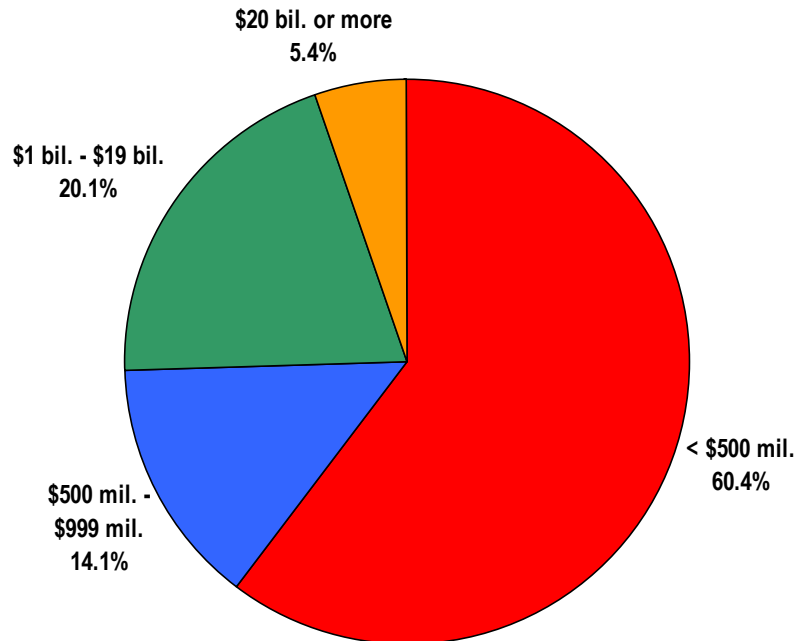


Compliance Profession Perspectives 2007

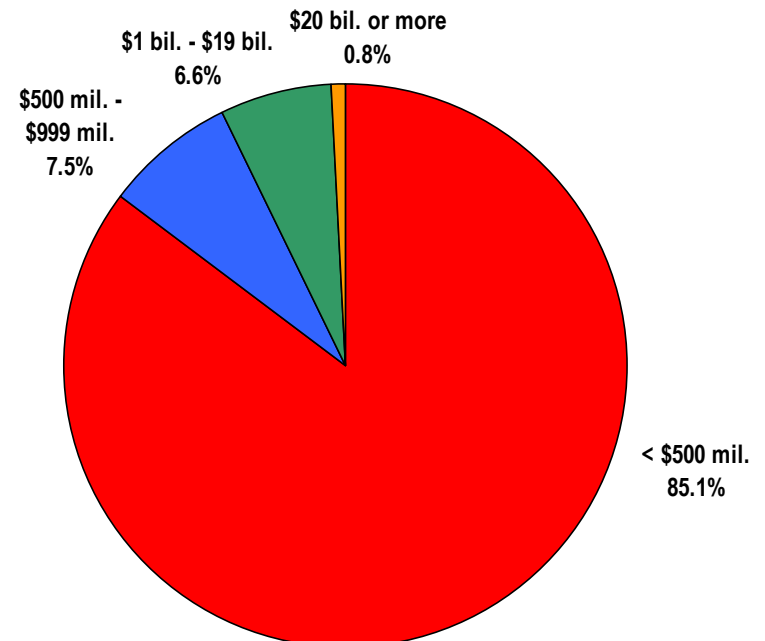
Richard Riese
Meg Sczyrba
Chris Spellman

Distribution of Survey Respondents and Industry (by asset size)

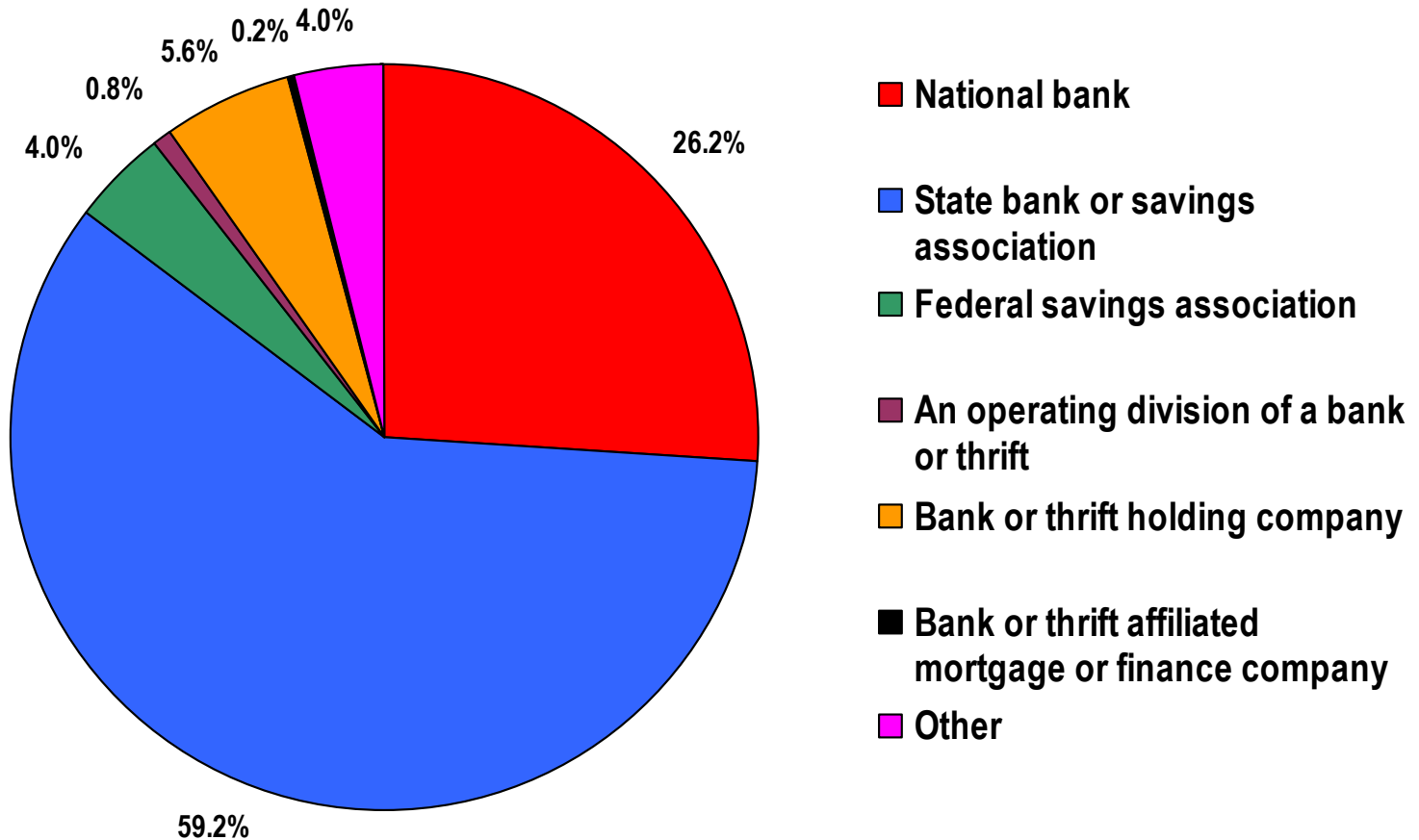
Survey Respondents
(n = 497)



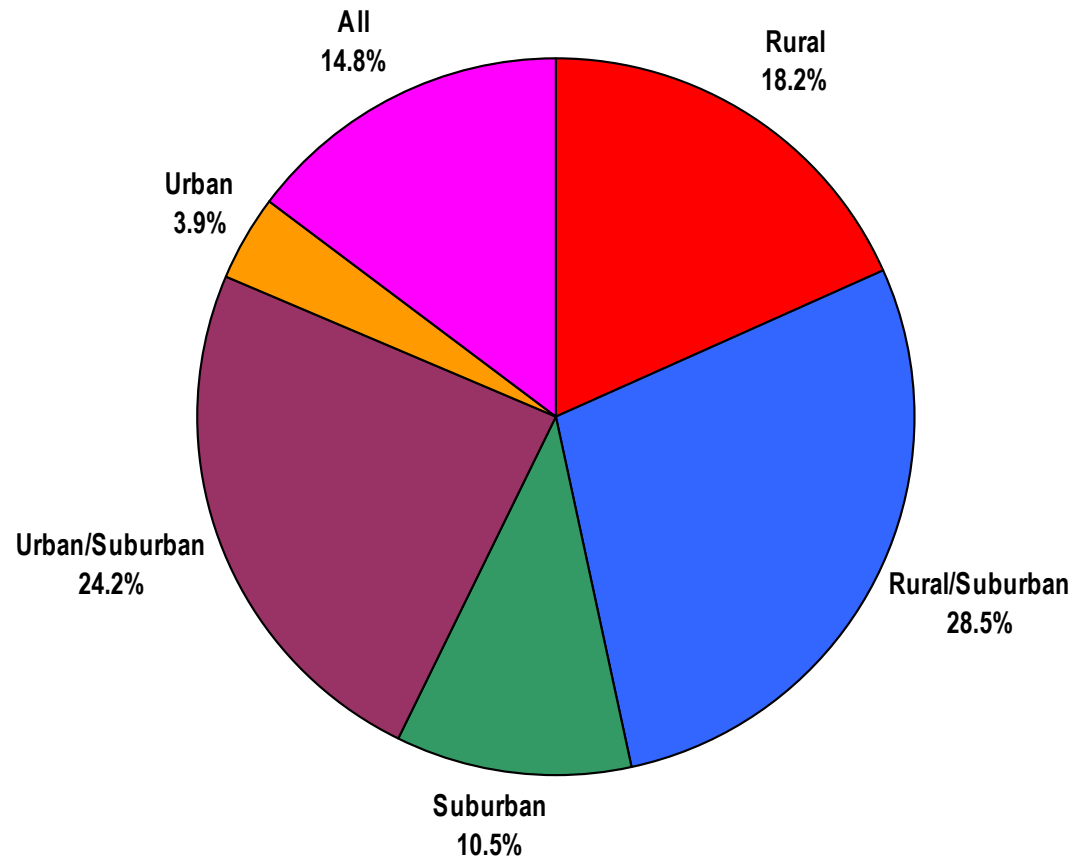
Industry
(n = 8,831)



