

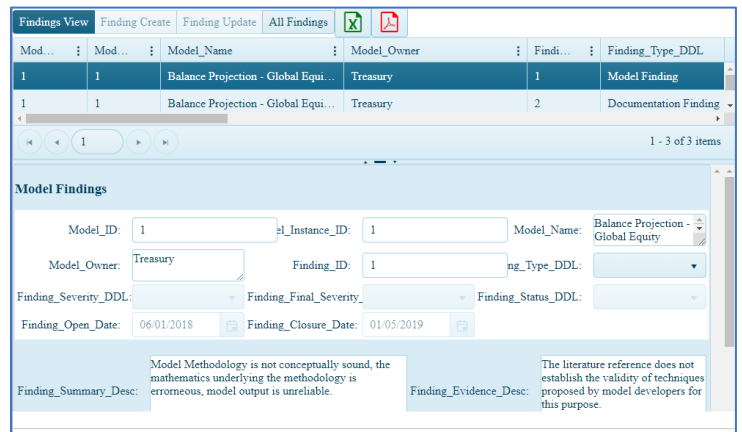


Model Validation Findings Management

Timely tracking and management of validation findings is crucial to effective Model Risk Management.

Validation findings can be around model documentation, model methodology or model controls. Findings during validation determine the outcome of the model validation and decide whether the model is approved for use or not.

The combined severity of findings is determined by the severity of the finding and the materiality of the model.



Findings View	Finding Create	Finding Update	All Findings		
Findi...	Finding_Type_DDL	Finding_Severity_DDL	Finding_Final_Severity_DDL		
1	Model Finding	Critical	Medium		
2	Documentation Finding	Critical	High		
3	Documentation Finding	Significant	Low		
1	Control Finding	Insignificant	Low		
2	Model Finding	Critical	High		
1	Model Finding	Critical	High		
2	Documentation Finding	Critical	High		

1 - 10 of 89 items

Solution Overview

The Model Inventory Engine enables organizations to manage model validation findings efficiently to mitigate model risk. Some key features include:

- ✓ View, Create and Update findings by model
- ✓ Comprehensive view of all model findings in the inventory
- ✓ Role-based permissions, dividing the tasks and accessibilities of model developers, users, and validators to create, update and close findings.
- ✓ Reporting capabilities to analyze findings by Model, Owner and Finding Severity for Senior Management presentations.

“Duties of senior management include establishing adequate policies and procedures and ensuring compliance, assigning competent staff, overseeing model development and implementation, evaluating model results, ensuring effective challenge, reviewing validation and internal audit findings, and taking prompt remedial action when necessary.”

-Federal Reserve, SR 11-7

