Cortell Australia Pty Ltd

CoreBIS APRA Solution

CoreBIS

Customer Advisory Board (CAB) Meeting: 3

2020 Quarter 2

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Agenda

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6. EFS Forms are changing
7. Other feedback from Customers

For the purposes of the minutes, the initial references are:

- BA = Bank Australia
- BB = Beyond Bank
- TMB = Teachers
- 86 = 86400
- Cor = Cortell

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1.   Introduction

Cortell:

- Cortell will take minutes

- Cortell have just started a project with Bank of Sydney

- Cortell are in talks with;
    - Go Blank / Avenue
    - Heritage
    - AMP Bank
    - AMP Super
    - Hume
    - Unity Bank

- Whilst it is nice to be transparent with you about client progress, the CAB is not about us, it is about sharing experiences and feedback so we can extend the value of the product we offer for all our clients
    - We want to add value to the platform and grow it aligned to what our customers want
    - We have an amazing platform that is customizable to do a great deal

- Any questions

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2.   Action Items – previous meeting

WHO	TIMELINE	ISSUE / ACTION	Comments
Cortell	Qtr 1 2020	User guides to be prepared	Cor - Complete WIKI? Thoughts? https://www.corebis.com.au https://www.cortell-fintech.com/
Cortell	Qtr 1 2020	Derivation rules on new Forms not always working	Cor - Resolved, any issues let us know
Cortell	Qtr 1 2020	Setup template for recording of issues/items that we can identify issues and or trends that require addressing	Cor – Generally Support is the best way to raise issues; mailto:support.centre@cortell.com.au Cortell maintains a list of New Developments, Code Improvements and Feature Enhancements.
Cortell	On going	Email communication of changes for month to be sent first workday of month	Cor Release pack being distributed – has been added to the wiki site for easy access of clients
Cortell	Qtr 1 2020	Investigate the reconciliation process to identify what needs to happen to bring additional value to the process	Cor – Review Reconciliation module.
Cortell	Qtr 1 2020	Control Lineage Reporting	No further work has progressed on this.
Cortell	Qtr 1 2020	Movement Report aligned to form	Cor – Completed
Cortell	Qtr 1 2020	Working Group	How did this go? BA – Rob not aware that the group had been established but agreed it was a good idea.
Cortell	Qtr 1 2020	WIKI	Cor – Completed
Cortell	Qtr 1 2020	ECL Model	No further work has progressed on this. BA – Question raised if there is appetite for Cortell to develop such a model. Cor – Advised we are looking for a partner to help evolve this.

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| Cortell | Qtr 1 2020 | Capital Model | No further work has progressed on this.

BA – Asked if this model related to iCap, discussion to be taken offline with Cortell |
| Cortell | Qtr 1 2020 | Workflow Changes around SLA's being attached to the workflow tasks | No further work has progressed on this. |

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3.   Demonstrable assets

Enhancements to existing features

01/07/2020

- EF28: Enhancement to mapping on tables

    Non-measure dimensions can now be mapped at consolidated level.

- EF29: Expanded the Tagging Levels from 3 to 10

    The tagging screens have all been updated to allow 10 levels of assumptions, so that even the most complex requirements can be tagged in CoreBIS.

31/07/2020

- EF15: Derivation calculation methodology

    Improved the engine to make it easier to keep up to date.
- EF17: Validation Report filter to show failed items only

    A new filter has been added to the validation report so that only FAIL items or PASS items can be displayed.
- EF24: Change to decimal places ARF 110_0_1

    3 decimal places
- EF26: Archive feature - Add zip/Unzip to files.

    Archive files are now zipped to save hard drive space.
- EF30: Loading D2A submission for validation purposes

    CoreBIS imports historical data into the Final APRA_Return_Versions in CoreBIS. Great for loading historical data. Now can reload submitted data back into CoreBIS to validate that all the data was submitted correctly.

