



Pentana

## **Case Study: – Bank of Montreal Financial Group Benefits to the Pentana Audit Work System**

### **Introduction**

BMO Financial Group originated from the Bank of Montreal in 1817 and is known throughout North America as possessing one of the richest histories of any financial institution. Having developed the first stable Canadian currency, BMO also financially supported the transcontinental railway, and operated as Canada's central bank until 1935. Today, BMO Financial Group continues as one of Canada's pre-eminent financial institutions, with a significant presence in United States and world markets.

The Audit Committee is responsible for assisting the Board in fulfilling its oversight responsibility for the integrity of the Bank's financial reporting; the effectiveness of the Bank's internal controls; the performance of the Bank's internal and external audit functions; the independent auditor's qualifications and independence; the Bank's compliance with legal and regulatory requirements; transactions involving related parties; conflicts of interest and confidential information; and standards of business conduct and ethics.

BMO established a need for an automated solution to overcome several challenges. Critically for BMO, they had to satisfy the various needs of multiple audit groups by adopting a consistent approach in the facilitation of reports. To address this concern, BMO initiated a working committee with representatives from each audit group and identified the differences in the process.

BMO had been using their existing audit software package for nearly 10 years prior to changing to the Pentana Audit Work System. Therefore, the transition from one solution to another was important and BMO gave careful consideration to the software packages available. It was a key benefit to their implementation that their auditors could use familiar terminology from their old package. The aliasing feature of the Pentana system allowed their terminology to be used with ease.

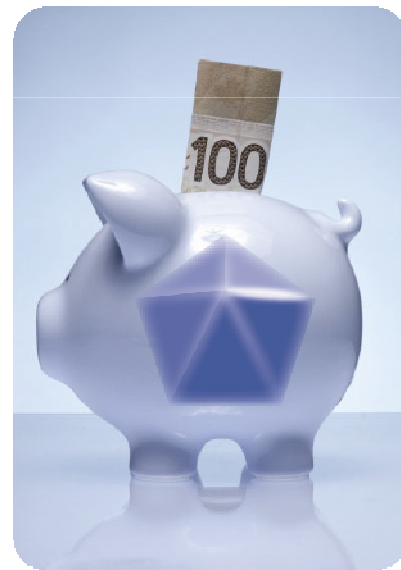
BMO were able to conclude at the end of their evaluation process that the Pentana Audit Work System had fulfilled most of their needs. A key feature for BMO was the ability to have custom fields added to capture important data for reporting. The Pentana Audit Work System was therefore able to respond to the needs of the audit department creating more flexibility than other available applications.

### **Implementing PAWS**

Bank of Montreal utilize the Pentana Audit Work System for their full audit lifecycle, from the management of the audit universe, through the identification, scheduling and execution of audits, to the documentation, communication and follow-up of identified issues. . André Sabourin explains 'As a result, monitoring the progress of our audit work is easier, issue tracking is effective and reporting is accurate.'

***"An automated audit work paper system is essential to BMO ...to report to the Audit Committee and other stakeholders in order to fully comply with our mandate."***

*André Sabourin  
Manager Audit Automation  
Bank of Montreal Financial Group*



***"Pentana Support is excellent. We deal with knowledgeable and experienced personnel at all times"***





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### Costs and Benefits

BMO have found Pentana to be very responsive to their needs. As well as a number of custom fields that have been delivered to help data capture and improved reporting there have also been larger custom developments of application functionality. BMO wanted to improve the quality of their audit work and looked to Pentana to help with the delivery of customized warnings that identify oversights or inappropriate data based on a set of rules. The result of this for BMO, is the feeling that the benefits to be gained from the delivery by Pentana have justified the cost outlay in a reasonable manner.

### Key Benefits

Bank of Montreal were pleased to discover that after implementing Pentana and working with us to capture the data that they need, they have benefited from significant efficiencies in performing their work. More specifically these include;

- The monitoring of audit work progress is now easier,
- Issue tracking is more effective,
- Reporting is accurate, and
- Information is readily available to report to stakeholders.

One example of the many efficiencies that the Pentana have brought to BMO is in the population of risks and controls into audits, essential for a true risk based auditing approach. A task that took hours in their previous audit software now takes only a few minutes; whether the risks and controls are pulled in from the library, the parent entity, or by rolling forward an existing audit.

***"The PAWS audit work paper system allows clear and concise documentation of audit work ... and creation of reports that adds value to the Audit Committee, Regulators and other stakeholders."***

### Auditing with PAWS

BMO make full use of the rich integrated functionality that is offered by the Pentana Audit Work System out of the box;

- Audit Universe Management,
- Risk Assessment and prioritisation of entities for auditing,
- Audit Scheduling and management,
- Audit execution:
  - Risks and Controls
  - Workplans
  - Findings and actions
  - Reporting
  - Sign-off
- Follow-up
- Audit committee reporting

BMO have taken full advantage of the opportunities presented by the software by implementing a new audit process at the same time. In this way BMO have been able to fully leverage the power of the Pentana Audit Work System and identify key additional requirements.

### Conclusion

To summarize, BMO feels that an automated audit works system is essential. More specifically, to manage their audit universe, plan their audits and document audit work with consistency in their process. Moreover, the ability to follow up on issues and have this information readily available to report to Audit Committee and other stakeholders facilitates compliance with their mandate.

BMO is very pleased with Pentana and the Pentana Audit Work System application; should they be faced with the same decision on which software package to buy today they,

***"Would not hesitate to go again with Pentana based on their ongoing enhancement of the application and the quality of their technical support. Pentana principals are very responsive to our needs and always do all they can to satisfy our demands."***

Pentana specialize in internal audit software, combining a comprehensive and integrated solution with value for money and unparalleled customer support. We don't just demonstrate software, we discuss your requirements to allow us to focus specifically on the benefits applicable to you. We go that extra mile so you can achieve more from your audit management system. Talk to one of our experienced audit consultants and you can achieve efficiencies in your audit work paper management just like BMO.

### Contact Pentana:

Contact us today at [info@pentana.com](mailto:info@pentana.com) or visit our website for more information [www.pentana.com](http://www.pentana.com)

***"We would certainly recommend to anyone to seriously consider Pentana Audit Work System"***

