



2019 BSA / AML Compliance School

The focus of this program is to provide an update to the BSA laws and regulations and to provide valuable information that will help you enhance your BSA/AML Compliance Program and to help you prepare for your next BSA examination and audit.

IBA Center for Professional Development

June 19 - 20, 2019

Instructor:

Dianne Barton President
Performance Solutions, inc.



66 Instructor is wonderful! Lots of new knowledge and very enjoyable. Thank you!

Great sessions with loads of information. I'm looking forward to coming to another one!



2019 BSA / AML Compliance School

On December 3, 2018, a Joint Statement by the Federal Agencies was issued encouraging banks to consider, evaluate, and, where appropriate, implement innovative approaches to meet Bank Secrecy Act/anti-money laundering ("BSA/AML") compliance obligations. After 49 years, compliance with the Bank Secrecy Act (BSA) continues to be a top priority of the regulators. Examiners are increasing their focus to ensure financial institutions are complying with all aspects of the Bank Secrecy Act (BSA) and its many regulatory requirements.

This School features industry experts and regulators who will discuss the latest changing BSA topics and offer tips and tools to develop and manage an effective BSA program.

Attendees will participate in case studies, review "real world" situations, and develop "take-aways" that can be implemented back at their banks. Attendees will also benefit from shared knowledge, networking, and best practices.

Be sure and register for this timely, two-day AML/BSA program which provides current trends and tools for today's BSA Officers and BSA team members.

This School assists financial institutions in fulfilling the annual training requirements by the BSA regulations.

Who Should Attend?

This program is designed for those who have a working knowledge of BSA compliance including BSA, AML, Compliance and Fraud Officers Team Members, and Auditors. Individuals with accountability for BSA Compliance will also benefit from this program, such as: retail management, risk management, operations, and employee development.

Why Participate?

The BSA/AML Compliance School is a cost-effective way to ensure that your BSA program is all it needs to be. Plus, the networking with other BSA Officers and industry experts will give you great ideas to add to your present program and it will provide a "birds eye view" of what to expect at your next BSA/AML Compliance exam.

Hotel Reservations

All classes will be held at the IBA Center for Professional Development, 8425 Woodfield Crossing Blvd. Suite 155E, Indianapolis, IN 46240. If you need overnight accommodations, please call the IBA for a list of hotels in the area or check our website at www.indianabankers.org.

Meals

The IBA will provide continental breakfast, refreshment breaks and lunch each day.

Dates & Location

The dates of the BSA/AML Compliance School will be June 19 - 20, 2019. The school will be held at the IBA Center for Professional Development, 8425 Woodfield Crossing Blvd. Suite 155E, Indianapolis, IN 46240.

Registration will be at 8:30 a.m. on Wednesday. Class will begin on both Day 1 & Day 2 at 9:00 a.m. and end at 4:00 p.m.

Program Instructors/Facilitators

Dianne Barton, is the Founder and President of Performance Solutions, Inc. Her expertise in customer service, leadership, and sales & service culture development is recognized as leading edge by both national banks and community banks. Dianne's programs are designed to "close the gap" between the bank's needs & employees' skills.

Janna Beckerman is a professor and extension plant pathologist specializing in disease management of horticultural crops at Purdue University. She obtained her Ph. D. in plant pathology from Texas A&M University, and her M.S. and B.S. in Biology from the State University of New York College of Environmental Science and Forestry.

Lori Jean has an extensive background spanning more than 26 years in the corporate and legal industries. Prior to joining Krieg DeVault, she served as Senior Vice President, Assistant General Counsel, and Chief Compliance Officer for 1st Source Bank. While there, Ms. Jean provided support in commercial and consumer lending, specialty finance, workout/collections, deposit operations, insurance agency, and trust and investment matters. She was also responsible for drafting, implementing, and overseeing corporate regulatory compliance policies, programs, and risk assessments in her role as Chief Compliance Officer.

Tom Lazard is a leader within the Crowe LLP's Financial Services Consulting practice, with 14+ years of experience working with regulated industries in the development of compliance and sanctions programs and response strategies. Tom leads the Financial Crime risk assessment practice within Crowe's Consulting practice focusing primarily on Anti-Money Laundering / Bank Secrecy Act, Sanctions, and Fraud programs.