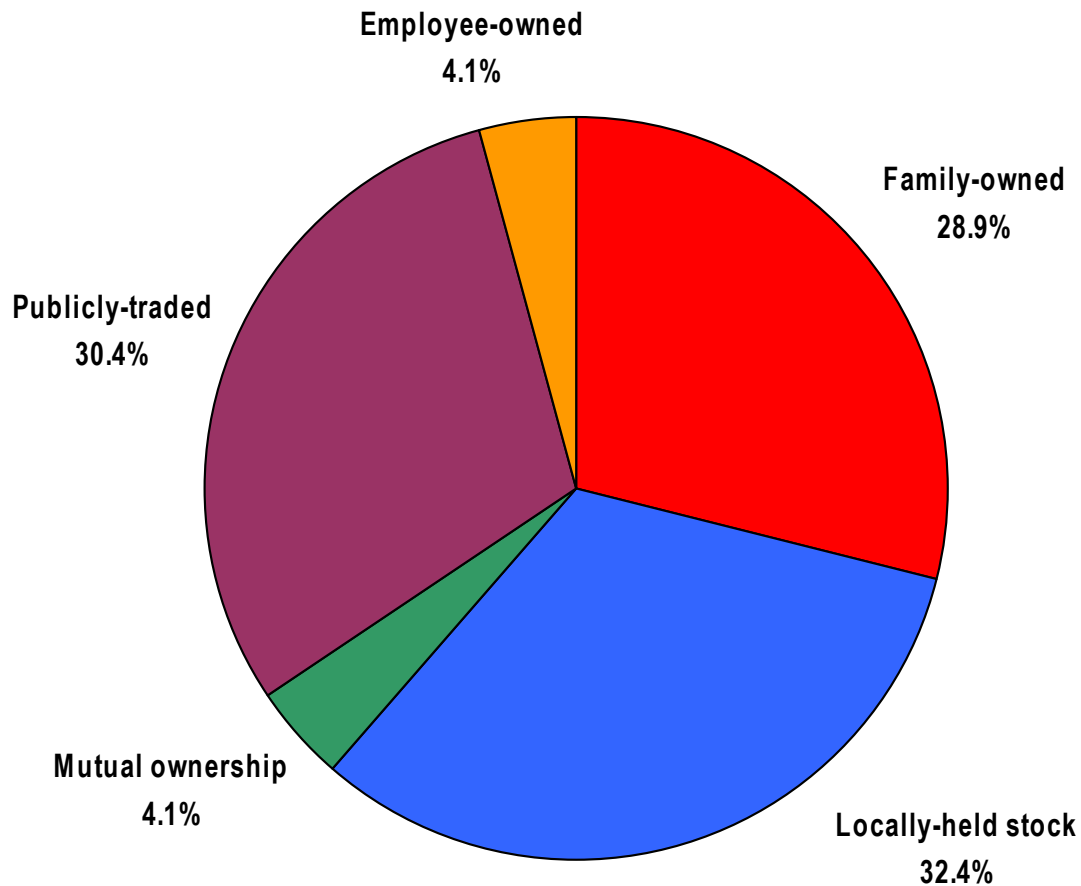
Which single choice best describes your institution's type?



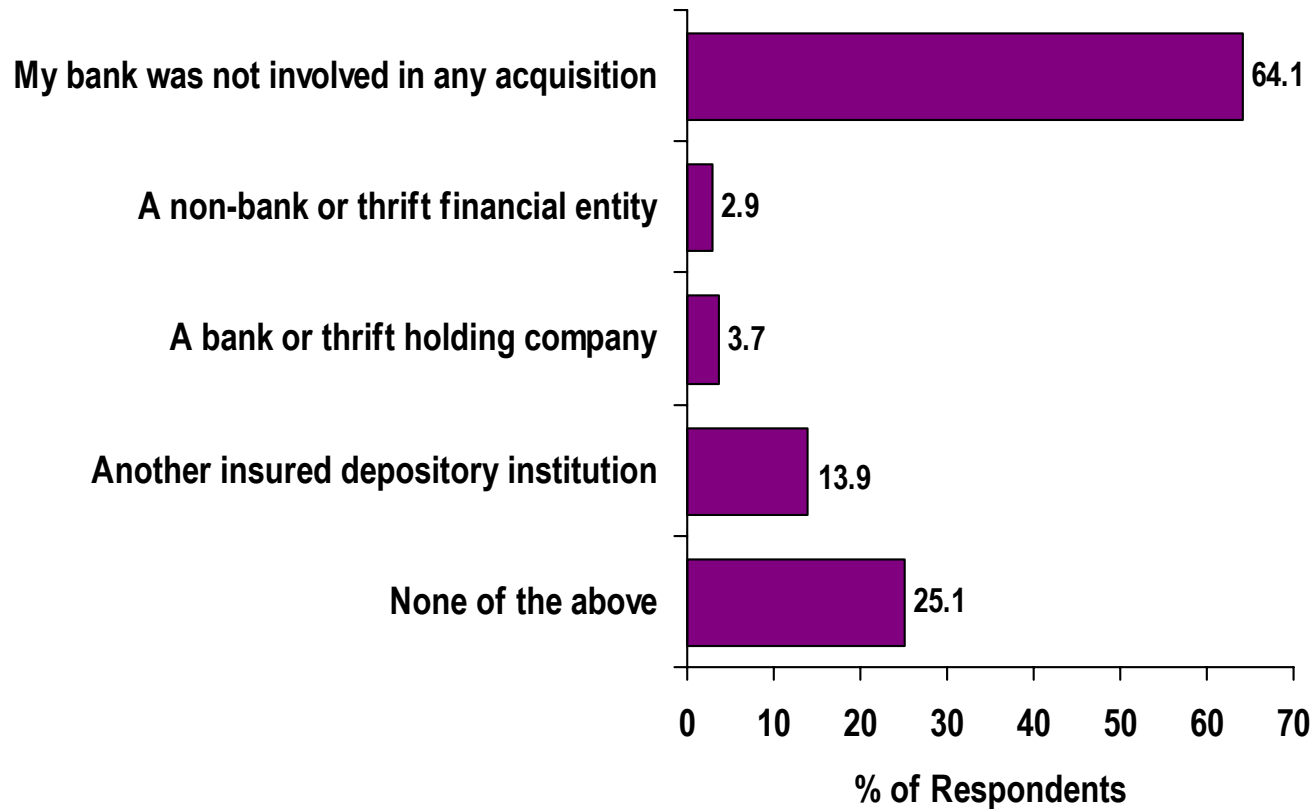
Which best describes your bank's typical market/community?



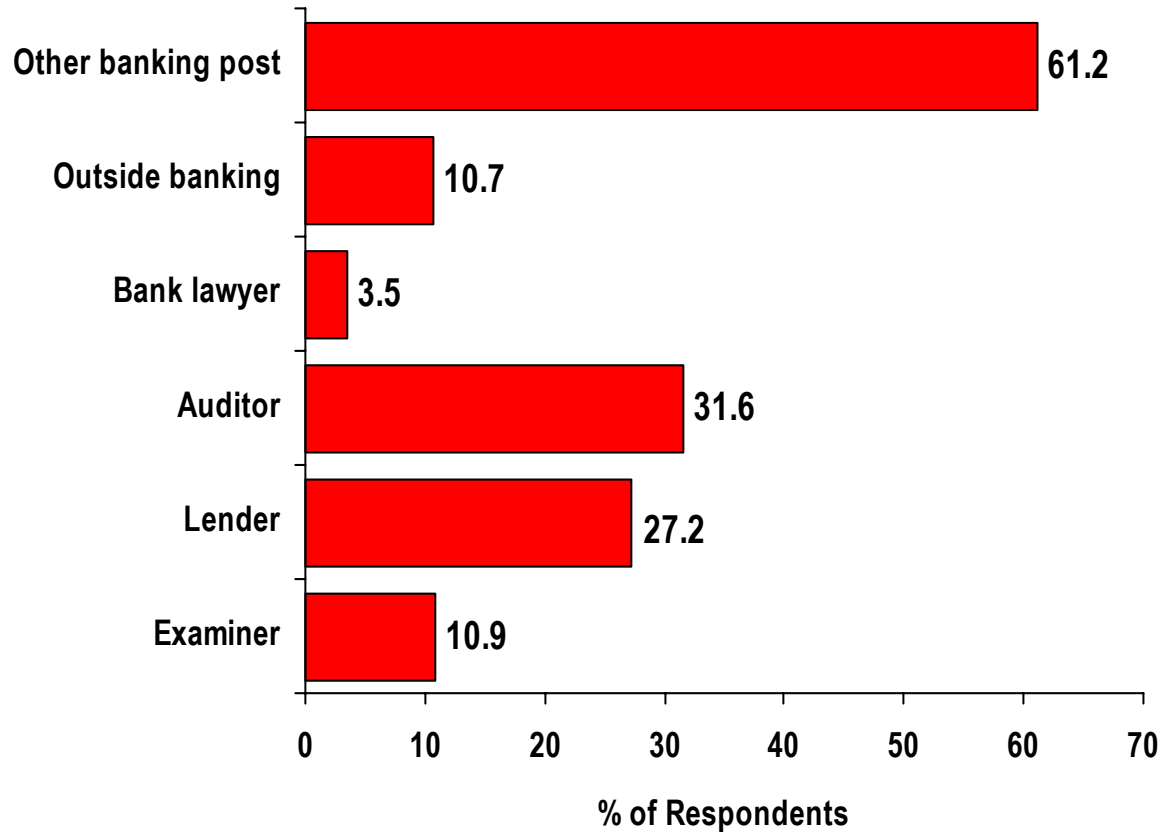
**Please describe the ownership of your institution:
(directly or through a holding company)**



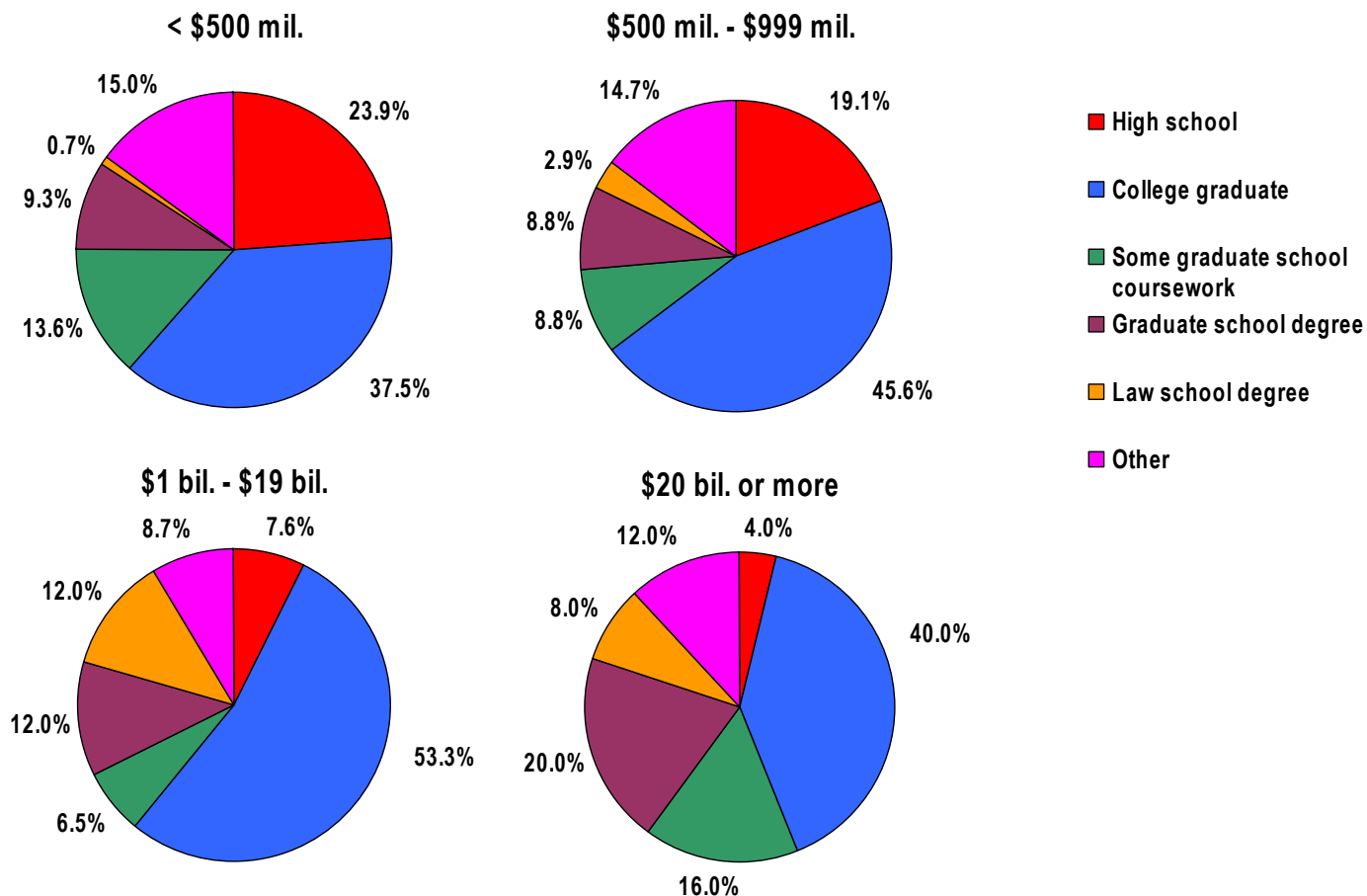
In the last 24 months, has your organization acquired, or been acquired by, any of the following: (check all that apply)



