

Recent regulatory focus on **Bank Secrecy Act (BSA)** has caught many financial institutions off guard and unprepared for the depth of scrutiny of regulatory review. NETBankAudit has leveraged its experience developing high quality audit and advisory services in dealing with difficult technology based regulatory issues to develop a comprehensive BSA/AML Compliance and Model Validation Service. We have also been very successful in helping financial institutions address both “**Letter of Intent**” and “**MOU**” challenges.

With the Anti-Money Laundering Act of 2020 (AMLA 2020) on the horizon, a strong BSA/AML Compliance Program and the ability to implement upcoming changes is more important than ever. Regulators will continue to focus on the existing “five pillars” of BSA in their examinations and will look to see that financial institutions are well-positioned to implement the upcoming regulatory revisions. An independent **BSA/AML Compliance Review** by NETBankAudit will ensure your BSA/AML Program is fully compliant with all components of the Bank Secrecy Act. We can assist with the implementation and reviews of the changes resulting from AMLA 2020.



Our BSA service is led by **Joanne Bennett, Director of Compliance Services**. Joanne is a Certified Anti-Money Laundering Specialist (CAMS) and a Certified Bank Auditor (CBA) with over 30 years of experience in BSA management, banking operations, compliance and audit. Joanne is a member of the **Association of Certified Anti-Money Laundering Specialists (ACAMS)**, the **Virginia ACAMS Chapter**, the **BSA Coalition**, and has served on the Compliance Committee of the **Virginia Bankers Association**.

We offer solutions to help work through complex areas such as Risk Assessment, Customer Risk Scoring, Customer Due Diligence and Enhanced Due Diligence, CIP review and error tracking. Our auditors have hands on experience in these areas as well as OFAC screening, annual training, currency transaction reporting, suspicious activity investigations and reporting, and policy and procedures development.

Additionally, NETBankAudit can provide **Model Validation** and **Filter Analysis Reviews** to ensure your anti-money laundering software is capturing your institution’s financial transactions as expected. These are key components to strong regulatory examinations by all Federal Regulators.

BSA/AML Compliance Audit – An independent evaluation of the written BSA/AML compliance program, testing for specific compliance with all areas of BSA/AML, OFAC, CIP, suspicious activity monitoring and regulatory reporting.

- Program and Risk Assessment Evaluation and Facilitation
- Compliance Audits and Reviews
 - Up to date compliance reviews based on our active contacts with all regulatory agencies and over 700 client knowledge base. We can conduct an official review to satisfy regulatory requirements, or an unofficial review for management purposes
 - We scope to the institution’s size, location, services, transaction volume, and specific regulatory environment
 - Our sample sizes are larger than our competitors to avoid any pitfalls and ensure regulatory satisfaction

BSA Model Validation – An evaluation of pertinent BSA/AML monitoring systems. Once installed, automated systems should be monitored and reviewed to detect any variances from expected performance. Model Validation of the institution’s BSA/AML monitoring system will help detect any gaps where the software may not cover risk exposure. There is an ongoing regulatory expectation for institutions to validate their BSA/AML monitoring systems.

- A very technical, systems-based data integrity audit that is required by regulatory agencies to validate the data flowing from the institution’s core system to its AML monitoring software
- We identify and evaluate configurations between the BSA/AML MIS and other systems and applications (core processing, teller platform, wire transfer, ACH, etc.)
- Periodic validation testing provides reassurance that automated systems are operating as expected
- A critical review to ensure the accuracy of the model when there are changes to the institution’s core or AML systems, AML software or processing procedures
- A strong technical knowledge of the specific BSA/AML systems is necessary and maintained by designated NETBankAudit auditors
- Options to incorporate a **Filter Analysis Review** can be added. This will provide a review of parameters and rules for your automated BSA/AML system and assurance that settings are optimal for your institution’s customer base, products, services, and risk appetite.