Terri Luttrell is a seasoned AML professional with over 20 years in the banking industry, working both in medium and large community and commercial banks ranging from \$18 billion to \$330 billion in asset size. She started her banking career in commercial lending, moving to deposit operations and the compliance/fraud arenas where she was Director and AML/OFAC Officer. Terri is currently a Senior Manager of Strategy & Engagement with Abrigo (formerly Banker's Toolbox) and is CAMS-Audit certified.

Corey Minard is a model validation subject matter expert within Crowe's Financial Services Consulting practice. His focus is regulatory compliance and information technology consulting for the Financial Service Industry including AML model validation, transaction monitoring optimization, lookbacks, investigations, NYSDFS 504 compliance, staffing assessments, and program/project management.

EJ Tolentino, CPA, is a principal in the Financial Institution Group of CliftonLarsonAllen LLP from Indianapolis, IN. Tolentino performs certified audit, directors' examinations, internal audits, and consulting services for community banks. He has over seventeen years of experience working with community banks.

Regulatory Panel

Jodi Morrissey, Indiana Department of Financial Institutions
Sherry Banks, Office of Comptroller of the Currency
Lisa Gaertner, Federal Deposit Insurance Corporation
Representative from the Federal Reserve Bank of Chicago

2019 BSA / AML Compliance School

AGENDA - Day One Wednesday, June 19

Recap of Major AML/BSA Trends in 2018 - 2019

During this update, we will focus on current BSA/AML hot topics, trends and the regulatory guidance that outline the responsibility for BSA/AML compliance.

What is the Indiana Landscape for Marijuana-Related Businesses in 2019 and Going Forward

The 2019 Indiana General Assembly passed and Governor Holcomb subsequently signed into law Senate Enrolled Act 516 that places guidelines and regulations around the cultivation of hemp as an agricultural crop in Indiana. Until recently, hemp had been considered a controlled substance under federal drug laws due to its relation to marijuana. That changed when Congress passed the 2018 Farm Bill, which redefined the plant as an agricultural commodity. SEA 516 sets up the state's regulatory structure for hemp, including a hemp advisory committee that will report to the Indiana state chemist and seed commissioner for a period of about two years.

Part 1 - Industrial Hemp: The INside Dope

During this first session, Professor Beckerman will discuss differences between Hemp, CBD and Marijuana. She will provide highlights from the research and hemp production efforts in Indiana to date and going forward.

Part 2: To Bank or Not to Bank?

Lori Jean, Partner with Krieg DeVault, LLP will then provide an update to Senate Bill 516 and the 2018 Farm Bill, discuss the legalities of banking businesses involved in growing, processing and selling hemp and marijuana, including CBD, in Indiana, and conduct a question and answer session.

Best Practices - Learning from Recent Enforcement & Audit Findings - Preparing for a BSA/AML Exam

Often bankers comment that enforcement actions only happen to the big banks. Regulators are encouraging senior management and boards to stay abreast of enforcement actions. During this session, we will examine recent consent order(s) with BSA violations to share with senior management. Also, recommendations and best practices for on-going preparation and organization for audits and examinations.

Pros & Cons of Banking High Risk Products And Services

Is your bank ready to bank high risk products and services? This session will focus on:

- Money Service Businesses – Upfront Due Diligence and On-Going Monitoring
- Virtual Assets – To Bank or Not
- Privately Owned ATMs – Known and Unknown
- eProducts and eServices – Risks and Rewards
- Non-Governmental Organizations

Ending Modern Slavery: The Financial Industry's Role

Human trafficking - a form of modern slavery - is one of the fastest growing criminal activities in the world. It exploits an estimated 45 million people a year and generates approximately \$150 billion in profits. The good news is that the financial industry can play a part in disrupting this heinous crime. During this session, Terri will share tips, tools and recommendations to educate, increase knowledge of red flags & victim indicators, and build stronger relationships with law enforcement.

AGENDA - Day Two Thursday, June 20

Regulatory Panel Discussion and Best Practices

This session highlights hot topics, examination trends, supervisory priorities and expectations, and best practices. Representatives from each of the federal regulatory agencies will present a review of their current philosophies and practices. They will offer an overview of their current approach to BSA/AML examinations, and attendees will have an opportunity to ask questions and participate in give and take discussion. This is your chance to see what the focal points of your next on-site examination might be. This year's representatives are asked to also focus on their expectations regarding the fifth pillar.

