Risks, and Risk Reduction to target Residual Risk levels

## **RiskCounts sequentially takes a user firm through all the steps required towards a full **Risk Control Self-Assessment****

### **1. RCSA DASHBOARD:**

- Dashboard can be customized to client need to include 1. RCSA process 2. Bottlenecks 3. Key Risk issues
- Control and Residual Risk Ratings, changes, distribution, dispersion
- New Remediation with timeline, status, aging
- Open remediation items from the past with aging, slippages, re-prioritization, rescheduling
- Trend over the last four periods in RCSAs conducted
- Provides overall ratings, average outstanding issues for the past RCSA's and issues closed

### **2. RCSA Set-Up:**

- A full list of Assessors is set up in the system, Business Units, Unit Heads & Risk Management is set-up
- Control categories are defined; Policies & Risks are tagged to Control Categories
- Key elements in each Control Category are identified as distinct Control Procedures

### **3. Role of An Assessor:**

- Assessors evaluate each control category by answering a brief set of key questions for each
- Questions focus on control failures, testing & documentation, and control performance effectiveness

### **4. Ratings Aggregation by RCSA Coordinator:**

- Business Unit Head/RCSA Coordinator finalizes the control ratings for each key risk and/or risk Coordinators also finalize draft remediation details and submit to Risk Management

### **5. Finalization by Risk Management**

- Risk Management identifies and assesses the Inherent Risks jointly with the First Line of Defense
- The Risk Manager finally aggregates the ratings of various business unit coordinators to come up with a final rating/s on the effectiveness of controls
- Risk Manager determines the Residual risk ratings based on the assessor ratings of the effectiveness of the controls, and consolidates ratings and remediation details
- Obtains all required Analytics on the RCSA process, Ratings, and Remediation
- Finalizes any report or presentation, and escalation and training based on RCSA results

### **6. Issue Management & Remediation:**

- Control items rated "Needs Improvement" automatically prompt for Remediation plans
- Business Head approves, consolidates, and submits Final proposed remediation
- Risk Management finalizes all Remediation, and completes details

## **About RiskCounts**

RiskCounts is a New York-based Risk Solutions firm. We work with Banks, Asset Managers, Financial services entities and Fintech companies (any stage of startup) in a Consultative/Advisory capacity to satisfy needs in the area of Credit, Market and Operational Risk, as well as help streamline Business processes.

Our special focus is on Enterprise and Operational Risk such as risk identification & assessment, control framework, policies, staffing & organization, metrics, economic capital, risk control self-assessment (RCSA), incident-management, and regulatory compliance.