



World-Class Solutions,  
Leadership and Advocacy  
1875-2000

# ABA Banking JOURNAL

1120 Connecticut Ave., N.W.  
Washington, D.C. 20036

## ABA COMPLIANCE EXECUTIVE COMMITTEE

### Chairman, 2002-2003

Thomas W. Bernoski  
Vice-President & Compliance  
Officer  
Provident Bank  
Baltimore, MD

### Vice-Chairman, 2002-2003

Richard H. Harvey, Jr.  
Director, Chief Compliance Officer  
E\*Trade Bank  
Arlington, VA

### ABA Staff

Industry Analyst, Professional Development  
Group: Joe Mach, (202) 663-5487  
Senior Counsel and Compliance Manager:  
John Byrne, (202) 663-5029  
ABA BANKING JOURNAL  
Executive Editor/Survey Mgr.  
Steve Cocheo  
(212) 620-7219; scocheo@sbspub.com

### Chairman, 2001-2002

Kathleen Kordek  
Vice-President & Assistant  
General Counsel, Law Dept.  
First Virginia Banks, Inc.  
Falls Church, VA

# BANK COMPLIANCE OFFICERS SURVEY

Co-sponsored by Bankers Systems, Inc.

Feb. 1, 2003

### 2003 Survey Advisory Committee

Thomas W. Bernoski  
Vice-President & Compliance  
Officer  
Provident Bank  
Baltimore, MD

Michalene A. Johnson  
Vice-President,  
Corporate Compliance  
FleetBoston  
Providence, R.I.

Nancy Justice  
Vice-President, Compliance  
Central Banccompany  
Springfield, MO

Michael D. Kelsey  
Chief Compliance Officer  
PNC Bank, NA  
Wilmington, DE

Kathleen Kordek  
Vice-President &  
Assistant General Counsel,  
Law Department  
First Virginia Banks, Inc.  
Falls Church, VA

Mike Maher  
Sr. Director, Compliance Services  
Bankers Systems, Inc.  
St. Cloud, MN

Michael Matossian  
Senior Vice-President & Director  
Anti-Money Laundering &  
BSA Officer  
Wachovia Corp.  
Charlotte, NC

Barbara A. McGuire, CRCM  
Vice-President, Compliance  
Commerce Bank & Trust  
Topeka, KS

Kathleen Quenneville  
SVP & General Counsel, Legal  
and Compliance  
The Mechanics Bank  
Richmond, CA

Meg Sczyrba, CRCM  
Vice-President  
Union Bank of California  
San Diego, Calif.

Carl E. Spradlin, CRCM  
First Vice-President,  
Public Affairs  
Comerica Inc.  
Detroit, MI

Kathy R. Stetler  
Vice-President,  
Compliance and Operational  
Risk Management  
J.P. Morgan Chase & Co.

Charles E. Underwood, Jr.  
Vice-President and  
Compliance Manager, Corporate  
Compliance  
Wachovia Bank, N.A.  
Winston-Salem, N.C.

Todd M. Vallie  
President & CEO  
Community First Bank  
Prineville, OR

Dear Compliance Colleague:

The bank compliance community has lacked a definitive "census" of who it is, what it does, and the responsibilities and burdens it handles for the industry—until now.

Enclosed is the questionnaire for the first ABA/ABA *Banking Journal*/Bankers Systems Bank Compliance Officers Survey. It represents efforts by both the 2001-2002 and 2002-2003 ABA Compliance Executive Committees. Results will be released officially at the 2003 ABA National Regulatory Compliance Conference in June. A summary analysis of the findings will be published in an ABA *Banking Journal* special report. Full findings will be published in a separate, later report.

We realize that this is a lengthy survey. However, it is the survey's comprehensive nature that will make it so meaningful to compliance professionals. The results should enable you to evaluate your practices and organization in relation to your peers, and to learn ways to become more effective and to gain top management support. It should take an hour or less to complete.

**Please complete the survey and return it as instructed on the next page. The names of bankers who respond will be entered in a drawing for a free registration to the 2003 ABA National Regulatory Compliance Conference, in Washington, D.C. Five second-place winners will receive \$100 gift certificates. And all respondents will be eligible for a free copy of the full survey report—a \$300 value.** Thank you for your time.

Sincerely,

Tom Bernoski  
2002-03 Chairman

Kathleen Kordek  
2001-02 Chairman

for the ABA Compliance Executive Committee

P.S. This survey is intended for your organization's top compliance person. If that is not you, would you please refer this to the right person? Thanks.