**What is your career background?
(check all that apply)**

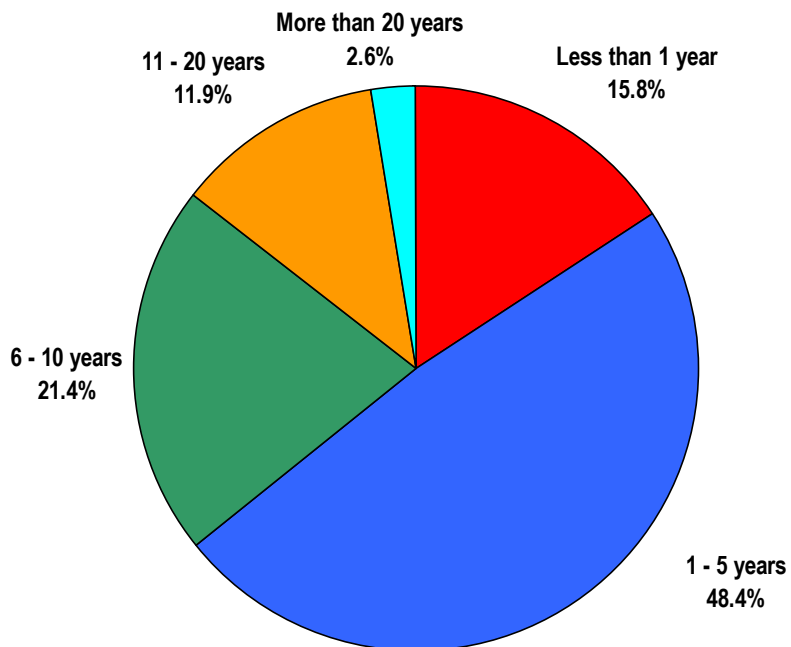


What is your highest level of educational achievement? (by asset size)

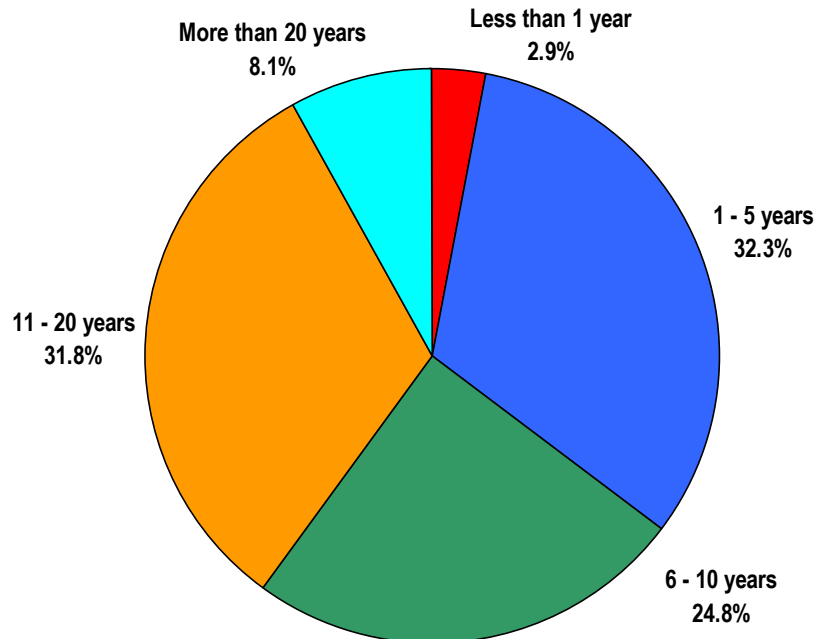


How long have you been...

