



August 2014

Dear CU PolicyPro Clients,

It's hard to believe Labor Day is here already! We hope everyone enjoyed the long weekend.

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CU PolicyPro Survey

Your opinion counts! Please take a few minutes to answer our [CU PolicyPro Annual Users' Survey](https://www.surveymonkey.com/s/3JN6SXV), and help us understand:

- How you use CU PolicyPro
- What you like about it
- What you think could be improved

League InfoSight plans to use the information to help guide discussions about enhancing CU PolicyPro to better meet your needs. The survey will be available now through October 1st.

Click [here](https://www.surveymonkey.com/s/3JN6SXV) for the survey or copy and paste the following Web address into your browser:

<https://www.surveymonkey.com/s/3JN6SXV>

We look forward to reading your responses!

Minor Change to the Published Manual

The published manual now automatically includes the Published Date on the title page. Because the published manual is a point in time document, it is important to have the Published Date available for easy reference. Remember, if changes are made in the Working Manual, those changes will not show in any previously published manual. You will need to re-publish in order to see new changes.

If you have any questions, please contact the CU PolicyPro Support Team at hrsupport@cusolutionsgroup.com.

Technical FAQ

Question: How would I give our Board access to our policies in CU PolicyPro?

Answer: Many credit unions either give the board "employee" level access, or create a unique level of access (usually titled "board"), which will allow them to see the Manager folders on the home page. Both "employee" and "board" (if created as described) are considered "read only" access levels - meaning they can see what is posted for them to see, but cannot get into the MANUAL BUILDER area to edit the policies.

If a user has "read only" access, in order to see anything meaningful once they have logged in, there must be information posted for them on the home page - this can be a published manual, or other documentation uploaded through the storage area. This would be done either by a full admin or by someone who has been given rights to work in MANUAL BUILDER and/or STORAGE.

The following segments of New User Training will explain the three specific areas described above.

[New User Training](#) :

- Segment 9 - Administration (9 minutes)
- Segment 8 - Library and Storage (5 minutes)
- Segment 6 - The Publishing Process (22 minutes)

If you need assistance, please contact the CU PolicyPro Support staff at hrsupport@cusolutionsgroup.com.

Content FAQs

Question: Can a credit union rely solely on its Bank Secrecy Act Officer to manage and administer the credit union's BSA program?

Answer: No, FinCEN has always required BSA training for credit union employees and volunteers and cooperation in reporting. The [new guidance](#) requires that leadership be engaged in the compliance process and that information be shared throughout the credit union.

Question: Why did FinCEN issue [Advisory FIN-2014-A007](#)?

Answer: FinCEN has identified shortcomings in financial institutions' BSA/AML compliance programs that confirm the culture of a credit union is critical to its compliance. These BSA/AML shortcomings have triggered civil and criminal enforcement actions and FinCEN wants to highlight the importance of a strong culture of compliance by senior management and leadership.

Question: Does the BSA/AML Examination Manual advise examiners to take into consideration the commitment of a credit union's Board and Senior Management with regard to BSA compliance and ongoing education/training when performing BSA audits?

Answer: Yes, the examination manual sets forth a number of factors that examiners should look for when reviewing a credit union's training program such as:

- The board of directors/senior management's commitment to ongoing education/training and compliance;
- Employee accountability for ensuring BSA compliance;
- Comprehensiveness of training – taking into account the specific risk of individual business lines;
- Training of personnel from all applicable areas of the bank;
- Frequency of training;
- Coverage of credit union policies, procedures, processes and new rules/regulations in training program;
- Coverage of different forms of money laundering and terrorist financing and examples of suspicious activity in training program; and;
- Penalties for noncompliance with internal policies and regulatory requirements.

On August 11, 2014 the Financial Crimes Enforcement Network issued Advisory FIN-2014-A007 to financial institutions across the United States highlighting shortcomings in compliance due to a lack of involvement from institutions' senior management. The issues FinCEN identified resulted in enforcement actions against institutions and pointed to the poor culture of compliance which existed in part due to a lack of leadership to improve and strengthen organizational compliance with Bank Secrecy Act (BSA) obligations.

FinCEN provided guidelines to strengthen a credit union's BSA compliance culture including:

- Boards of Directors, executive and senior management should actively support, understand and be engaged in compliance efforts

FinCEN notes that if a compliance program is going to be effective it has to have demonstrated support from leadership and states, "in addition to supporting a culture of compliance, an appropriate understanding of BSA/AML obligations and compliance will help an organization's leadership make informed decisions with regard to the allocation of resources". FinCEN defines the leadership of a credit union as: Board of Directors, executive and senior management, and management.

- Managing and mitigating BSA deficiencies and risks should not be compromised by revenue interests

The new FinCEN guidance directs that compliance staff should be empowered to implement the credit union's BSA compliance program and have the authority and autonomy to work independently and take appropriate actions to address and mitigate the credit union's BSA/AML risks.

- Relevant information should be shared throughout the credit union

Operating departments and employees should work together throughout the credit union to share information with compliance staff to help combat and prevent fraud that can negatively impact the credit union.

- Adequate human and technological resources should be devoted to compliance functions

In FinCEN's guidance they note that "the failure of an institution's leaders to devote sufficient staff to the BSA/AML compliance function may lead to other failures." Credit union leaders are urged to ensure that there is enough devoted staff to effectively manage the credit union compliance program.

- Credit union leadership and staff should understand the purpose of BSA efforts and reporting

In addition to have staffing resources sufficient to manage the credit union's compliance program; FinCEN also requires that credit union leadership and staff be trained to understand the importance of compliance with BSA and its importance to safeguarding our nation.

- The BSA compliance program should be tested by an independent and competent party.

The September update of CU PolicyPro will address policy changes to reflect FinCEN's guidance. For additional information about the FinCEN Advisory contact FinCEN's Resource Center at (800) 767-2825.

This edition of OPS NOTES was prepared by the Michigan Credit Union League.

Questions?

If you have any questions regarding the CU PolicyPro content, or questions on how to use the system, please

contact hrsupport@cusolutionsgroup.com.

If this information was forwarded to you, and you'd like to be on the distribution list to receive information and updates related to CU PolicyPro, contact hrsupport@cusolutionsgroup.com.

Thanks and have a great week!