

Part 3: “Prove Yourself a BSA Compliant Organization” Use Your BSA Risk Assessment to Build Banking Relationships

In [Parts 1](#) and [2](#) of this series, we discussed how **TRANSPARENCY** in BSA compliance is critical to maintaining banking relationships and how **PROCESS** in BSA risk management will demonstrate to the toughest audience (your bank) that you manage money laundering risks.

How do you prove to a skeptical financial institution you’re doing it right?

We suggest a systematic BSA/AML risk management system that starts with a compliant risk assessment. You can do this manually on spreadsheets and in Word documents or you can do it using technology. In either case, showing your FI that you are continually evaluating BSA risks (outlined below) is the key factor in convincing them that you are managing money laundering and terrorist financing risk. In other words, periodically give your FI access to your updated risk assessment that shows:

- Where you are doing business and the risks of these geographies (HIDTA, HIFCA, foreign jurisdiction risk).
- The products and services you offer and the risks of each.
- The customers with which you do business including how you apply and manage KYC.
- The controls you use to mitigate money laundering and terrorist financing risks (like transaction monitoring, EDD on higher risk customers).
- The residual risks you perceive after you control for identified risks.

Back this up with a periodic audit, which is required, to show the FI that you are doing exactly what you should be and that you are on top of BSA risks.

Put the right systems in place and you can aggressively sell your willingness and ability to comply with BSA regulations.

And, let us know if you’re interested in effective, efficient technology that can help you do this.

About the Author

Mark Stetler is CEO of RegSmart. He has a degree in Finance from Baylor University (cum laude, 1985) and a law degree from the University of Texas (with honors, 1988). Mark has worked in the financial services industry for 30 years as an attorney and entrepreneur. Mark previously co-owned one of the nation’s largest firms specializing in forensic financial audits. He is a Certified Anti-Money Laundering Specialist and a chief architect of RegSmart’s anti-money laundering risk assessment and audit SaaS.

About RegSmart

RegSmart offers the best-in-class automated BSA/AML risk assessment. Supported by subject matter experts, RegSmart collects data with intuitive wizards and stores that data for regulatory compliance and change management. RegSmart delivers complete, plain language reports with actionable intelligence. Please visit us at www.beregsmart.com.

If you would like to see a demonstration of our best-in-class automated BSA/AML risk assessment and audit applications, please contact us at 214.919.4670, or email John Ravita at jravita@beregsmart.com or Mark Stetler at mstetler@beregsmart.com. We look forward to visiting with you.