**If you fully complete this survey you can receive a FREE e-mailed early insiders' copy of the survey report. See p. 8 of the form.**

**CONFIDENTIALITY PLEDGE: Your responses to this questionnaire will be used for regional and national tabulations and will not be linked with your bank's name nor your name in the final survey report. No personal contact information gathered in the course of this survey will be used for marketing.**

## ***TO OUR “E-FILERS”***

Dear banker:

As you have received this survey electronically, there is no business reply envelope enclosed, as there is for the mailed edition of this survey. Instead, you can return it in one of two ways:

a) **By mail:** Send it to Steve Cocheo, Compliance Survey Editor, ABA Banking Journal, 345 Hudson St., New York, N.Y. 10014

b) **By fax:** Send it to the attention of Steve Cocheo, at fax number 212-633-1165.

Thanks for your help with this survey.

Steve Cocheo  
Executive Editor  
*ABA Banking Journal*  
212-620-7219

# 2003 BANK COMPLIANCE OFFICERS SURVEY

SPONSORED BY THE ABA COMPLIANCE DIVISION EXECUTIVE COMMITTEE,  
ABA BANKING JOURNAL, AND BANKERS SYSTEMS, INC.

Please respond  
by March 3  
BOL site

## ABOUT YOUR BANK

Dear bank compliance professional:

Your answers to the following questions are especially important because they will enable survey analysts to best compare "apples to apples" when evaluating all the rest of the survey data. We appreciate your time, care, and attention to detail.

Steve Cocheo, survey director, 212-620-7219, scocheo@sbbpub.com

1. What state is your bank or holding company headquartered in? (Use postal abbreviation)

2. How many states does your bank do business in?

3. Does your bank do business in foreign countries?

Yes  No

4. Which single choice best describes your organization's type (the level of your company you will be answering for, throughout the survey)?

Community banks

- A single community bank/thrift under \$100 million in assets
- A single community bank/thrift, \$101-\$500 million
- A single community bank/thrift, \$501 million-\$1 billion
- A single community bank/thrift, \$1.1-\$2 billion
- A single community bank/thrift, \$2.1 billion-\$5 billion
- A community bank/thrift that is part of a multibank bank or financial services holding company, any size
- A holding company, less than \$1 billion in assets
- A holding company, \$1 billion-\$5 billion in assets

Midsized

- A bank/thrift, \$5.1-\$10 billion in assets
- A holding company, \$5.1-\$10 billion in assets

Large

- A bank/thrift, over \$10 billion in assets
- A holding company, over \$10 billion

Respondents from banks that are part of broad financial conglomerates:  
Please answer this survey from a traditional banking perspective.

## ABOUT YOUR BANK'S COMPLIANCE CHIEF—YOU!

1. What is your corporate-level title? (Check one only)

- CEO  COO  cashier  chief in-house counsel
- EVP  SVP  VP  AVP  director  supervisor
- Other \_\_\_\_\_

2. Are you a CRCM (Certified Regulatory Compliance Manager)? (Choose one)  Yes  No, but will likely become certified  No

3. What is your career background? (Check all that apply)

- examiner  lender  auditor  bank lawyer  outside banking
- Other banking post \_\_\_\_\_

4. What is your general educational background? (Check one only)

- high school  college graduate  working toward grad. school degree
- graduate of grad. school  graduate of law school
- Other \_\_\_\_\_

5. Which of the following bank regulators examine your organization for compliance (including CRA and CRA-type state laws)? (Choose all that apply)

- Federal Reserve  FDIC  OCC  Office of Thrift Supervision
- SEC  state banking agency  state insurance agency

6. Which of the following best describes your organization's major market focus? (Choose one)  business  consumer  farm  general banking  trust  credit card only  "financial services conglomerate"

7. Which best describes your bank's typical market/community? (Choose one)

- rural  rural/suburban  suburban  urban/suburban  urban  all

8. Is your bank (Choose one) :

- family-owned  locally-held  publicly-traded  employee-owned

9. Total assets:

\$ \_\_\_\_\_,000,000

10. How many full-time equivalent employees does your organization (as described in question 4) have?

11. How many staffed domestic branches do you have?

\_\_\_\_\_, \_\_\_\_\_ OR  None

12. a. In the last 24 months has your organization acquired any of the following: (Check all that apply)

- bank or b.h.c.  finance subsidiary  financial planner
- bank/thrift branch  investment advisor  broker-dealer
- insurance agency  mortgage bank  savings institution
- Other \_\_\_\_\_

If your bank did make an acquisition, please answer the next question. Otherwise, please go to the next section.

b. Did your organization's compliance function take over the acquisition's compliance function or was the acquisition's function retained?