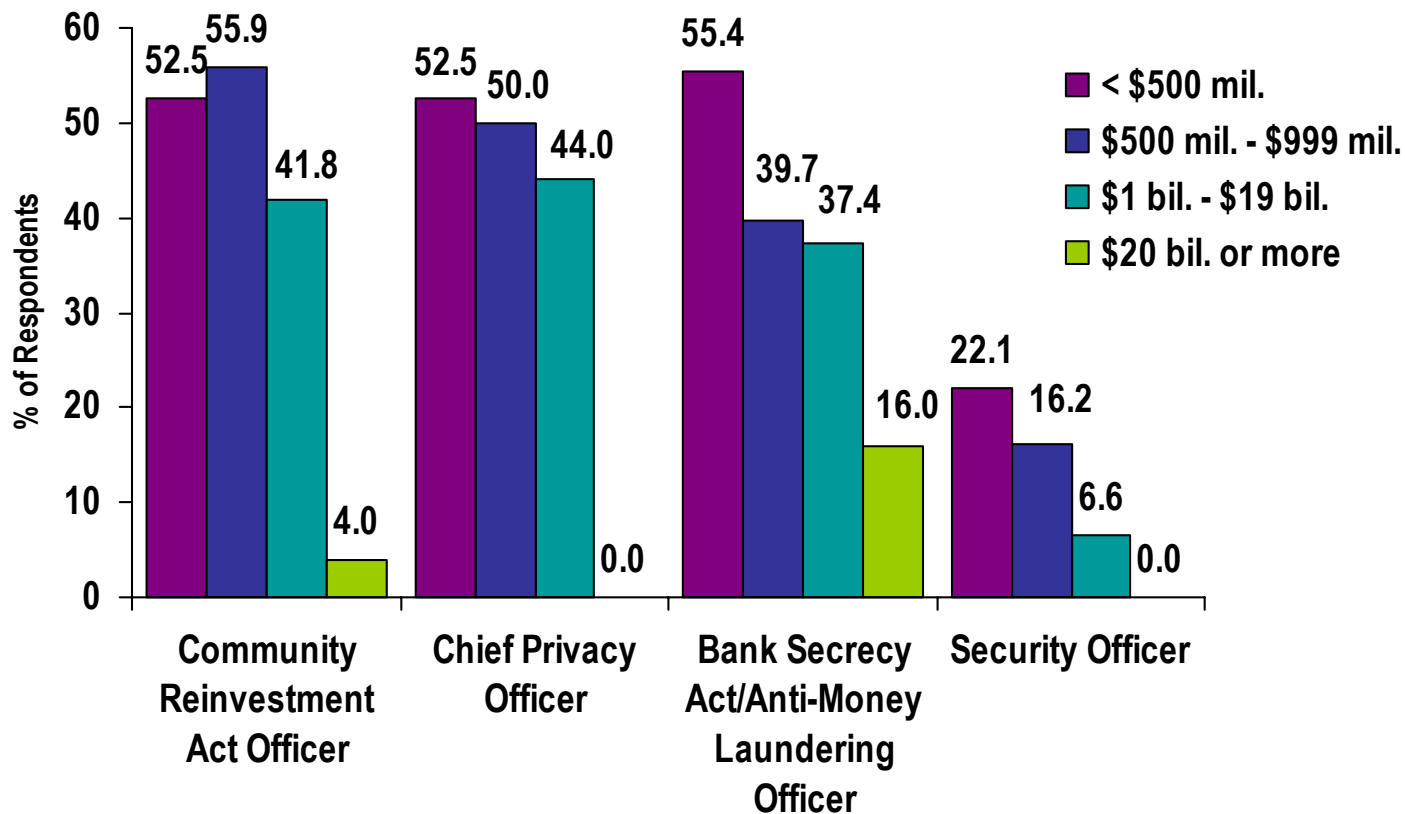
In your compliance post



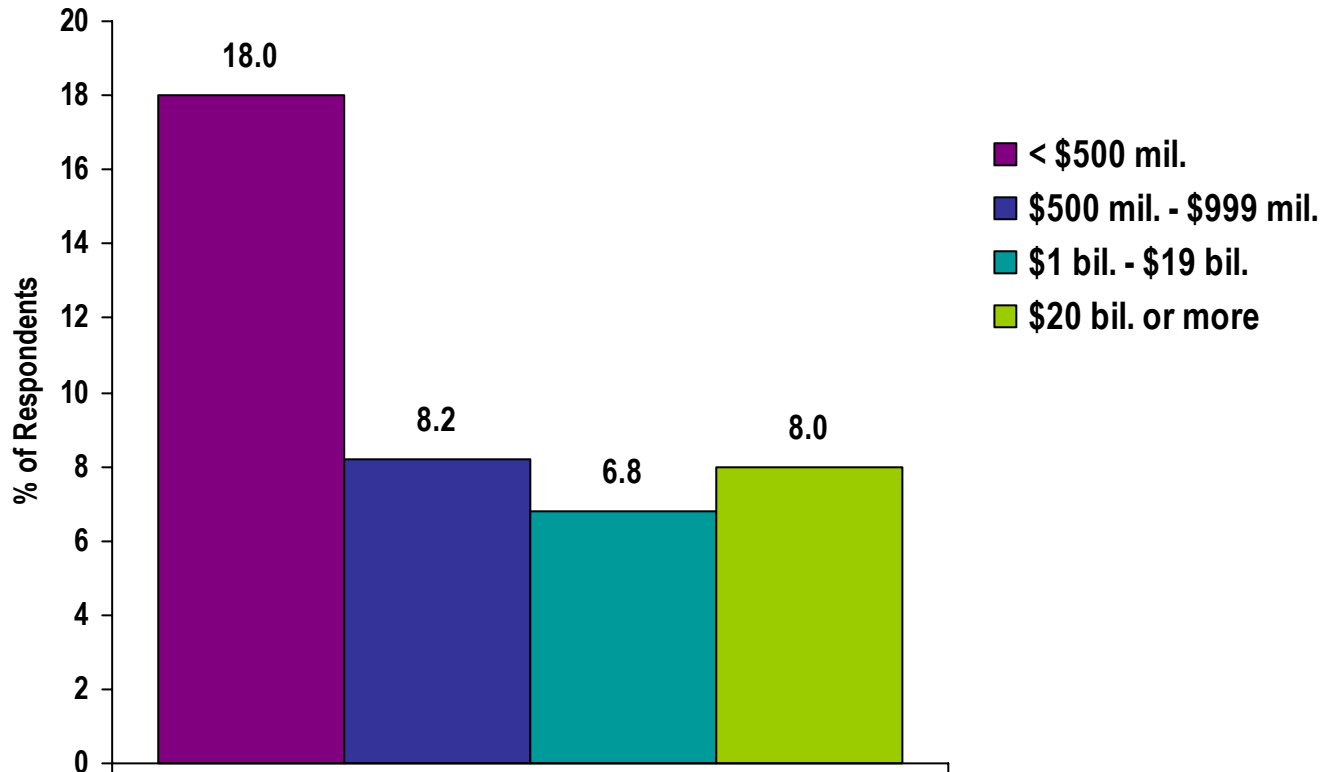
In the compliance field with a bank



**Do you also serve as your organization's:
 (check all that apply, by asset size)**



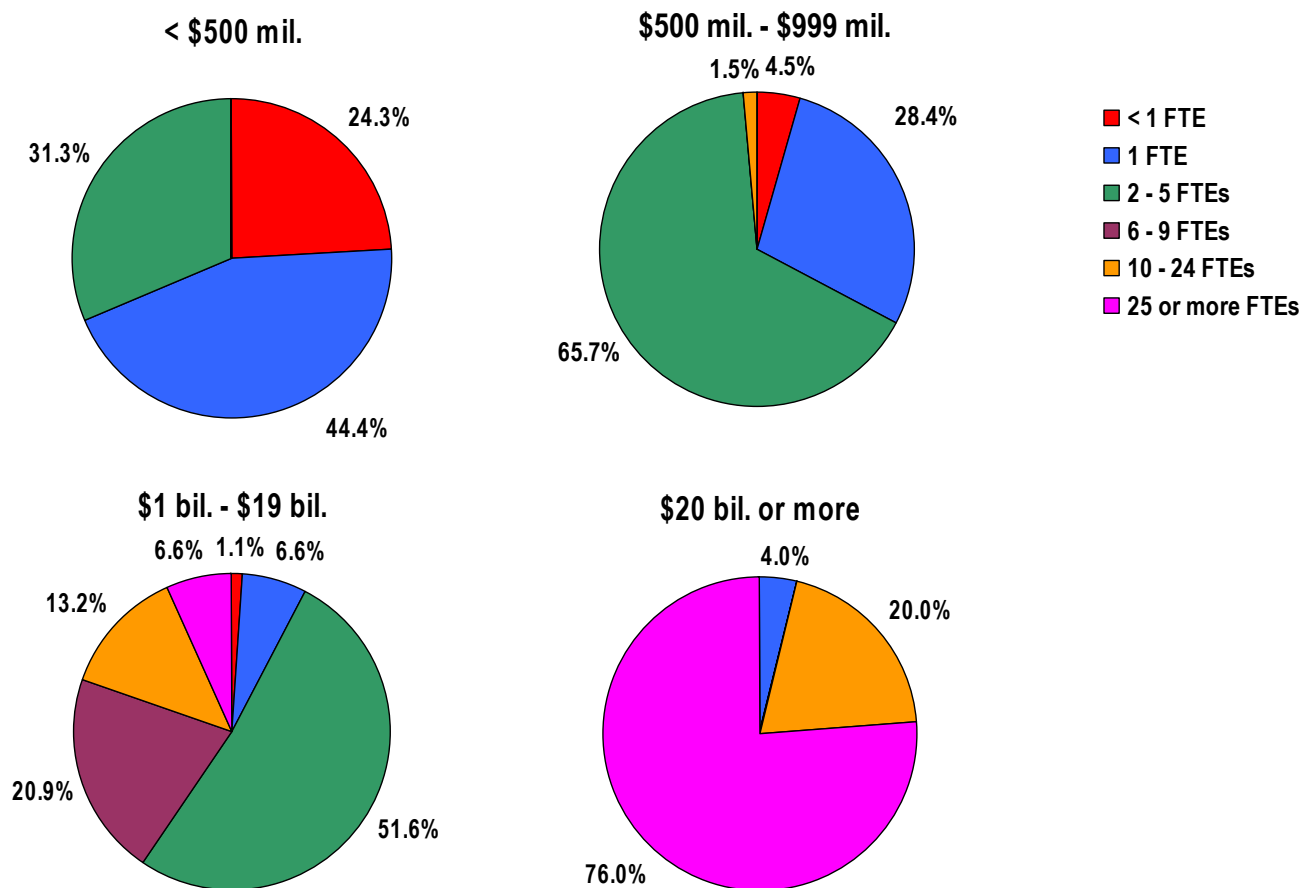
Bank's SOX function reports through Compliance (by asset size)



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How many FTEs in your institution spend the majority of their time on compliance-management-function tasks?* (by asset size)



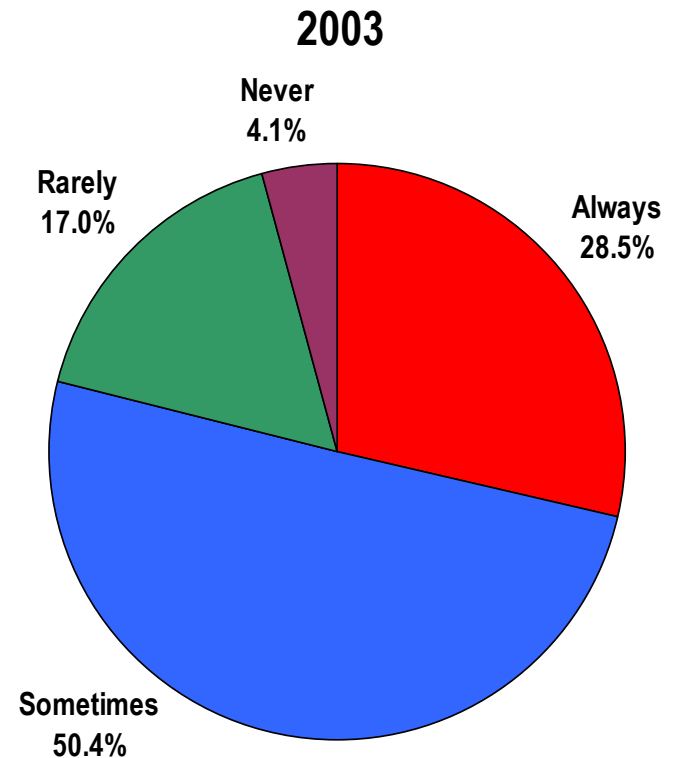
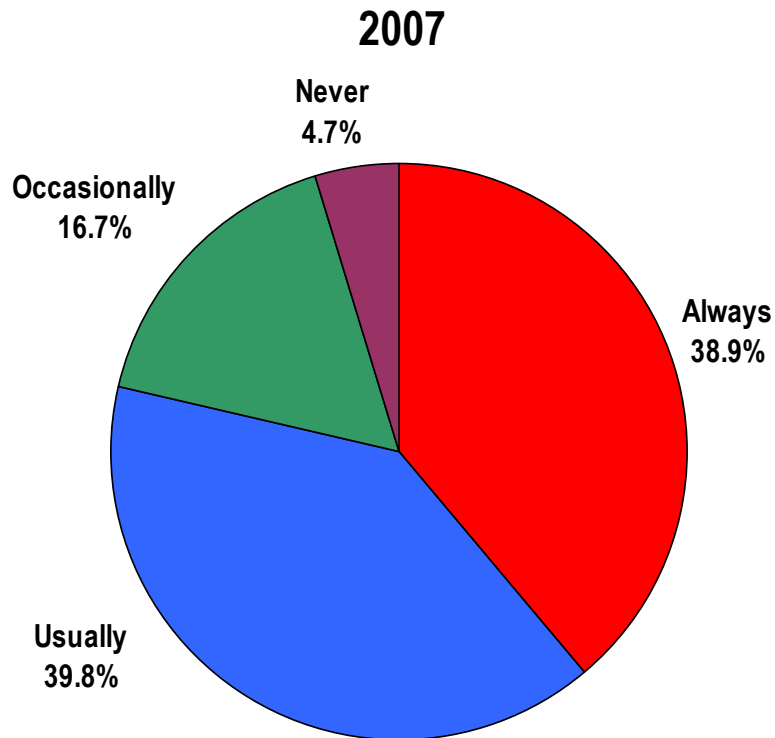
*In other words, they are considered compliance or BSA related staff, not employees carrying out compliance duties in the course of their primary business jobs.

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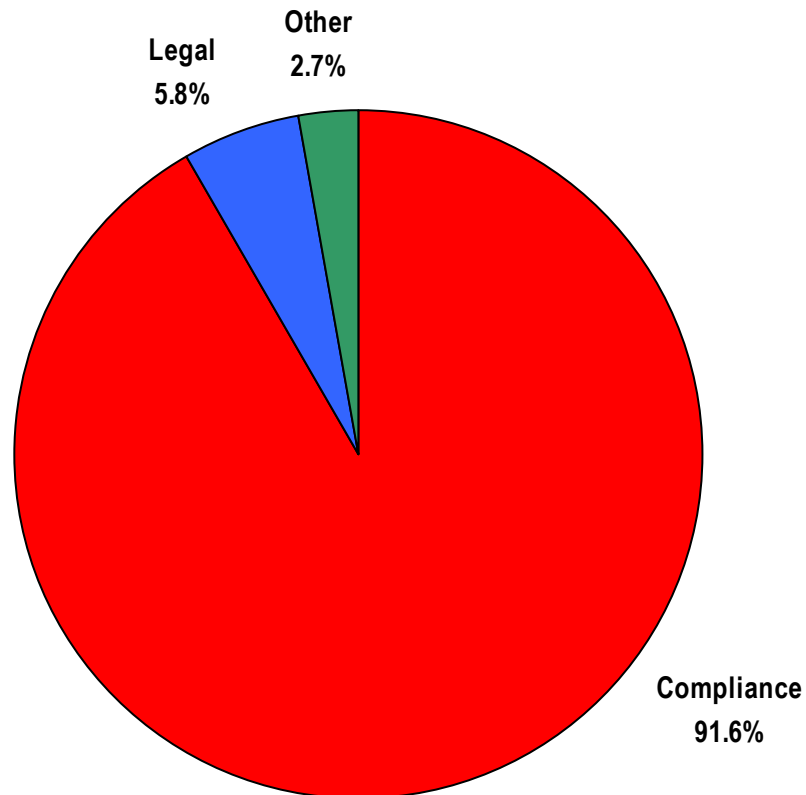
**What number of compliance FTEs are responsible for the following:
 (percentage of respondents, by asset size)**

	BSA/AML/OFAC					CRA/HMDA/Fair Lending				
	< 1 FTE	1 FTE	1 < FTEs < 3	3 ≤ FTEs < 5	5 or more FTEs	< 1 FTE	1 FTE	1 < FTEs < 3	3 ≤ FTEs < 5	5 or more FTEs
< \$500 mil.	18.6%	67.2%	12.6%	1.2%	0.4%	20.3%	71.1%	5.3%	2.4%	0.8%
\$500 mil. - \$999 mil.	4.8	66.7	23.8	4.8	0.0	9.7	67.7	19.4	3.2	0.0
\$1 bil. - \$19 bil.	3.4	26.4	21.8	23.0	25.3	5.7	34.5	33.3	18.4	8.0
\$20 bil. or more	0.0	10.5	5.3	0.0	84.2	0.0	5.0	5.0	25.0	65.0

Does your bank subject new products and services to a compliance risk evaluation?



