

Introduction

Advanced BSA

January 2018

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Section 1: Introduction

Challenges of Managing a BSA Program

As a BSA professional, you understand that managing a BSA compliance program is often an extremely challenging and cumbersome task. You are tasked with the challenge of being the lead advocate for the entire BSA program, and you must convince the entire organization of the importance of BSA compliance – a sometimes difficult task. At times, you may feel as if you are “selling” more than your loan origination staff.

In addition, you must ensure that all of the BSA rules are appropriately being followed in all lines of business, though you may not always get the support you needed to accomplish this goal. Employees often have to be reminded concerning the same problems, which arise day after day and week after week.

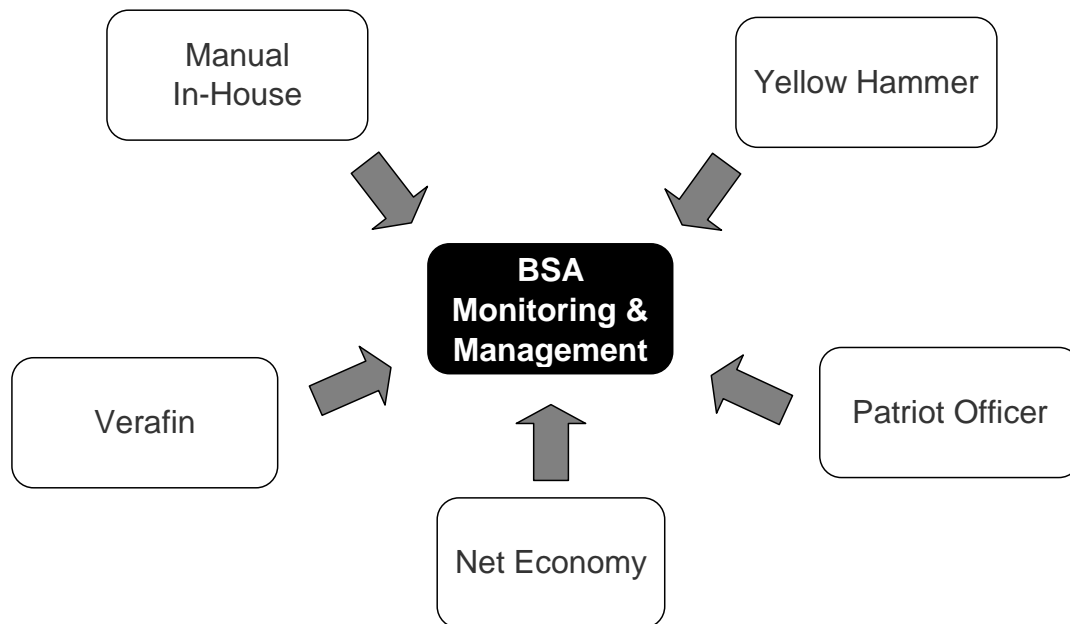
If issues are discovered that relate to BSA, even if they are in a separate line of business, you are going to be the one to have to answer for the deficiency. As the one responsible for the BSA program, you could have personal liability for an ineffective BSA program.

As the leader of the BSA program for your organization, it is your job to effectively manage all of these challenges while maintaining your sanity. Fortunately, you are not alone. This course has been specifically designed to address the challenges you face. Whether your organization is \$50 million in assets or several billion, the challenges of managing a BSA program remain substantially similar, though they are often on a different scale.

Different Approaches at Different Organizations

As consultants at Young & Associates, Inc., we have the privilege of observing all types of BSA programs. Over the years, we have found that there are many different ways to achieve the same objective – no two programs are exactly the same.

One reason that BSA programs vary from organization to organization is that different banks utilize different third-party core processing systems. These processing systems have taken different approaches to BSA monitoring. Some vendors provide a few minimal reports while others offer a vast variety of reports to choose from. Some vendors aggregate based on a Social Security Number or TIN, while other vendors aggregate transactions by account number or the customer portfolio.



In addition, some organizations utilize a supplemental program (Net Economy, Verafin, and Yellow Hammer) to assist in BSA monitoring and management. While these programs can be extremely effective in BSA monitoring and management, challenges arise in configuring appropriate parameters to achieve the desired results. Other institutions that do not utilize supplemental BSA programs must work to develop a manual program to manage the organizations BSA activities. This must be accomplished through carefully designing processes, reports, and procedures.

Goals of This School

The intent of this school is to provide a higher level of BSA training. While we will discuss some more advanced elements of BSA rules, this course will spend a great amount of time focusing on how to manage a BSA program. When complete, you will have the skills you need to run a BSA program at any organization without relying on the methods that have previously been utilized by your organization.

Understanding the core reasons processes and procedures exist in an organization help you to better manage the program for efficiency and effectiveness. Sometimes, processes work well but take more time, energy, and resources than they should. Other times, the process may be quick and efficient, but the desired outcomes are not being achieved. This school will help you refine your skills in becoming an effective and efficient BSA leader.

While we are providing a comprehensive manual as part of this school, we also understand the vast amount of knowledge that you bring as a BSA professional. Therefore, this course is designed to help share challenges and best practices among your peers.