- We took over and other company's compliance staff was dismissed
- We took over but other compliance staff was absorbed
- Other compliance function was retained in place, pretty much as is
- Some of ours, some of theirs

5. What is your compliance educational background? (Check all that apply)

- basic compliance school  graduate compliance school
  - in-house training  examiner training schools  vendor training
  - Other \_\_\_\_\_
- OR  no formal compliance education

6. Is compliance your only job?  Yes (If "yes," go to 7)  No (Go to 6 a)

a. If not, what are your other responsibilities? (Check all that apply.)

- cashier  risk management chief  operations head
- branch system head  branch manager  lender
- head teller/teller supervisor  accountant  CFO
- internal auditor  Other \_\_\_\_\_

7. Do you belong to a state or local compliance peer group? (Choose one)

- Yes  No, though one is available
- No, none are available  No, don't know if any are available

8. Do you have a written job description?  Yes  No (Go to 9)

**8 a. If yes, what duties are included in that written job description? (Check all that apply)**

- compliance policy/procedure development
- compliance training
- compliance monitoring
- compliance auditing
- compliance review
- liaison with examiners
- tracking regulatory/legislative changes
- reviewing line unit's forms, etc.
- Other \_\_\_\_\_

**9. Are you formally evaluated annually on the basis of the bank's compliance performance?**  Yes (If "yes," go to 9 a.)  No (Go to 10)

**a. Has that review ever significantly affected your salary?**  Yes  No

**10. Do you also serve as your organization's:**

- a. Community Reinvestment Act officer?**  Yes  No
- b. "Chief Privacy Officer"?**  Yes  No
- c. Bank Secrecy Act/Anti-Money Laundering officer?**  Yes  No
- d. OFAC officer?**  Yes  No

**11. How long have you been in your compliance post?**

- less than 1 year
  - 1-2
  - 3-4
  - 5-6
  - 7-8
  - 9-10
  - 11-15
  - over 15
- a. How long have you been in the bank compliance field?**
- less than 1 year
  - 1-2
  - 3-4
  - 5-6
  - 7-8
  - 9-10
  - 11-15
  - over 15

**12. What is the scope of your role in exam coordination? (Choose one)**

- compliance exams only
- compliance and CRA exams only
- all regulatory examinations (federal and state exams, HUD, SEC, etc.)

**13. How much do you spend annually on compliance-related subscriptions? (For your own use.)**

- less than \$250
- \$250-\$500
- \$501-\$750
- \$751-\$1,000
- more than \$1,000.

**YOUR BANK'S COMPLIANCE "ATTITUDE"**

**1. Which one of the following statements best describes your organization's overall view about the role of compliance?**

- "Compliance is chiefly a reactive monitoring system, intended to make sure a bank is abiding by the laws, regulations, and other regulatory guidance issued by the government."
- "Compliance is a proactive function evidencing oversight of our organization's operations, products, and services."
- "Compliance is a key component of our organization's risk-management effort."
- None of these. Here is how we would describe it:

**2. Which of the following statements best describes the attitudes towards compliance of your organization's top management? (Choose one.)**

- "Compliance is a necessary evil and must be funded adequately to keep us out of trouble."
- "Compliance spending must be minimized to avoid eating into profits."
- "Compliance has become a key customer service issue."
- None of these. Here is how we would describe management's attitude:

**3. Is the compliance function consulted when products or services are developed and marketed?**  always  sometimes  rarely  never

**4. Does your bank subject new products and services to a risk evaluation?**  always  sometimes  rarely  never

**5. How does your title/status rank compare to the following?**

	Higher	Lower	Equal	Don't have
<b>a. Chief legal counsel</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>b. Internal audit head</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>c. Chief credit officer</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>d. Risk mgmnt. head</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>e. Marketing head</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



**KEEPING UP WITH COMPLIANCE**

**How useful to you are the following sources of compliance information?**

(Please circle one per source)