"Real World" Challenges and Solutions

This breakout session provides an opportunity for discussion, sharing, and recommendations around key questions and challenges today's BSA/AML Team is facing.

Model Validation and Data Validation

While Model Validation is not required by law, examiners point to the [Federal Financial Institutions Examination Council Bank Secrecy Act Anti-Money Laundering Examination Manual](#) and the following provision: "Management should also periodically review and test the filtering criteria and thresholds established to ensure that they are still effective. In addition, the monitoring system's programming methodology and effectiveness should be **independently validated** to ensure that the models are detecting potentially suspicious activity. The **independent validation** should also verify the policies in place and that management is complying with those policies." This session will focus on an understanding of Model and Data Validation, defining what is a "periodic review", and best practices.

The ACH and BSA Connection

ACH payments are quickly becoming one of the primary means of noncash payment. As consumers demand more convenience and flexibility in their banking options, electronic money transfers create potential risks for your financial institution. This session will focus on best practices in proactively mitigating risks in relation to the increasing changes in the payments arena including a faster payments initiative led by the Federal Reserve Bank, increased risks in emerging payments systems including person to person, mobile remote deposit capture and Same Day ACH.

OFAC - Beyond the Basics

In a recent speech, Treasury's Under Secretary Sigal Mandelker discussed OFAC's compliance commitments for financial institutions to use a risk-based approach to sanctions compliance. She also pointed out such resources have to go far beyond the mere screening of the Specially Nationals and Blocked Persons List (SDN) list. This session will explore both best practices and other key compliance considerations.

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June 19-20, 2019 — IBA Center for Professional Development, Indianapolis, IN

Registration Fees

Registration fees include; handout materials, continental breakfast, refreshment breaks, and lunch. Participation in IBA programs is limited to members, associate members, and nonmembers from an eligible membership category at applicable member or nonmember rates. Please register early.

IBA Members / Associate Members

\$495 First Person

\$445 For Each Additional Attendee From Same Institution

Participation in IBA programs is limited to members, associate members, and nonmembers from an eligible membership category at applicable member or nonmember rates. 100% Surcharge for Non-Members will be applied.

CRCM, CAFP, CPE, and Certificate of Completion

The 2019 BSA/AML Compliance School has been submitted for CRCM and CAFP accreditation. The BSA/AML Compliance School will qualify for 11.5 hours of CPE Credit. To demonstrate your commitment to having a strong compliance program, attendees will receive a Certificate of Completion at the end of the program.

Refund Policy

Any applicant withdrawing from the School prior to May 30, 2019 will receive a refund minus a \$70 cancellation fee. Any applicant canceling after May 30, 2019 or failing to appear at the school will forfeit the entire registration fee. Extenuating circumstances will be considered on an individual basis by the IBA Board of Education. Requests for refunds due to extenuating circumstances should be submitted in writing.

General Information

Attire: Business casual attire is appropriate for all IBA programs. Because of temperature variation in meeting rooms, please bring a sweater or jacket for your comfort.

Special Needs/Dietary Needs:

If you have a disability that may affect your participation in this program, please notify the IBA at least 10 days before the program. We will contact you to discuss accommodations. If you have a dietary need, please contact Elizabeth DeHaven at the IBA to let her know at least two (2) days prior to the program.

BSA/AML Compliance School - June 19 - 20, 2019

Attendee Name _____ E-Mail _____

Attendee Name _____ E-Mail _____

Attendee Name _____ E-Mail _____

Bank Name _____

Address _____

City, State, Zip _____

Phone _____ Fax _____

Please Send Invoice VISA MasterCard Total Amount Enclosed \$ _____

Card Holder Name _____

Credit Card Number _____ Expiration Date _____

For More Information:

Laurie Rees, Vice President, Education & Training-
Lrees@indianabankers.org

Elizabeth DeHaven, Education Coordinator
edehaven@indianabankers.org

Please return registration form along with payment to:

IBA Foundation, Inc.
8425 Woodfield Crossing Blvd. Suite 155 E
Indianapolis, IN 46240

YOU MAY REGISTER ONLINE AT: www.indianabankers.org