

# **ABA Compliance School - Advanced**

**October 18-22, 2021**

**COURSE CATALOG**

The mission of the Advanced Compliance School is to prepare compliance officers to lead and manage the compliance function within their organization. The school is built around a forward thinking case study designed to foster collaboration, promote creative problem solving and enhance critical thinking. School courses complement each case study exercise, providing foundational knowledge and applicable aspects of the FFIEC Exam Guidance to ensure students are equipped to work through the assigned tasks.

## **Case Study**

Length: 10 hrs total

### **Course Summary:**

The case study provides the opportunity for students to focus on the tasks that lie at the crux of a compliance officer's world. Students will engage in creative problem solving and critical thinking throughout the week. They will work together in teams to enhance the compliance infrastructure for their "organization", which is subject to FFIEC Exam guidance. They will be required to provide support for the structure they create and present recommendations to the "Board of Directors". The enhanced compliance infrastructure must be consistent with their institution's risk profile and ensure appropriate Board and Management oversight. The infrastructure enhancements must address the bank's current compliance program deficiencies and establish a governance structure that meets the regulator's expectations.

Each team will be assigned a faculty facilitator to ensure thorough understanding of tasks at hand, work through the case study exercises and promote group discussion. A debrief period will follow each case study exercise so that teams may engage interactively, learn best practices and thoughtfully challenge each other's methods. The case study exercise will conclude on the last day of the school with team presentations.

## **Understanding Differences**

Length: 2.5 hrs

### **Course Description:**

This course will introduce relevant ideas, concepts and tools for understanding communication style differences. Participants will learn how differences in behavior help or hinder performance using specific strategies that will allow them to "adapt" their behavior to gain greater endorsement from others. This session supports the following roles of compliance professions at this school:

- Team members in this week's case study analysis
- Managers/overseers of compliance functions
- Compliance Committee team leaders/members
- Organizational change agents

### **Course Objectives:**

As a result of this session, participants will be able to identify:

- How current behavior is helping, or hindering, performance when working with others, and what benefits will accrue from managing working relationships more effectively.
- Key strengths and weaknesses of each Social Style behavioral theme.
- Clear strategies for identifying the different Social Styles of others.
- A clear action plan for making a specific, current relationship more productive.

## **Managing Compliance Risk – Governance**

Length: 1.75 hrs

### **Course Description:**

Good risk management starts with governance. This course will introduce the principles of compliance risk management with a focus on governance. It will address the key concepts of risk management, including the three lines of defense. It will also cover risk appetite and accountability.

### **Course Objectives:**

- Introduce the philosophy and concepts of compliance risk management.
- Discuss the three lines of defense and the risk management roles appropriate to each.
- Setting risk appetite for compliance risk and appropriate benchmarks to ensure the bank does not exceed this level of risk.
- Discuss the importance of establishing accountability for compliance risk management and provide tools for formalizing.

## **Managing Compliance Risk – Risk Assessment**

Length: 2 hrs

### **Course Description:**

This course will introduce the principles of compliance risk management. It will address the key concepts of risk management with a focus on identifying and measuring the level of regulatory and compliance risks.

### **Course Objectives:**

- Introduce the philosophy and concepts of compliance risk management.
- Review the processes and provide tools for identifying compliance risk.
- Discuss the key elements for quantifying the level of compliance risks.
- Discuss preventive and detective controls and how they are each optimally used.
- Demonstrate how the compliance risk assessment process is used to focus your compliance efforts.
- Discuss how you sell your risk assessment process to your management and your regulator.

## **Influencing Management**

Length: 1.25 hrs

### **Course Description:**

This course will introduce the principles of shaping a bank's compliance culture and influencing management. It will address the key concepts of influencing risk management and the processes for improving a culture that supports regulatory compliance.

### **Course Objectives:**

- Introduce the philosophy and concepts of compliance culture.
- Discuss the aspects of culture that have an impact on performance
- Discuss the key elements for how to influence the Board and bank employees
- Introduce specific culture management standards
- Share tangible activities and experiences for cultural enhancement

## **Managing Compliance Risk – Monitoring**

Length: 1.5 hrs

### **Course Description:**

After assessing risk, you will want to monitor your controls to ensure they are working as expected. This course will introduce the basic principles of compliance risk management with a focus on monitoring. It will address the key concepts and the processes for watching over and checking business performance to comply and manage regulatory and compliance risks.

### **Course Objectives:**

- Introduce the philosophy and concepts of compliance risk management.
- Review the processes and provide tools for validating that compliance controls are working as expected.
- Discuss the frequency for testing controls.
- Review scoping and sampling techniques.
- Discuss documentation and rating control strength.
- Cover expectations for corrective action.

## **Complaint Management**

Length: 1.5 hrs

### **Course Description:**

Managing complaints is more than just responding to a customer or regulator. Managing complaints should be seen as your institutions' early warning system to understand your customer's "pain-points." Managing compliance considerations throughout the complaint lifecycle and building a program with robust reporting provides management with invaluable insight into risk exposures to facilitate compliance with technical and principal-based regulations.

### **Course Objectives:**

- Describe and define – "What is a complaint?"
- Determine how a complaint function can work for your organization.
- Create a complaint tracking process.
- Perform compliance analysis of individual complaints and complaint trends.
- Design and develop a complaint program and reporting, including metrics and KRIs.
- Define and discuss the role of complaints in the examination process.