	Not useful										Essential										N/A	
	←-----→																					
<b>PRINT SOURCES</b>																						
<b>a. Compliance articles in general banking publications</b>																						
	1	2	3	4	5	6	7	8	9	10												N/A
<b>b. Compliance-focused banking publications</b>																						
	1	2	3	4	5	6	7	8	9	10												N/A
<b>c. Consultants' newsletters</b>																						
	1	2	3	4	5	6	7	8	9	10												N/A
<b>d. Law firm newsletters</b>																						
	1	2	3	4	5	6	7	8	9	10												N/A
<b>e. Accounting firm newsletters</b>																						
	1	2	3	4	5	6	7	8	9	10												N/A
<b>f. Vendor newsletters</b>																						
	1	2	3	4	5	6	7	8	9	10												N/A
<b>g. Trade association newsletters</b>																						
	1	2	3	4	5	6	7	8	9	10												N/A
<b>h. Regulators' own bulletins</b>																						
	1	2	3	4	5	6	7	8	9	10												N/A
<b>WEB SITES</b>																						
<b>i. FDIC</b>																						
	1	2	3	4	5	6	7	8	9	10												N/A
<b>j. Federal Reserve</b>																						
	1	2	3	4	5	6	7	8	9	10												N/A
<b>k. Comptroller</b>																						
	1	2	3	4	5	6	7	8	9	10												N/A
<b>l. OTS</b>																						
	1	2	3	4	5	6	7	8	9	10												N/A
<b>m. FFIEC</b>																						
	1	2	3	4	5	6	7	8	9	10												N/A
<b>n. GPO Access</b>																						
	1	2	3	4	5	6	7	8	9	10												N/A
<b>o. Vendors &amp; other sponsored sites</b>																						
	1	2	3	4	5	6	7	8	9	10												N/A
<b>p. Trade associations</b>																						
	1	2	3	4	5	6	7	8	9	10												N/A
<b>q. "Homemade sites" by fellow compliance bankers</b>																						
	1	2	3	4	5	6	7	8	9	10												N/A

**YOUR BANK'S COMPLIANCE STRUCTURE**

In answering the following questions and checking off the boxes in the chart on pp.3-4, please remember that you are answering at the same level as you answered question 4 in the "About Your Bank" section at the beginning of this survey.

**1. How many full-time-equivalent employees in your organization spend the majority of their time on compliance-management-function tasks (in other words, real compliance workers, not employees carrying out compliance duties in the course of their jobs)?**

\_\_\_\_\_ OR  less than one employee

**2. To what part of your bank does compliance report? (Choose one.)**

- Legal
- Audit
- Operations
- Risk Management
- Administrative Services
- Human Resources
- Consumer Banking
- Branch Management
- Compliance at our holding company's level
- Directly to top management--Compliance is its own entity
- Other \_\_\_\_\_

**3 a. Which phrase best describes your organization's compliance function in terms of program management responsibility? (Choose one.)**

- a centralized function—compliance handles all of this
- a decentralized function—line units handle all of this
- a mixture—line units and compliance handle different aspects of compliance

COMPLIANCE STRUCTURE QUESTIONS continue on p. 5 after the charts on pp. 3&4.

# WHO DOES “COMPLIANCE” AT YOUR BANK?

Different “compliance” tasks have different homes from bank to bank, and require a variety of partners. Please indicate, for each compliance task in the left-hand column, which internal function bears the MAIN RESPONSIBILITY for it, and also indicate, in the section on the right, each outside organization that the bank works with. If the bank uses no outside resources in a particular area, indicate that by leaving the boxes blank.

Laws and Regulations (alphabetical order)	INTERNAL BANK DEPARTMENTS OR FUNCTIONS (Please check one box per row)											EXTERNAL RESOURCES (Please check as many boxes as are applicable)					
	Compl. Dept.	Credit Dept.	Internal Audit	Legal Dept.	Security Dept.	Mktg. Dept.	Ops. Dept.	Risk Mgt.	Training	Line Mgt.	Other/ N.A.	Audit Firm	Law Firm	Consultant	Software Vendor	Train. Firm	Document Provider
<b>1. Bank Secrecy Act &amp; Anti-Money Laundering (OFAC, PATRIOT, etc.)</b>																	
1a. Compliance program mgt.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1b. Compl. training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1c. Compl. monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1d. Compl. auditing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1e. CTR reporting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1f. SAR reporting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1g. Suspicious activity /AML transaction monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1h. OFAC monitoring, blocking, etc.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1i. OFAC reporting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>2. Community Reinvestment Act</b>																	
2a. Compl. program management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2b. Compl. training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2c. Compl. monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2d. Compl. auditing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2e. Performance management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2f. Recordkeeping	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2g. Loan data reporting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>3. Electronic Funds Transfer Act</b>																	
3a. Compliance program mgt.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3b. Compl. training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3c. Compl. monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3d. Compl. auditing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3e. Error resolution functions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>4. Fair lending laws</b>																	
4a. Compl. program management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4b. Compl. training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4c. Compl. monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4d. Compl. auditing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>5. Flood Disaster Protection Act</b>																	
5a. Compl. program management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5b. Compl. training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5c. Compl. monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5d. Compl. auditing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5e. Hazard determination	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5f. Continuation monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