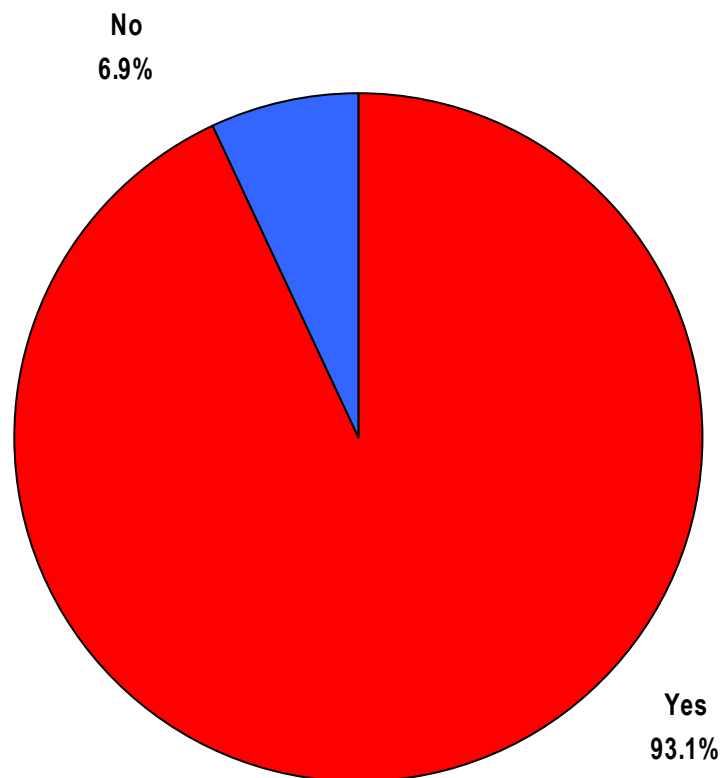
Who is primarily responsible for interpreting consumer protection regulations?



Top three regulatory obligations that present the heaviest ongoing compliance training and education challenges:

	Regulatory obligations	Leading contributing factors
Rank #1	BSA/AML Regs.	<ul style="list-style-type: none">• Exam focus• Liability
Rank #2	Mortgage Regs.	<ul style="list-style-type: none">• Complex subject• Exam focus
Rank #3	Consumer Regs.	<ul style="list-style-type: none">• Complex subject• Exam focus

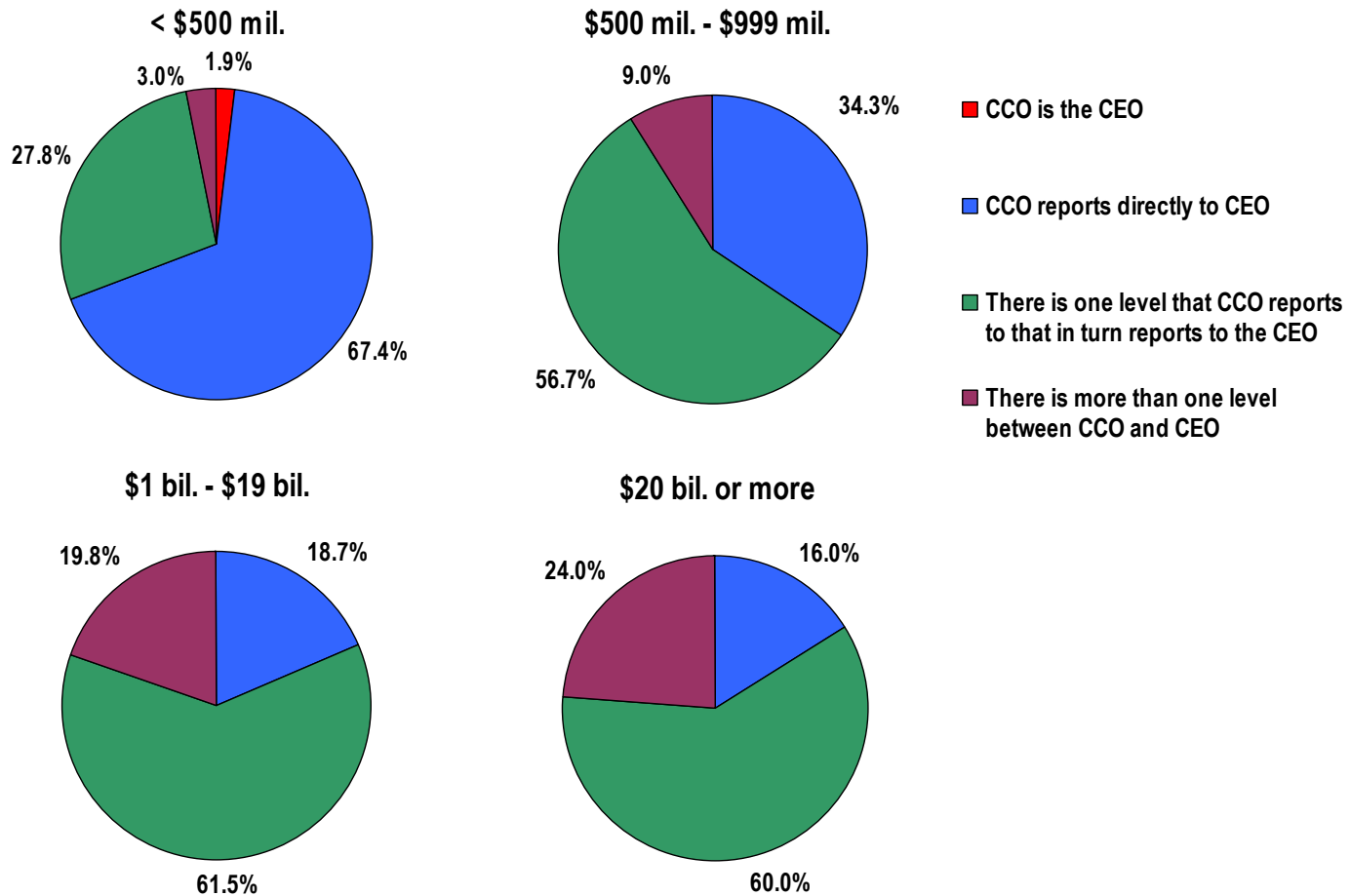
Does your board consistently provide the support the compliance function requires?



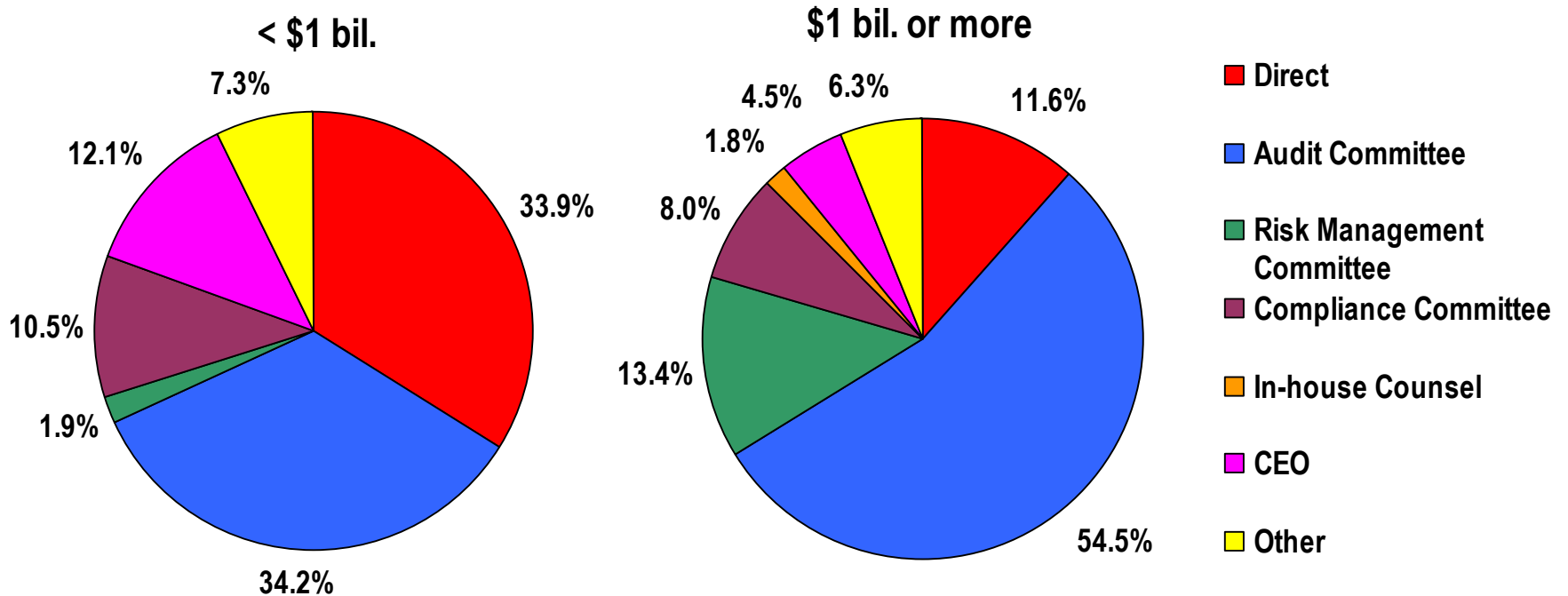
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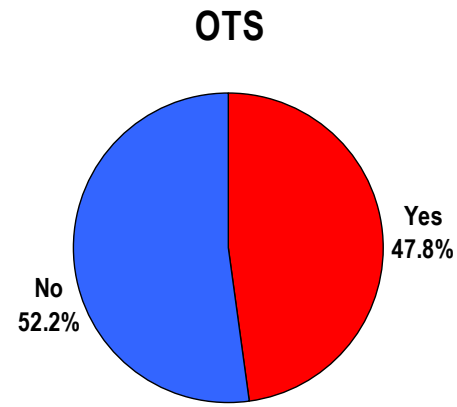
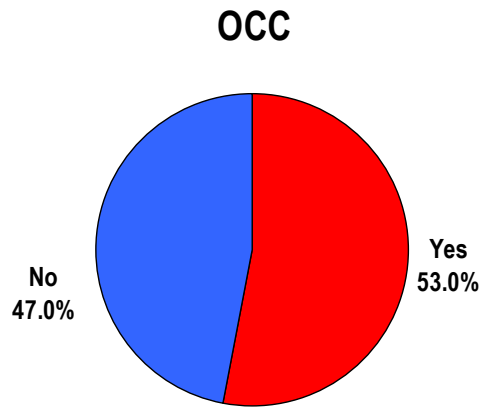
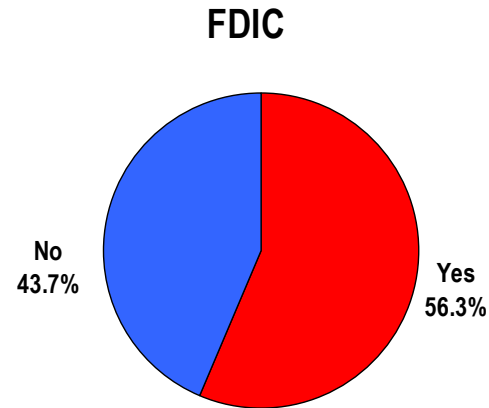
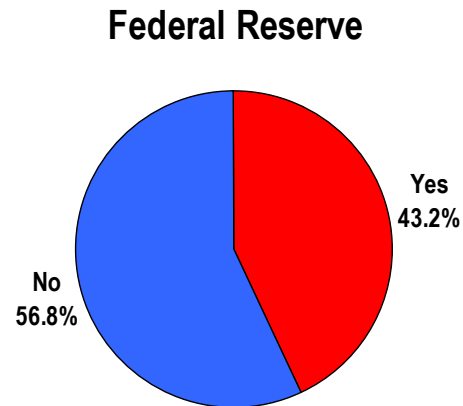
How many reporting levels exist between your chief compliance officer and the CEO? (by asset size)