    Cor - to demo in this CAB
- EF31: Add a tick box to tagged load screen for table mapping.

    Easier access to the table mapping update.
- EF32: Validations – Entity

    Reevaluate rules button didn't run if entity was All.
- EF33: Data Quality Report Monthly – Comments

    Comment now appear on the monthly version of the DQ report.
- EF35: Workflow - Remove Last for Period

    Clean up of workflow management screen.
- EF36: Improved Logfile frontend

    Can not access the logfiles from CoreBIS.

    Cor – to demo in this CAB
- EF37: Form Movement Report

    Each form has a new tab for a form-based movement report. Only works on forms with no tables.

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31/08/2020

- EF39: Table Mapping – Auto Selects SBR Elements

  No need for OI code consolidations in dimensions

- EF40: Additional Email Parameters

  ?SenderUser? and ?Reason? have been added to the list of parameters that can be used in Workflow Emails.

- EF41: Workflow to incorporate Return and Notes

  Forms are now grouped by Return and a new column for adding notes.
  Cor – to demo in this CAB

New Features

31/07/2020

Cor – demo covered all 4 New Features in this CAB

- NF11: Reconciliation Module

  This new feature will allow users to setup their own reconciliations within the system that can be used to reconcile between tagged cubes, other tagged cubes or form data. These reconciliations will be rolled forward each period as part of the workflow. Currently this feature does not include BASE cubes.
  BA – Asked if you could set-up and include multiple items in reconciliation.
  Cor – Demo showed the process to follow to achieve this. The example extended to how to include a Form mapped item. Further new features to be incorporated in this month's enhancement release.

- NF12: Recurring Manual Adj Feature

  Adjustments can be flagged as reoccurring. The adjustments will be rolled forward each period as part of the workflow.

- NF36: Online WIKI

  WIKI   https://www.cortell-fintech.com/portal/
  Cor – Walkthrough of all WIKI content showed. Demo showed how to submit a question to the WIKI

- NF37: Daily workflow process

  Allows Daily and Weekly forms to be completed in CoreBIS.
  Cor – advised that you need to set-up daily cubes to enable this feature to work and therefore avoid any complexity with the monthly process. The offer to please reach out if you need help in setting this up.

4.   Scaling / Precision in CoreBIS

How many of you have received Validation errors when submitting data to D2A regarding the totals being out by $1?

Due to scaling and rounding requirements from APRA the data on the form can end up consolidating to different amounts.   As an example, the ARF_720_1A (ABS/RBA Loans and Finance Leases) askes for the same data set split by different dimensionality across different sections;

- o   1.1.1.1.1 Housing Loans (Owner-Occupied / Investment)
- o   2.1.1 By Interest Rate (Fixed / Variable)
- o   2.1.3 By Location (NSW, QLD, etc.)

This can cause a $1 variance in a few places on the form which requires manual adjustment.

The APRA Validation rules in CoreBIS should pick these up however we have found issues with the APRA supplied validation rules specifying a $1000 or $10000 threshold, thus they PASS.

Rule Text:	ABS(BSAO27563-BSAO27660)<10000
Rule Type:	MANDATORY
Rule Text:	The values reported for equivalent items d Owner-occupied - Total gross of provisions

i.e. 1.1.1.1.1. Owner-occupied

=   2.1. Total loans and finance leases to resident households (column 1)

D2a has no threshold, hence in CoreBIS the validation rules are flagged as PASS and upon importing into D2a it fails.

Interested in your thoughts on this;

1.   We can remove the precision requirement, and always include 2 or 3 decimal places.
2.   We can create a routine that reviews differences and auto-adds a 1 when differences are found.
3.   Change the APRA supplied validation rules to not have a <1000 threshold, then the validation report will show FAIL. (We don't really want to manually review each rule each month, there are quite a number of them)
4.   Do nothing

Trent from TMB is raising this issue with APRA.