# WHO DOES “COMPLIANCE” AT YOUR BANK?(cont’d.)

Different “compliance” tasks have different homes from bank to bank, and require a variety of partners. Please indicate, for each compliance task in the left-hand column, which internal function bears the MAIN RESPONSIBILITY for it, and also indicate, in the section on the right, each outside organization that the bank works with. If the bank uses no outside resources in a particular area, indicate that by leaving the boxes blank.

Laws and Regulations (alphabetical order)	INTERNAL BANK DEPARTMENTS OR FUNCTIONS (Please check one box per row)											EXTERNAL RESOURCES (Please check as many boxes as are applicable)					
	Compl. Dept.	Credit Dept.	Internal Audit	Legal Dept.	Security Dept.	Mktg. Dept.	Ops. Dept.	Risk Mgt.	Training	Line Mgt.	Other/ N.A.	Audit Firm	Law Firm	Consultant	Software Vendor	Train. Firm	Document Provider
<b>6. Privacy laws</b>																	
6a. Compl. program management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6b. Compl. training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6c. Compl. monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6d. Compl. auditing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6e. Processing opt-out/opt-in requests	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6f. Policies and programs for safeguarding customer information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>7. Real estate</b>																	
7a. Compl. program management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7b. Compl. training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7c. Compl. monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7d. Compl. auditing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>8. Truth in Lending Act</b>																	
8a. Compl. program management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8b. Compl. training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8c. Compl. monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8d. Compl. auditing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8e. Error resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>9. Home Mortgage Disclosure Act</b>																	
9a. Compl. program management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9b. Compl. training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9c. Compl. monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9d. Compl. auditing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9e. Data collection	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9f. Data review, quality editing, submission	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>10. Expedited Funds Availability Act</b>																	
10a. Compl. program management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10b. Compl. training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10c. Compliance monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10d. Compl. auditing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Survey continues on page 5

**COMPLIANCE STRUCTURE QUESTIONS** *continued from p. 2.*

**3. b. Which phrase best describes your organization's compliance function in terms of carrying out compliance duties? (Choose one.)**

- a centralized function—compliance handles all of this  
 a decentralized function—line units handle all of this  
 a mixture—line units and compliance handle different aspects of compliance

**4. Which best describes your organization's compliance function in terms of how it is set up? (Choose one.)**

- a standalone compliance officer, no other compliance staff  
 a standalone compliance department (or division or similar unit)  
 a central compliance officer/department, plus line-unit compliance officers, who handle line-unit-level compliance matters  
 a central compliance officer/department with line-unit compliance contacts, who disseminate and coordinate central compliance function's output  
 a central holding company compliance officer/department who works with bank-level compliance officers  
 Other \_\_\_\_\_

## EDUCATION AND TRAINING

**1. What part of your organization presents the heaviest ongoing compliance training and education challenge? (Choose one.)**

- branch operations       consumer lending       mortgage lending  
 deposit operations       business lending       comm'l. R.E. loans  
 credit card lending       internet banking       farm lending  
 home-equity lending       Other \_\_\_\_\_

**a. Why is this such a challenge? (Choose all that apply.)**

- employee turnover       complexity       size of staff       attitude  
 Other \_\_\_\_\_

**2. a. What forms of compliance training and education does your bank make use of for compliance staff? (Choose all that apply.)**

- outside workshops/seminars       outside compliance schools  
 inside workshops/seminars       inside compliance schools  
 compliance newsletters/mags       compliance websites  
 internet learning programs       offline learning (software)  
 intranet learning programs       self-guided workbook/manuals  
 video-based learning       Other \_\_\_\_\_  
**OR**  None

**b. What forms of compliance training and education does your bank make use of for line-unit staff? (Choose all that apply.)**