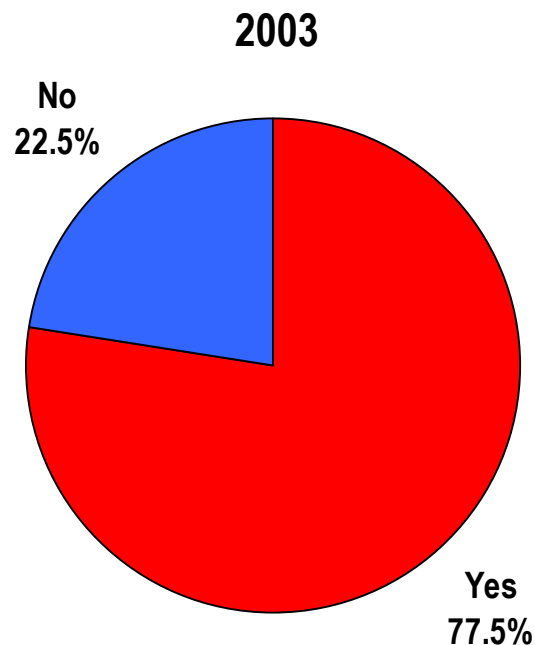
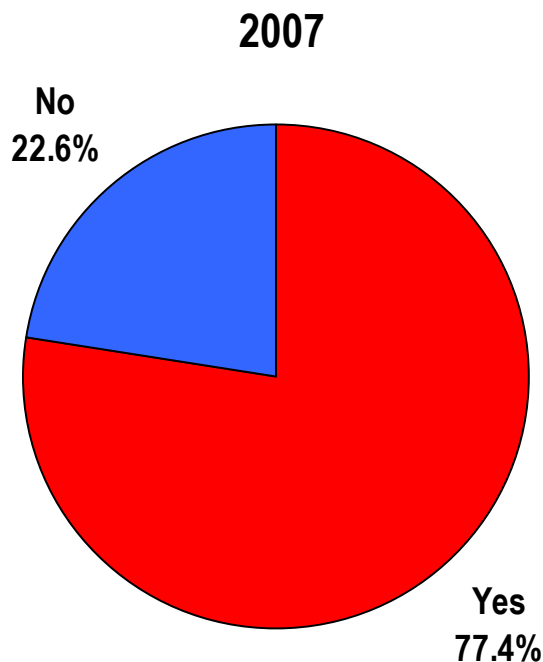
Through what avenue does your compliance function report to the board? (by asset size)



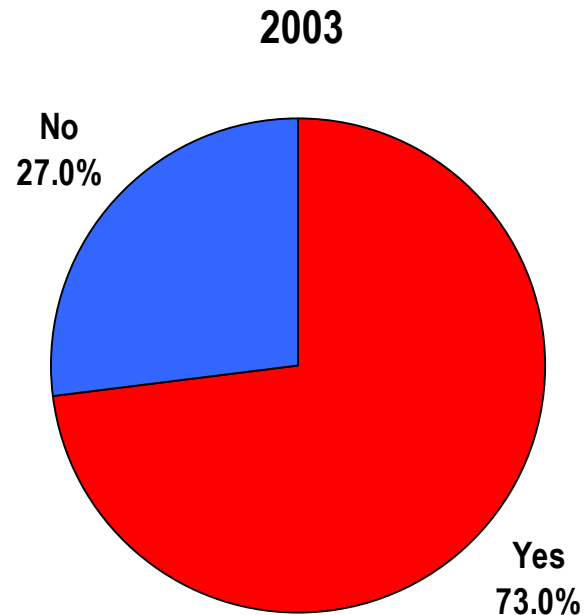
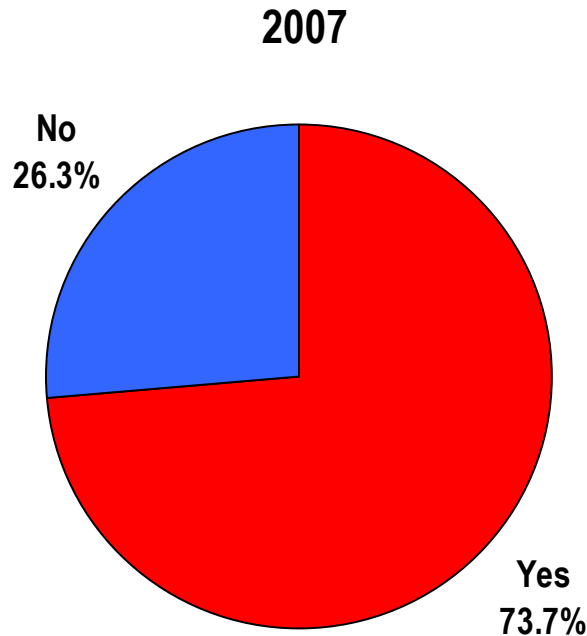
Have examiners been encouraging more involvement from your board in compliance issues? (by primary federal regulator)



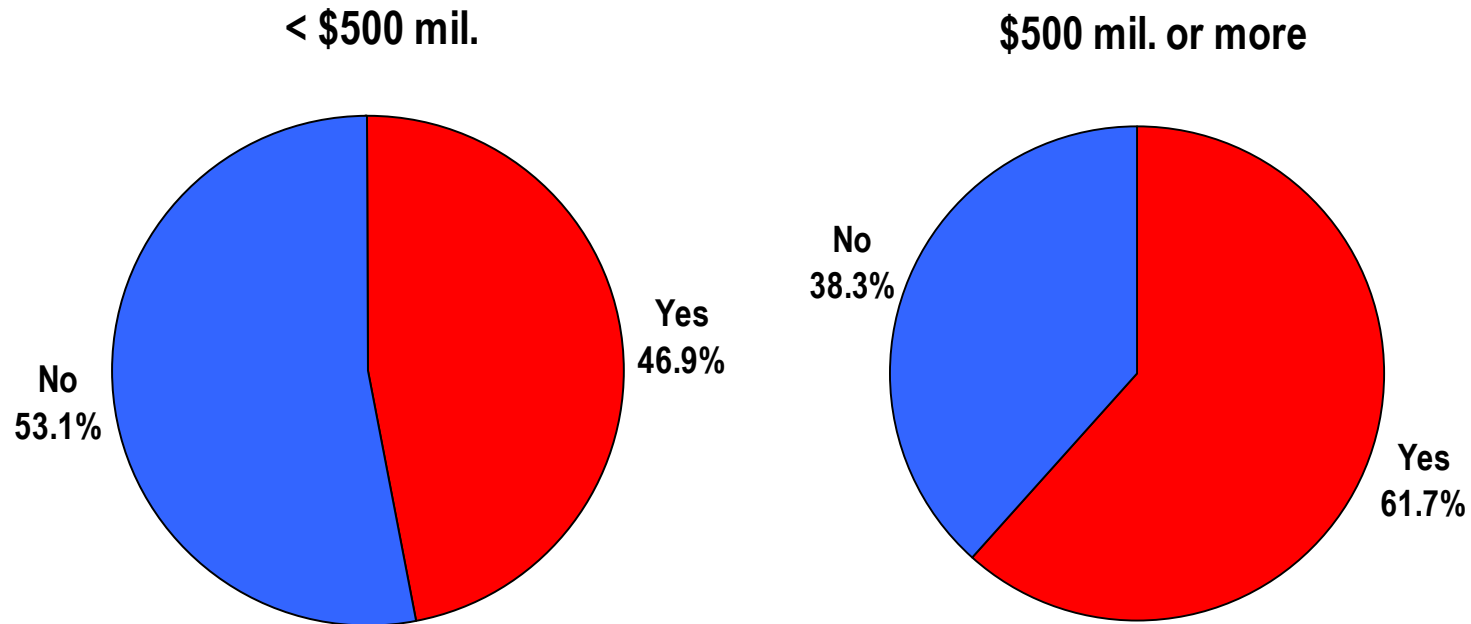
Overall, does your bank hold non-management employees outside of the compliance function responsible for their performance of compliance duties in connection with their own jobs?