## **Managing Training**

Length: 1.25 hrs

### **Course Summary:**

Effective compliance risk management requires that thoughtfully designed training programs be in place. These programs must consider the organization and its operations and focus on building and retaining required employee knowledge and skills to achieve effective compliance oversight and execution. This course includes discussion of approaches and elements to consider in managing and coordinating the training process to help ensure effective learning of what is required to comply in each business or program activity conducted by various employees and other persons affiliated with the organization. The course will discuss the roles the compliance manager must play or ensure are covered in the organization and provide exposure to training methods to ensure effective adult learning.

### **Course Objectives:**

- Define the essential elements of an effective compliance training program.
- Discuss the various roles that must be covered to provide for an effective, comprehensive training program.
- Provide insight into the role communications play in the learning and knowledge retention process.
- Discuss pros and cons of various training methods.
- Provide tips for presenting information in a manner that drives effective adult learning.

## **Managing Compliance Risk – Reporting**

Length: 1.25 hrs

### **Course Description:**

After risks have been assessed and controls monitored, it is time to report the results to management. This course will introduce the principles of compliance risk management with a focus on reporting. It will address the key concepts of risk management and the processes for effectively communicating about regulatory and compliance risks to senior leaders, the Board and others interested in compliance risk management and compliance program performance.

### **Course Objectives:**

- Introduce the philosophy and concepts of compliance risk management.
- Review the options for and provide thoughts for optimizing reporting on regulatory risk to senior and executive management.
- Discuss Key Performance Indicators (KPIs) and Key Risk Indicators (KRIs).
- Discuss reporting to the Board.

## **Data Analytics**

Length: 1.5 hrs

### **Course Description:**

Data insights enable improved decision-making. The focus of the session will be enabling stronger risk management through data analytics and data driven insights.

### **Course Components:**

- Increasing efficiency and effectiveness of compliance by collecting, analyzing, and optimizing data
- Defining effective program and process level metrics for data-driven decisions and performance measures
- Developing & designing dashboards and reports to inform executives, monitor trends, and identify anomalies
- Employing data to define risk appetite/thresholds and proactively identify risk themes
- Improving transparency with metrics that help improve governance and escalations
- Building and enhancing business intelligence toolset and strategy for new to mature programs

## **Change Management**

Length: 1 hr

### **Course Description:**

This course will cover the elements of effectively managing and implementing regulatory and business changes. It will address the key concepts of managing change driven by external forces, including project management techniques and the impact of corporate dynamics.

### **Course Objectives:**

- Discuss the importance of commenting on proposed regulations and the role of compliance in developing comment letters.
- Discuss the role of compliance in monitoring regulatory developments and communicating such changes within the organization.
- Discuss the role of compliance in monitoring regulatory issues, communicating these issues and monitoring business efforts to remediate the issue
- Using an example of implementing a current major regulatory change, review the options for approaching the project given the size and complexity of the bank's structure.
- Learn how to effectively manage a project when compliance takes the leadership role and when it takes only a support role.
- Review some "best practices" for implementing change.

## **Issue Management & Root Cause Analysis**

Length: 2 hrs

### **Course Description:**

This course covers the importance of root cause analysis within the risk management program. In today's risk environment, senior management not only needs to know what errors and regulatory issues exist within a business process – they need to know what is the basic "root cause" - what is causing these errors or regulatory issues. Included is an explanation of how deep our analysis should go to uncover these root causes.

### **Course Objectives:**

- Describe and define – What is Root Cause Analysis?
- Highlighting Root Cause analysis tools and techniques.
- Improve your ability to identify and sustain the right compliance & operational risk solutions.
- Discuss opportunities for integration into daily risk management practices.



## **Exam & Audit Management**

Length: 1.5 hrs

### **Course Description:**

This course will outline strategies that enable you to focus your resources to effectively manage the compliance examination process. It will identify common pitfalls to avoid, and provide tools to better prepare your staff and colleagues for the examination.

### **Course Objectives:**

- Prepare for a regulatory examination in a manner that enables the institution to achieve its objective.
- Plan effective orientation and exit meetings that include key stakeholders and focused agendas.
- Help your staff/colleagues understand their roles in the regulatory examination process.
- Employ techniques and use tools/tips that effectively manage the examination from pre-examination prep to examination closeout and follow-up.
- Effectively implement measures to correct violations identified as well as address weaknesses in the compliance management program.

## **Regulator Panel**

Length: 1 hr

### **Course Description:**

During this panel discussion, the focus will be on your examiner's compliance supervisory process and compliance risk-based supervision approach. You will learn what the regulatory agencies expect of your compliance risk assessment processes, compliance management systems and compliance reviews and audits and how that impacts the scope of supervisory activities and examinations. You will also learn how to work with your examiner to accomplish examination objectives and activities.

### **Course Objectives:**

- Describe the supervisory process for assessing compliance risk.
- Discuss on-going supervision and examination strategies.
- Promote self-identification and correction of compliance deficiencies and weaknesses.
- Demonstrate how an institution's risk profile determines supervisory strategies.
- Promote an understanding of emerging issues and compliance risk implications.

## **Culture**

Length: 2 hrs

### **Course Description:**

All institutions have smart people working for them but why are some banks more successful than others? It's not how good the bank's technology, finance and marketing departments are. It's the culture of the bank that drives success. The culture of your institution stems from cohesiveness of its leaders, clarity of where you're going and how you're getting there and communicating this to all members of your team.

Your culture is the foundation of your bank's Compliance Management System!

### **Course Objectives:**

- The importance of culture;
- Dysfunctions of all teams;
- How to become a functional team;
- Establishing and maintaining unity; and
- How to form a strong alliance between compliance and other departments of your bank.