- outside workshops/seminars       outside compliance schools  
 inside workshops/seminars       inside compliance schools  
 compliance newsletters/mags       compliance websites  
 internet learning programs       offline learning (software)  
 intranet learning programs       self-guided workbook/manuals  
 video-based learning       Other \_\_\_\_\_  
**OR**  None

**3. a. What are your organization's chief sources of compliance training and education materials for compliance staff? (Choose three)**

- private vendor(s)       national banker association       state bankers association  
 consulting firm (s)       correspondent bank       holding company  
 in-house sources       local university/college  
 Other \_\_\_\_\_

**b. What are your organization's chief sources of compliance training and education materials for line-unit staff? (Choose three)**

- private vendor(s)       national banker association       state bankers association  
 consulting firm (s)       correspondent bank       holding company  
 in-house sources       local university/college  
 Other \_\_\_\_\_

**4. What is your organization's chief source of compliance schools and workshops? (Choose one)**

- private vendor(s)       national banker association       state bankers association  
 consulting firm (s)       correspondent bank       holding company  
 in-house sources       local university/college  
 Other \_\_\_\_\_

**5 a. Typically, how often are you, as the head of your compliance effort, permitted to attend major offsite compliance education/training/conference functions that the bank pays all costs of? (Choose one; please don't include state or local compliance peer group meetings nor vendor-paid meetings.)**

- never       once a year       twice a year       three times a year  
 four or more times a year       Varies according to that year's regulations  
 Other \_\_\_\_\_

**b. Does your bank permit other compliance staff (including information security and BSA/AML specialists) to attend major offsite compliance education/training/conference functions the bank pays all costs of?**

- Yes       No

**6. Regarding your bank's front-line employees, platform officers, and customer service representatives, which best describes your approach to compliance training and education? (Choose one)**

- "We generally train *by the product or job function*."  
 "We generally train *by the law or regulation*."  
 "We use a blend of both of the above approaches."  
 Other \_\_\_\_\_

**7. Does your organization ever formally test its employees for their compliance knowledge after they are trained?  Yes  No**

## COMPLIANCE AND YOUR BANK'S BOARD

**1. How often does your organization's board meet? (Check one.)**

- quarterly       six times a year       monthly       weekly

**2. How often does you (or a compliance representative) attend meetings of your board of directors? (Check one.)**

- every meeting       quarterly       at the board's request only  
 only when new compliance duties face the board directly  
 only when the organization is facing a major new compliance duty  
 only when the organization has erred and faces regulatory penalties  
 only at budget time  
 only to report examination results  
 Other \_\_\_\_\_ **OR**  Never

**3. Does your organization's board directly review the compliance budget?  Yes  No (Go to 4 a)**

**a. If yes, is the head of the compliance function ever permitted to defend or explain items in that budget?  Yes  No**

**4. a. Does your board consistently provide the support the compliance function requires?  Yes  No**

**b. Does your CEO consistently provide the support the compliance function requires?  Yes  No**

**5. What is your compliance function's reporting relationship to the board? (Check one)**

- direct  
 through audit committee       through risk management committee  
 through compliance committee       through ALCO committee  
 through inhouse counsel       through CEO  
 Other \_\_\_\_\_

6. Have you taken any steps to educate the board about compliance issues?  Yes  No

a. If yes, what steps? (Check all that apply)

- formal presentations  background memos  one-on-one meetings  
 news clippings  booklets  videos  
 specialized newsletters  informal presentations at board retreats  
 Other \_\_\_\_\_

7. Have examiners been encouraging more involvement from your board in compliance issues?  Yes  No

8. Have examiners ever specifically criticized the perceived level of your board's understanding of compliance issues?  Yes  No

a. If yes, was there evidence that this criticism directly affected the Management component of your bank's CAMELS rating?

- Yes  No

9. Roughly how many hours a year did your board devote to compliance-related matters in 2002? \_\_\_\_\_

## COMPLIANCE ACCOUNTABILITY

### ACCOUNTABILITY AND LINE-UNIT EMPLOYEES

1. Overall, does your bank hold nonmanagement employees outside of the compliance function responsible for their performance of compliance duties in connection with their own jobs?

- Yes (If "yes," go to a.)  No (Go to 2, "Accountability and Line-Unit Managers," below)

a. Are compliance duties explicitly included in employee job descriptions?