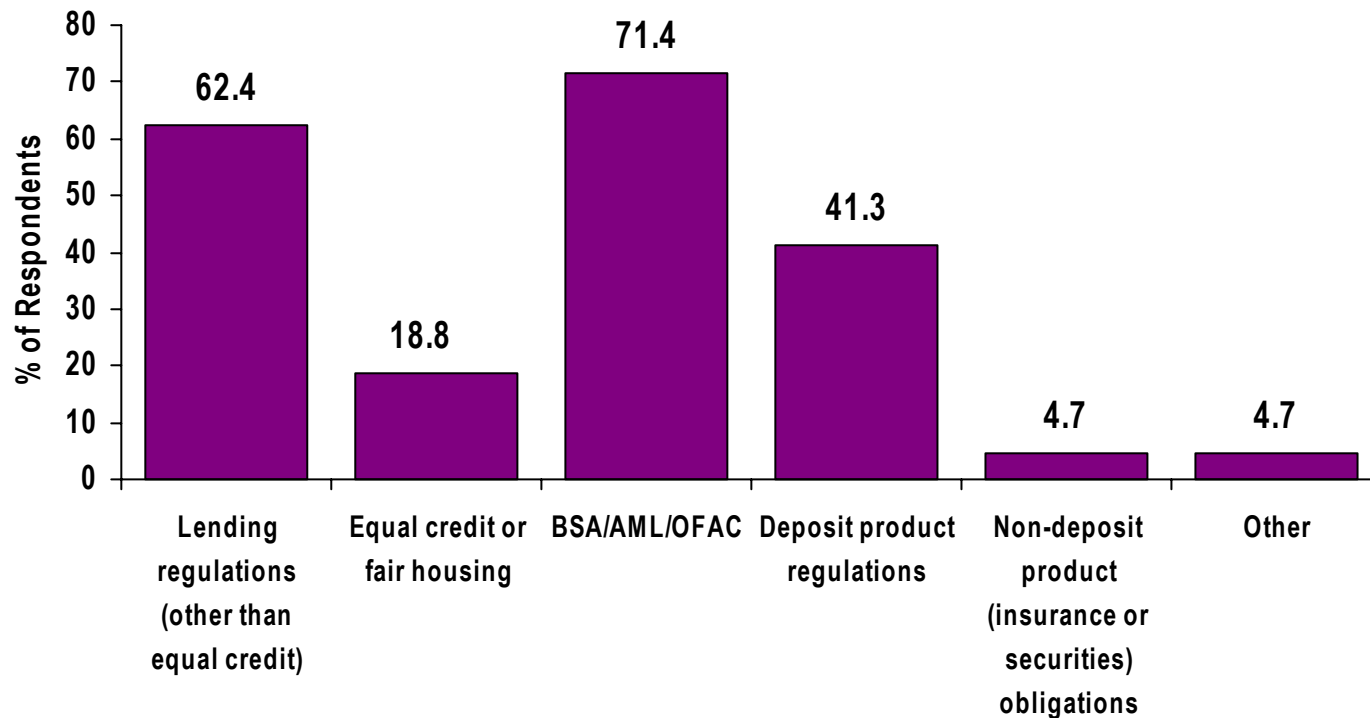
Overall, does your bank hold line-unit managers responsible for their performance of compliance duties — and compliance record — in connection with their units' activities?



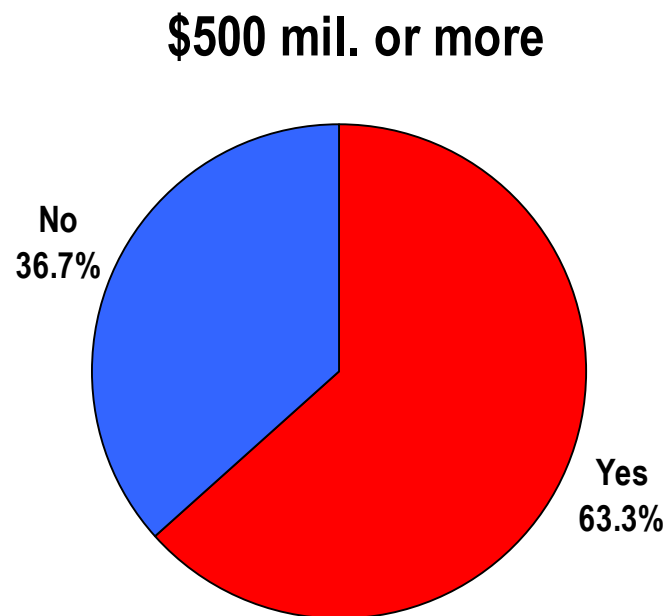
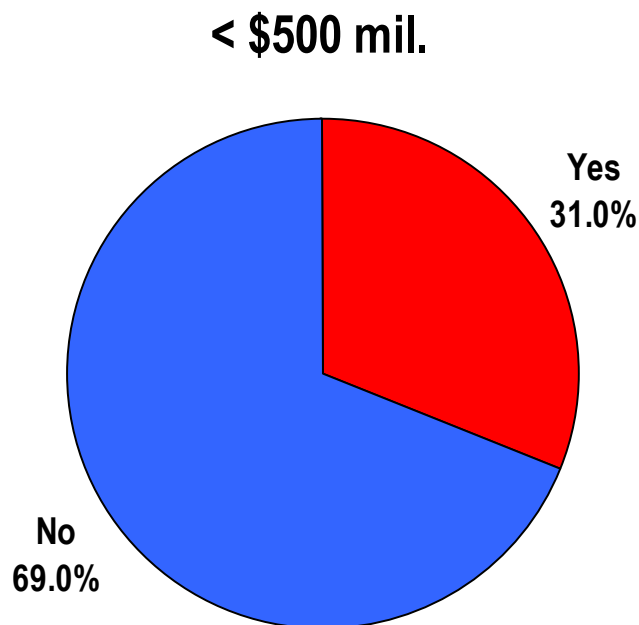
MONEY RISK: Can you specifically point to savings that your bank's compliance function obtained by helping the bank avoid an action or product that would have become a costly problem? (by asset size)



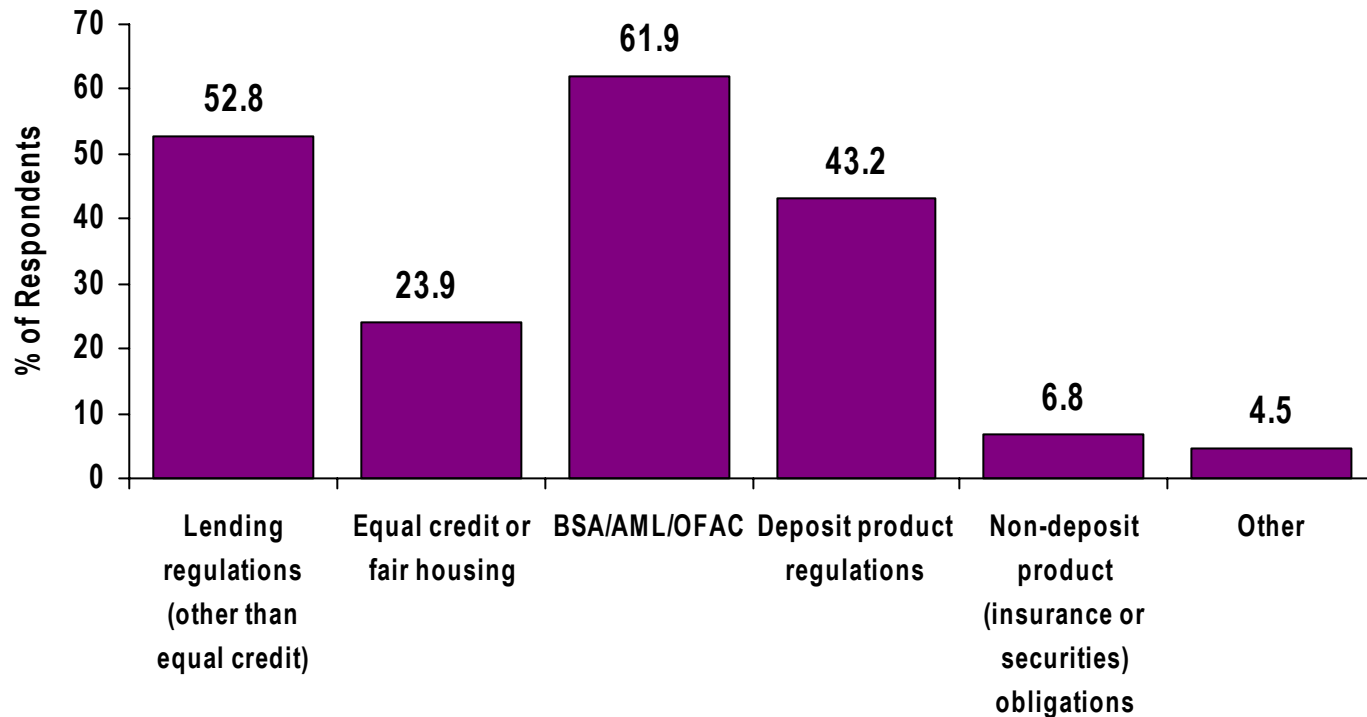
**MONEY RISK: If yes, in which areas of compliance were costs avoided?
(check all that apply)**



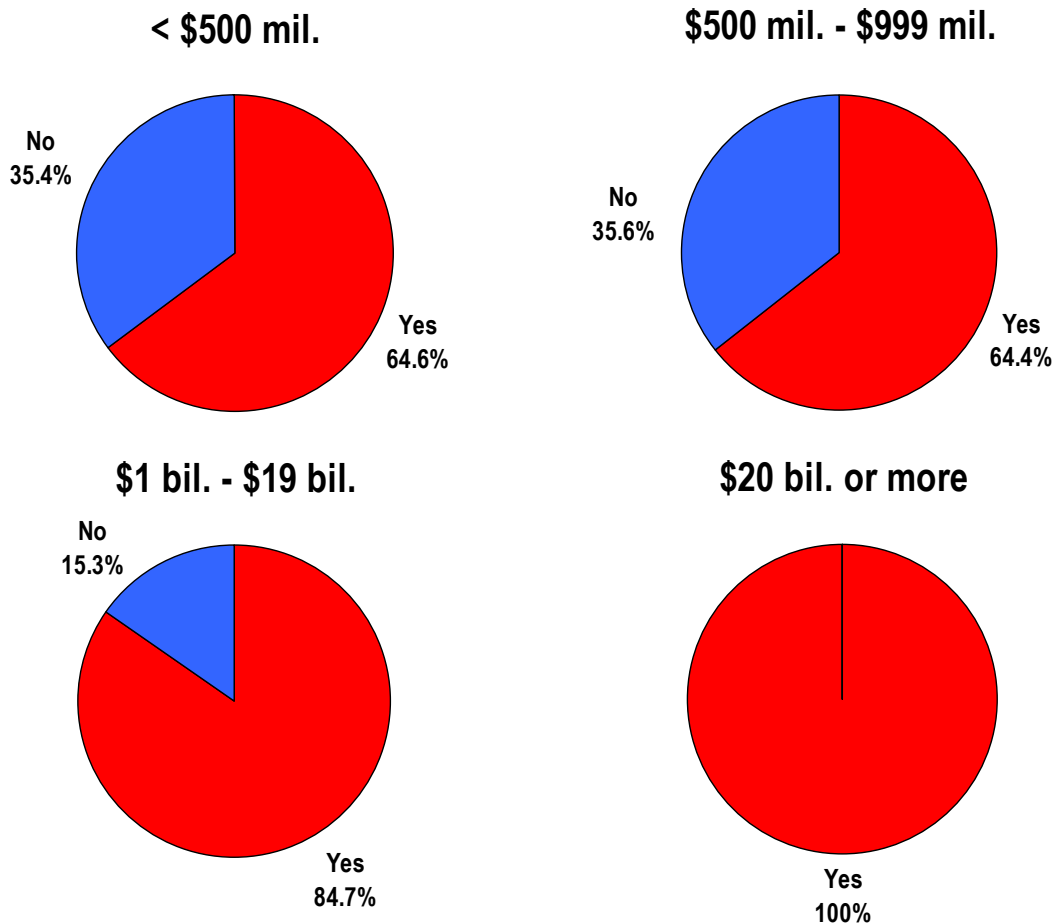
REPUTATIONAL RISK: Can you specifically point to instances in which your bank's compliance function enabled the bank to avoid an action or product that would have given the bank a bad public image? (by asset size)



