



RANDY
BRIDGES
CONSULTING

Rebuilding Real Estate Technology Infrastructure to Support Sarbanes-Oxley Compliance

Organization Description

The client organization is a publicly traded Real Estate Investment Trust (REIT), and is headquartered in Oakland, CA. They provide single-family rental homes in **22** locations across **10** states with a staff of approximately **700** employees.

Due to confidentiality requirements, the name of the organization has not been disclosed.

Business Challenges

Management had recently hired a new Director of Infrastructure. He had been instructed to prepare a support staff that had previously been limited in both budget and skills. The support staff was expected to deliver strong uptime of systems. Much of the shared information across the company was held in silos, with few strong security measures and no unified information system. Cloud-based storage was not synchronized between the corporate office and the external storage system.

The Director was also tasked with developing a compliance program for Sarbanes-Oxley, including the development and documentation of full policies and procedures. There were several challenges to reaching and maintaining Sarbanes-Oxley compliance, including:

- Business processes had not been formalized
- Fiscal management processes and controls were missing
- Auditing was not being performed
- Network Infrastructure was below standard to support compliance efforts; servers were not well maintained; overall network uptime was 20-25 percent below recommended level of 98+ percent

L5 Consulting was contacted to assess and find improvements that could be approached in a staged manner: technology improvements first; distributed information systems second; and compliance delivery mechanisms (policies, procedures, standards, baselines) prior to the end of each calendar year. The L5 team worked closely with the client's Technology department and Compliance group from March 2014 through December 2015.

Proposed Solution

L5 Consulting's design and implementation involved a series of technology solutions and projects:

- **Infrastructure Development** - Architect entire domain infrastructure to support distributed architecture. Includes deployment of a Hybrid Cloud solution using the industry-leading Citrix XenApp solution; provide failover to second data center for Disaster Recovery plans; install and configure infrastructure hardware and VMware virtualization platform to support high availability in the corporate office; secure new file server system and provide real-time replication to data center
- **Compliance** - Author data governance framework and governance policy; author data classification matrix, including data class, access level, sensitivity and retention period; integrate audit system with audit reporting; review policies and procedures documents with team and suggest improvements to better match strong compliance measurements
- **Additional Solutions** - Integrate management solutions that could provide Tier 3 results with Tier 1 staff; provide Tier 2 and Tier 3 support on infrequent basis; maintain accurate network documentation for team members; cross-train existing internal team

Results

During this 21-month engagement, the RBC team worked closely with the client to deliver constant improvements across all areas of service delivery to meet all targeted goals for the project.

Technical Service Improvements - Included an Internet uptime increase to 99.875 percent; System uptime increase to 98.3 percent; the Audit Team found no significant defects during IT System Validation.

Training Improvements - Tier 1 staff members could effectively manage complex systems such as Microsoft Active Directory, account creation, login scripts, group management and logging reports. That freed up higher-level staff to continue integrating improved solutions.