



Internal Control Assessments: Sustainable Right-Sized Risk Solutions, Built for Your Bank

In today's environment, organizations are under increasing pressure to deliver accurate financial reporting, making the implementation and maintenance of strong internal controls more important than ever. Many community and regional banks face challenges implementing effective controls, leading to significant risk exposure, reputational harm, and financial loss.

Internal Control Fallouts:

- **A California based bank (2024)** paid \$65M to settle allegations of inadequate controls related to money laundering and fair lending.
- **A Fortune 200 bank (2023)** was fined \$186M for failing to address longstanding deficiencies in sanctions compliance and AML controls.

“Not only does Spinnaker know the regulatory requirements, but they also understand people...”

– General Counsel, Fortune 200 Bank

Factors that weaken a control environment

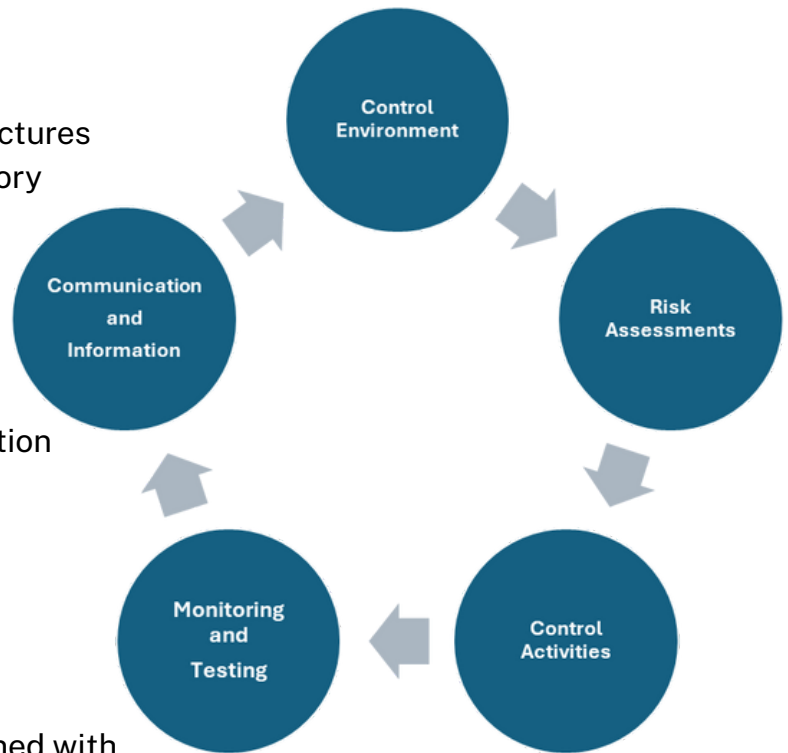
- **Outdated Controls:** Many banks rely on legacy controls. We update controls to reflect today's regulations and processes, integrating automation to prevent errors and improve failure detection.
- **Sporadic Reviews:** Infrequent control reviews can create gaps in regulatory and strategic alignment. We establish continuous monitoring to ensure your org is always in sync with current guidelines.
- **Segregation of Duties:** Improperly separated roles increase the risk for errors and collusion. We help establish clear control ownership and implement proper segregation of duties to build a more secure and resilient control environment.
- **Floor Lore:** Unwritten policies and procedures can lead to employee confusion and inconsistent execution. We partner with you to document processes and provide effective training, ensuring consistent, high-quality outcomes.
- **Access to Expertise:** Many banks struggle to hire and retain seasoned professionals with the deep control experience needed to design and monitor an effective framework. Our team can fill critical talent gaps and elevate your team's capabilities.
- **Succession Planning:** Turnover can create knowledge gaps and lead to missed controls. We help you build a sustainable framework that guarantees continuity and consistent execution, even as your team evolves.



How Spinnaker Can Help You

We partner with banks across the U.S. to:

- Assess and enhance internal control structures
- Map controls to Risk, Processes, Regulatory Requirements, and Testing
- Conduct independent control reviews and risk-based walkthroughs
- Identify automation opportunities
- Facilitate training in internal controls
- Support internal audit and exam preparation
- Provide fractional risk and compliance leadership
- Provide staff augmentation to perform control activities



How We Deliver Results

We take a tailored, risk-based approach aligned with the five essential components of best-in-class internal control systems:

- **Built on Your Foundation:** We meet you where you are — leveraging your current control environment to guide a tailored, practical assessment.
- **Risk-Based Strategy:** We prioritize areas where you're most exposed during the assessment process.
- **Custom Testing Methods:** We walk through compliance control testing and substantive testing tailored to your bank.
- **Actionable Insights:** We document findings, recommendations, and an assessment process you can act on.
- **Empowering Your Team:** We leave you with clarity, tools, and confidence to sustain strong controls allowing you to focus on what you do best.

Why Spinnaker?

We're a boutique team of seasoned banking professionals, each with over a decade of hands-on experience in regulatory compliance, risk management, and analytics. As former operators, risk leaders, and strategists, we've led through recessions, regulatory shifts, and digital transformations. We know what works because we've done the work. Our approach is

*** fast**

*** flexible**

*** tailored to your needs**

whether you're looking for a one-time assessment or a long-term partner. We help you take control of what matters most. **Let's shore up your internal controls together.**