

Financial Services Group

MODEL RISK MANAGEMENT

The ability to produce valuable, accurate and efficient information has always been critically important for decision makers. However, with the business world changing faster than ever before, financial institutions are relying more and more on quantitative models to help guide strategies and assist with the decision making process. As such, it is imperative for institutions to develop a robust model risk management framework and perform model validations to ensure these models are producing high-quality and reliable information. The Elliott Davis Model Risk Management team helps financial institutions develop model risk management programs and perform full-scope model validations to mitigate model risk and translate quantitative estimates into useful business information. We strive to provide decision makers with valuable information about how to improve their models while also reducing model and regulatory risk.

Solutions

Elliott Davis works with financial institutions to:

- Evaluate the existing model risk management framework, measuring against regulatory guidance and proven industry standards.
- Identify a complete population of key models that are relied on by the institution, perform risk assessments, and develop a meaningful testing approach.
- Validate key models at implementation or perform ongoing monitoring and review to mitigate the risk of financial loss, poor strategic decision making, and reputational damage.
- Assist management with the development of internal models and bank-specific inputs and assumptions.

Services

- Model Risk Management Program Assessment
- Model Inventory and Risk Assessment
- Model Development Consulting
- Full Scope Model Validations
- Ongoing Monitoring and Review

Validation Experience

- Allowance for Loan Loss (incurred loss model)
- Current Expected Credit Losses
- Bank Secrecy Act
- Interest Rate Risk
- Liquidity Risk
- Hedging Effectiveness

Contacts



MARK SCRIVEN, CPA

Practice Leader
Model Risk Management
d: 803.399.9856
e: mark.scriven@elliottdavis.com



LIVINGSTON MOYD, CFA

Director
Valuation Services & Model Risk Management
d: 704.808.5251
e: livingston.moyd@elliottdavis.com



ROSS FOSHEE, CPA

Manager
Model Risk Management
d: 843.720.0228
e: ross.foshee@elliottdavis.com