TMB - Asked the meeting forum if other banks had submitted form(s) rounded to 2 decimal places rather than whole $'s specified by APRA. TMB have discovered you can still submit a form with 2 decimal places even though this goes against the Form specified requirement.

86 – Advised that like TMB they not fully live with CoreBIS and therefore still using Excel process which is using 2 decimal places.

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5. COVID Forms

Cortell has put some effort into creating the monthly ARF_923_0/1/2 forms in CoreBIS, this requires creating a taxonomy for the forms, manually creating the excel form interface (normally the forms are automatically built from the PET).

We can do the same for the weekly ARF_922 forms? Thoughts?

Or others?

Cor – Advised that they have done this without taxonomy/SBR in place for these.

BA – Capital and credit form used as a test to see if they could get data in for this form. This is currently being done in Excel.

Cor – Shared that BB have tried to use CoreBIS for this form but had encountered challenges with the version number attached to the form.

BB – Recommended they would like to have forms included as they want the returns to be completed from the single system for an efficiency perspective.

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6.   EFS Forms are changing June 2021

Who needs to complete EFS Phase 3, ARF_722_0 and the ARS_730_1 Standard?

GO LIVE 31st MARCH 2021

And Changes…

https://www.apra.gov.au/proposed-changes-to-modernised-economic-and-financial-statistics-efs-reporting-standards-and-0

-   Lots of new fields being added to many (if not all) of the forms
-   ARF_743_0 will be applicable to <$3B housing credit outstanding

Written submissions should be sent to DataConsultations@apra.gov.au by 25 September 2020 and addressed to:

Senior Manager, Data Strategy and Frameworks

Data Analytics and Insights

Australian Prudential Regulation Authority

BB – Communicated that they have been asked to do the 743 by APRA and are trying to do this within CoreBIS but there is a number of manual adjustments needed to be performed to get data into the correct form.

TMB – Confirmed it has also taken time to get data into the correct shape for the form return.

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7.   Other Feedback

What would you like to see in the product?

How can we help?

TMB – Workflow observation raised in that you still have to submit forms one by one rather than by grouping.

Cor – Advised that this will be addressed and has also been identified. Workflow management screen to be updated to refer to task groupings.

TMB – Reconciliations feature request for Cortell to please also include a weighting so that it allows the ability to adjust values.

TMB – Workflow submission to APRA– works for monthly returns but not quarterly (*KB to add more context to this particular item)

86 – Their CoreBIS implementation Currently still on pause due to data source issues which have been raised internally with their IT department. Aiming to go live from October after using Excel process for September.

BB – 746,747 and 748 form validation did not work last month. System presented just the one row of data as it looked like everything else passed. Advised they want to take a more detailed look into the reconciliation new feature. Also wanted to call out and praise the running of this CAB and Cortell's commitment to running these sessions as are very useful.

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APPENDIX 1: Action Items – From meeting held 24th September

Who	Action
	-

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Appendix 2: Terms of Engagement for CAB

CAB Context

The **CoreBIS** Customer Advisory Board (CAB) has been established to ensure the **CoreBIS** platform provides its users with the best features and functionality possible to achieve their regulatory deliverables.

CAB will provide a forum where member improvement ideas can be tabled, shared, and agreed upon in a collaborative environment before moving forward into development and release into their respective production environment.

The CAB will also provide an opportunity to openly discuss regulatory changes impacting the industry and any relevant flow on effects that will impact CAB members and CoreBIS.

It is expected the CAB forum will provide valuable input into its members internal and external audit processes and support their own internal risk management processes. In addition, CAB documentation can support supervisory reviews and/or site visits from APRA.

CAB Meetings

Meetings to be held once per quarter, in the month leading into Quarter end, on a date as agreed by consensus with members

- A quorum of two members is required for voting, with a majority required before moving forward with any feature enhancements or development initiatives
- Members are welcome to have more than one attendee at the meetings; however only one vote is permitted per member client
- Cortell will take notes and distribute minutes of meetings to each member