

Project Closure Report

Project Name Portfolio Alerts

Project Sponsor Thomas Foresta

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Departments (s) Commercial Credit + Loan Review

Project Start Date: 1/01/2024 Project End Date: 04/08/2025

Planned Costs:	<u>\$975/quarter (FICO) + Internal development costs</u>	Actual Costs:	<u>\$975/quarter (FICO) + Internal development costs</u>
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Reason for Project Closure:

The Project has been completed successfully. It has been a while coming, but happy to announce this is live and being used by the Credit and Loan Review teams (with first meeting that occurred on 04/08/2025). This is being closed out of an 'Active Project' and will be moved into the maintenance phase and receive ongoing support from the Business Intelligence team.

1.0 Project Background Overview

The Portfolio Alerts project is an internally developed system to monitor a subset of the loan portfolio for early warning signs and deterioration of credit quality. Data is pulled from several sources and transformed to provide the Credit & Loan Review teams to test facilities on specific pre-determined criteria, such as delinquency, credit score deterioration, total relationship deposit decreases & more. - This is utilized on a quarterly basis by the Alerts Committee (run by the Chief Credit Officer) to determine the outcome of loans that are eligible for the Portfolio Alerts System.

2.0 Success Criteria Performance

Success Criteria from Charter <i>List Objectives & Deliverables from Section 3 of the Charter in this column</i>	Was this accomplished? If not, explain why
Data Pipeline Built to Consolidate Several Data Sources into Key Risk Indicators on Lines of Credit	Yes
Interactive Dashboard Built to Display the Data accurately	Yes
Business Line (Commercial Credit/Loan Review) starts using this system on a quarterly basis	Yes (04/08/2025 marks the launch and this will continue every quarter)

3.0 Project Highlights and Best Practices

This is a complicated system and there was a data to aggregate, transform and output into an interactive dashboard. It was a challenge to program everything to handle edge cases and create a pipeline that runs smoothly, but this was accomplished. There is a lot of defensive programming, unit testing, and bugfixing that had to occur and these were great learning experiences for the development team. A compliance issue was handled by building an additional database to track which guarantors we have permission to run soft pull credit reports on.

Best practices for using the system and maintenance are to ensure that the backend script is run once a quarter and the Xactus FICO file is send/received prior to running. Reference the Alerts Documentation guide and technical reference files to understand how each metric is calculated.

4.0 Milestones, Deliverables and Schedule Performance

Project Milestones	Plan Date	Actual Date	Comments
Please see Project Workbook for Full Milestone/Scope of Project			

5.0 Project Budget Performance

Use the Actual Amount from the Project Charter in the “Planned Amount” and indicate the Actual Amount as of Project Closure. See Section 7.0 Project Budget of Project Charter.

	Planned Amount	Actual Amount	On Going Support Cost	Transaction Based Fees	Explain Variance
System or Software as a Service					
▪ Software	975/qrt	975/qrt	975/qrt	0	
▪ Hardware					
Professional Services					
▪ Consulting					
▪ Training					
COCC Integration or ongoing support cost					
▪					
▪					

6.0 Quality Management

Describe quality assurance, i.e, what you have carried out to ensure quality results

Development team has spot tested against COCC for specific customers and described the full system in detail within the ‘End User Guide’ and ‘Developer Guide’ sections of the ‘Alerts_Documentation.pdf’. The Loan Review Team & SBLC are conducting independent backtests every quarters for 10% of the tested items to ensure quality control.

Efficiencies Gained

7.0 Describe Details of efficiencies gained and associated metrics

This system delivers a great deal of leverage for the Commercial Credit/Loan Review dept.

- Annual hours saved = 1800 annual human hours (180 annual reviews * 10 hours/review)
- Reduced human error and increased warning sign detection

8.0 Project Risks Mitigated

- Risks mitigated through this include:
 - o Failing to recognize credit deterioration of borrower until too late
 - o Excessive human capital costs to monitor smaller size loans

9.0 Transition in ownership

Describe the transition in ownership from implementation to operational team(s)

- This system is placed in the ownership of the Chief Credit Officer and will be used on a quarterly basis
 - o It will receive support from the BI team for ongoing maintenance and future enhancements

10.0 Lessons Learned

Describe Lessons Learned and what was unexpected

Unexpected internal team conflict and resource management issues. Complexity of the system is hard to estimate from onset, but has been great learning experience for development team working through all the challenges. Some starting/stopping and prioritization of competing projects posed a challenge as well, but this has been overcome and a useful system was built to create efficiencies & better red flag detection.

Author(s)

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EPMO Approval

EPMO Steering Committee Approval (Enter Date of Committee Approval)