- Yes, in all front line and platform employees' job descriptions  
 Yes, in all nonmanagement employees' job descriptions  
 Yes, in most employees' job descriptions (certain nonmanagement posts excepted)  
 No, we have job descriptions, but compliance isn't included  
 No, because our organization doesn't use written job descriptions

b. Is an employee's compliance record individually tracked and recorded in any way?  Yes  No

c. Is an employee's compliance record weighed in the course of formal annual employee reviews?

- Yes  
 No, we have formal reviews, but compliance isn't included  
 No, because our organization doesn't conduct formal reviews

d. If an employee routinely mishandles compliance tasks, what would be your organization's response? (Choose all that apply.)

- A supervisor would informally retrain the employee.  
 The employee would be put through compliance training.  
 The employee would be reassigned to an area with fewer compliance burdens.  
 The employee would be given a verbal warning.  
 The employee would be terminated.

e. Has your organization ever fired an employee for compliance errors?

- Yes  No

### ACCOUNTABILITY AND LINE-UNIT MANAGERS

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

- Yes (If "yes," go to a, below.)  No (Go to 3, "Accountability at the Board Level," middle of next column)

a. Are compliance duties included in unit managers' job descriptions?

- Yes, in all line unit managers' job descriptions  
 Yes, in all line unit managers' job descriptions if they serve consumer segments  
 No, we have job descriptions, but compliance isn't included  
 No, because our organization doesn't use written job descriptions

6 b. Is a unit manager's departmental compliance record formally tracked and recorded in any way?  Yes  No

c. Is a unit manager's departmental compliance record weighed in the course of formal annual performance reviews?

- Yes  
 No, we have formal reviews, but compliance isn't included  
 No, because our organization doesn't conduct formal reviews

d. If a unit manager's department routinely mishandles compliance tasks, what would be your organization's response? (Choose all that apply.)

- The department would be ordered to undergo further compliance training.  
 The department manager would be offered further compliance training for those employees.  
 The matter would be completely left in the manager's hands to work out.  
 Other \_\_\_\_\_

e. Has your organization ever fired a line unit manager for compliance errors committed by his or her employees?  Yes  No

f. If so, what type of errors were involved?

- BSA/OFAC violations  Reg Z  HMDA errors  
 flood hazard errors  fair-lending violations  
 Other \_\_\_\_\_

### ACCOUNTABILITY AT THE BOARD LEVEL

3. How often is your board of directors given a written or verbal recap of your organization's compliance performance?

- at every board meeting  quarterly  annually  
 only when there is a problem that might cost the bank some money  
 only if a compliance examination has uncovered a problem  
 only to report compliance examination results

OR  Never

## YOUR BANK'S MARKETING PARTNERS

1. Does your organization ever work with third-party partners to market either your organization's services or your partner's?

- Yes (Go to 2, below.)  No (Skip the rest of this section. Turn to p. 7, "Costs of Compliance")

2. Which of the following types of firms does your bank partner with for marketing purposes? (Check all that apply.)

- car dealers (car loans)  in-branch stock brokerage  
 telemarketers (bank services)  affinity credit card marketers  
 business loan broker  traditional mortgage banker/broker  
 appliance dealers  online mortgage banker/broker  
 subprime lender  money transfer/check cashing service  
 ATM network  in-branch insurance  
 RV dealers  
 Other \_\_\_\_\_

3. Does your organization take any steps to determine how well your partners comply with banking regulations?

- Yes (Go to 3 a.)  No (Go to 4)

a. Which of the following measures does your organization take to evaluate your partner's compliance? (Check all that apply.)

- targeted compliance audits  formal file reviews  "spot checks" of files  
 mystery shoppers/testers  customer surveys  computer-based analysis  
 direct processing of partner-generated business  
 Other \_\_\_\_\_

4. Has your organization ever parted ways with a third-party partner because of a poor compliance record?  Yes  No



# COMPLIANCE PRODUCTS & SERVICES

8

The following section of the survey looks at the outsourcing of compliance services. In this section, we use the term “outsourcing” to mean relationships between a bank and a third-party provider in which the bank taps the other firm for any labor, products, or services that would otherwise have to be performed or produced by a member of the bank’s own staff.

## 1. Does your organization outsource any aspect of compliance?

- Yes  No (Go to 1 c.)