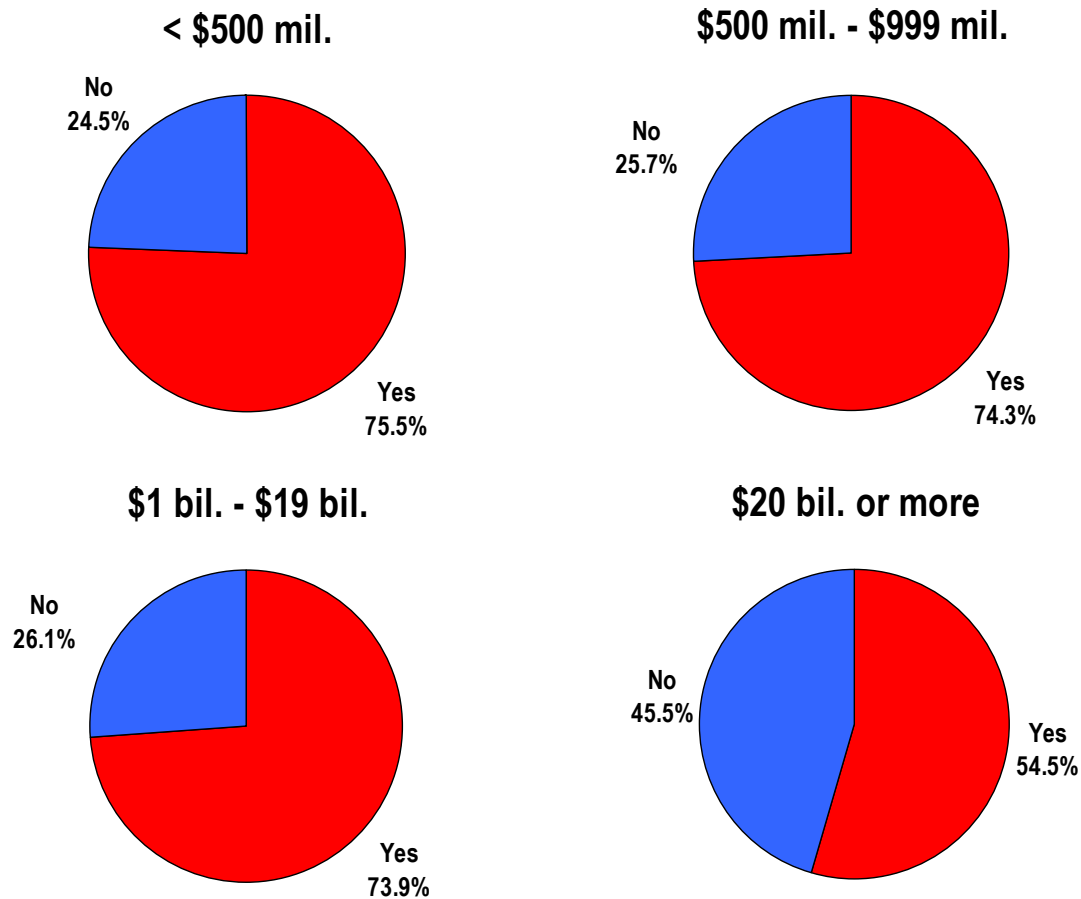
REPUTATIONAL RISK: If yes, in which areas of compliance would reputation have suffered? (check all that apply)



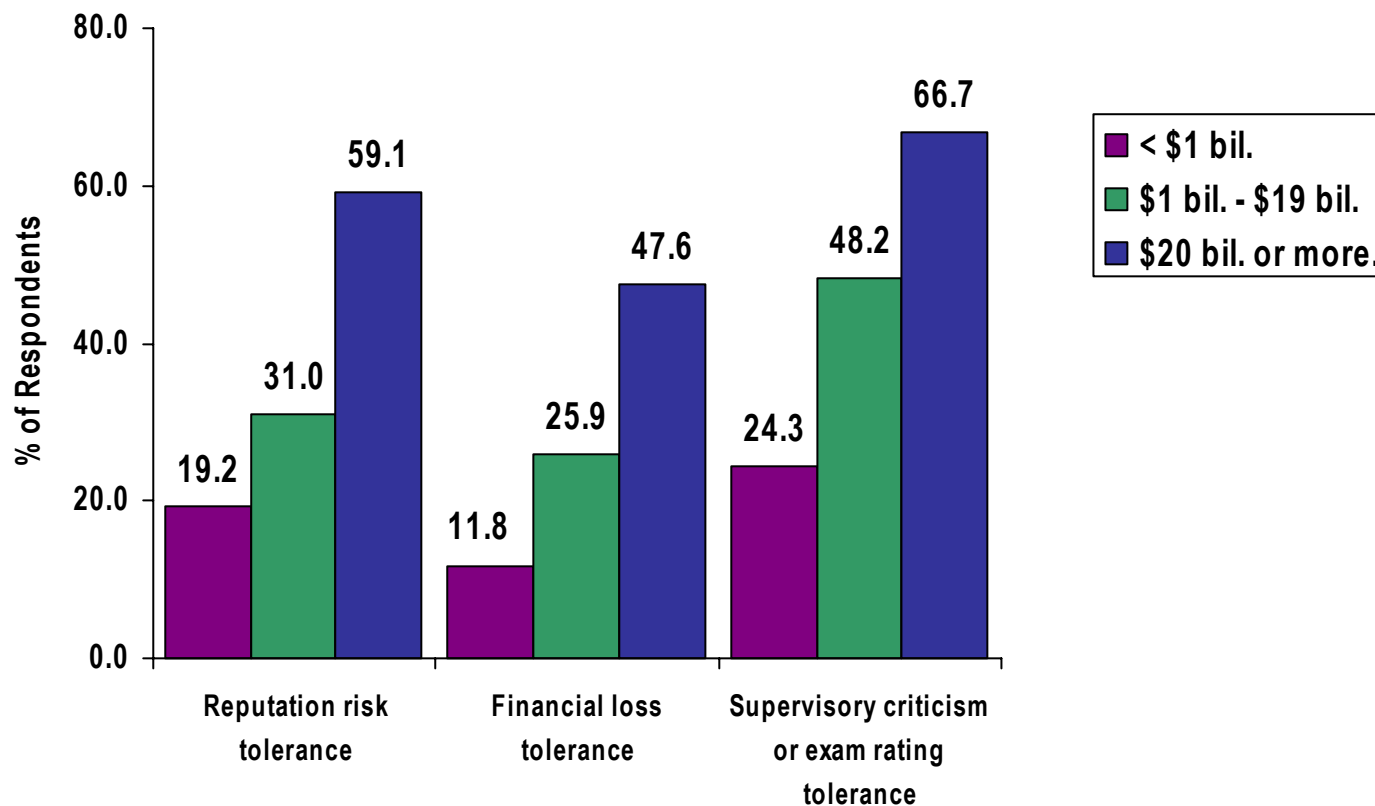
Does your bank have a formalized risk-management framework? (by asset size)



Is compliance risk managed as part of operational risk at your bank?
(by asset size)

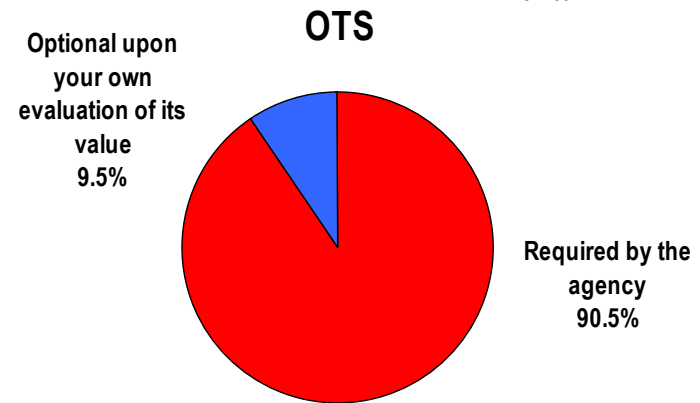
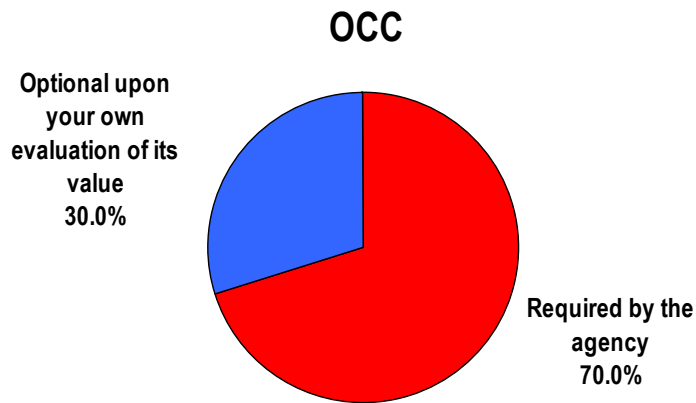
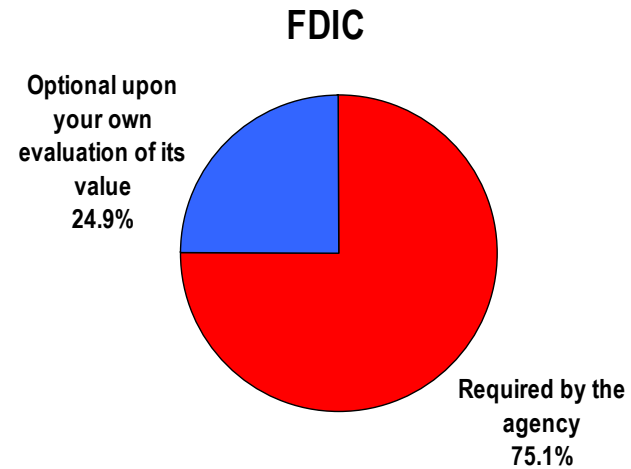
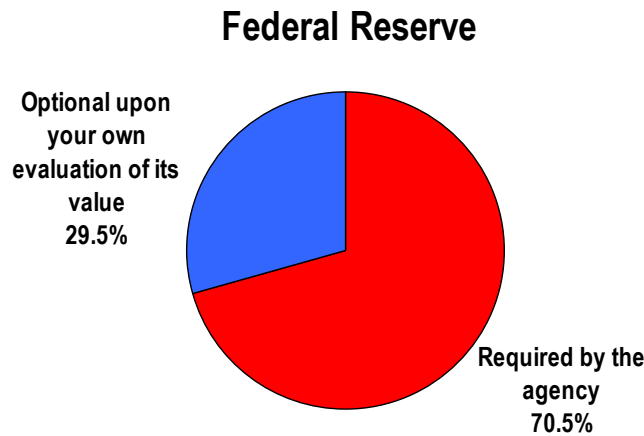


**Bank's board or senior management having established a written objective relating compliance performance expectations to the following:
(by asset size)**



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**When you receive a recommendation in writing as part of your compliance exam report, do you consider implementing that recommendation to be:
(by primary federal regulator)**



Have you ever contacted your supervisory agency's ombudsman with respect to a compliance issue? (by primary federal regulator)