### a. What is the main reason your bank began outsourcing? (Choose one)

- to focus resources on other priorities  to obtain an independent viewpoint  
 to make the bank more efficient  to save money  
 to tap expertise that we lack ourselves  to better manage our risks

### b. Based on this reason, has compliance outsourcing proven itself for your bank? (Choose one)

- Yes  No  Too soon to say  Not sure

Now go to question 2 below

### c. If not, to your knowledge has your organization ever outsourced for compliance? Yes (Go to 1 d.) No (Skip the rest of this section. Go to “RISK MANAGEMENT” at the end of this column)

### d. Why did your bank stop outsourcing aspects of compliance? (Choose all that apply.)

- “We grew large enough that it made more sense to have the expertise in-house.”  
 “We felt bringing the activity back in house would give us better control.”  
 “We didn’t feel the outsourcer gave us good value for our money.”  
 “The outsourcer made mistakes or was unsatisfactory in quality of work.”  
 “The outsourcer was acquired and we didn’t like the new parent.”  
 “The outsourcer went out of business.”

- Other \_\_\_\_\_  
 (Skip the rest of this section. Go to “RISK MANAGEMENT” at the end of this column)

## 2. What types of tasks does your bank outsource? (Check all that apply)

- designing new compliance programs  compliance training  
 compliance review  compliance audit  
 policy/procedure development  branch checks  
 merger due diligence (compliance)  website compliance  
 self-testing for fair-lending  document & disclosure development

- Other \_\_\_\_\_

## 3. Which factors are most important in selecting a vendor? (Check three.)

- company reputation  principal’s reputation  firm’s location  
 firm’s longevity  level of expertise  warranty  
 customer service  range of services offered  price  
 firm’s “connections” with regulatory players

- Other \_\_\_\_\_

## RISK MANAGEMENT AND THE COSTS OF NON-COMPLIANCE

The costs of compliance are often discussed, even if only in general terms. But the costs of non-compliance—that is, the hard and soft penalties of being caught out of compliance—often don’t come up. Yet the compliance function, while not a profit center, may be saving profits made elsewhere in the bank. The following questions attempt to get at that other side of compliance.

## 1. “MONEY RISK”: Can you specifically point to savings that your bank’s compliance function generated by catching errors or potential errors prior to their becoming a costly problem, in terms of formal regulatory monetary penalties? Yes No

### a. If yes, which areas of compliance? (Check all that apply.)

- Reg Z-type errors  BSA/AML errors  RESPA errors  
 fair-lending laws  flood insurance rules  insider lending rules  
 OFAC blocking  HMDA reporting  website errors  
 recordkeeping

- Other \_\_\_\_\_

## 2. “REPUTATIONAL RISK”: Can you specifically point to instances in which your bank’s compliance function caught mistakes that would have given the bank a bad public image? Yes No

### a. If yes, which areas of compliance? (Check all that apply)

- Reg Z-type errors  BSA/AML errors  RESPA errors  
 fair-lending laws  flood insurance rules  insider lending rules  
 privacy-law errors  Truth in Savings errors  HMDA reporting  
 OFAC blocking  website errors  CRA lending  
 CRA investment  subprime lending  recordkeeping

- Other \_\_\_\_\_

## 3. Does your bank have a formalized risk-management framework? Yes No

- Yes  No

### a. If yes, which best describes it? (Check all that apply.)

- risk management officer/dept.  staff-level risk management committee  
 part of ALCO’s duties  board-level risk management committee  
 part of CFO’s duties  
 line-unit responsibility using company matrix or software  
 Other \_\_\_\_\_

### b. If yes, which best describes the relation of the bank’s compliance function to the bank’s risk-management function? (Choose one.)

- “We don’t have any relationship to speak of.”  
 “Compliance chief is also the point person for risk management.”  
 “A compliance representative sits on the organization’s risk committee.”  
 “A compliance representative attends/advises board risk mgt. committee meetings.”  
 “The compliance function is part of the bank’s risk management department.”  
 “The compliance function consults with line department on risk management.”  
 “The risk manager sits on the compliance committee.”  
 Other \_\_\_\_\_

For the prize drawing, we need the following, not to be published nor used for marketing.

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Bank: \_\_\_\_\_ Phone: \_\_\_\_\_

Street \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

E-mail address: \_\_\_\_\_

Please send me: \_\_\_\_\_ advance e-mail report \_\_\_\_\_ free full report  
 USE POSTPAID ENVELOPE PROVIDED, OR SEND TO ABA BANKING JOURNAL COMPLIANCE SURVEY, 345 HUDSON ST., NEW YORK, N.Y. 10014 BY MARCH 3. ADDRESS ANY QUESTIONS TO: Steve Cocheo at (212) 620-7219 or scocheo@sbspub.com THANKS FOR YOUR HELP