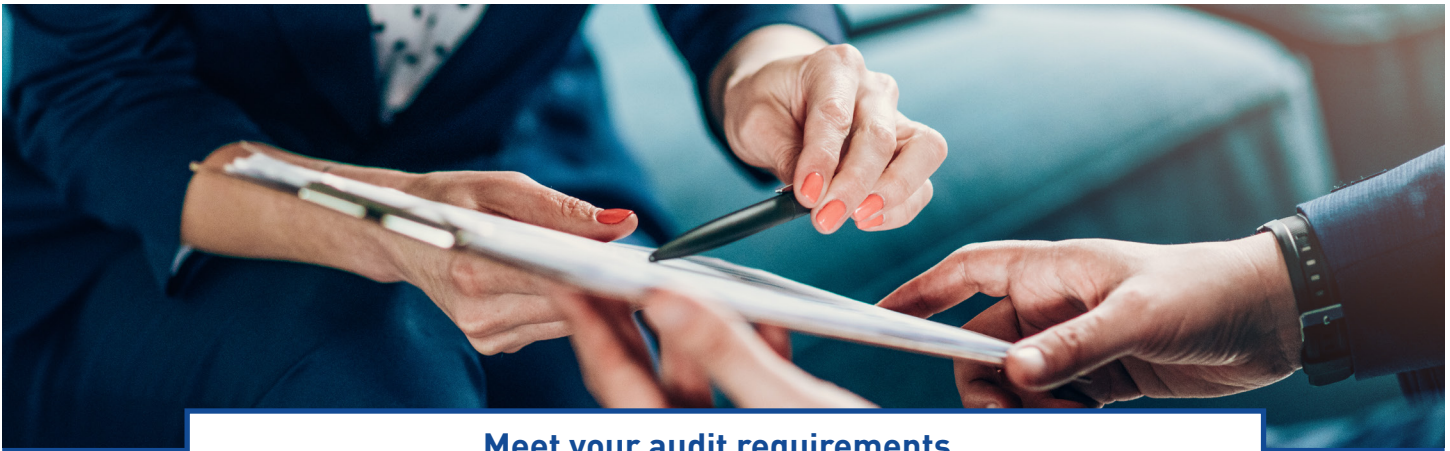




# COMPLIANCE & AUDIT SERVICES

TWO NEEDS — ONE TRUSTED SOURCE



## Meet your audit requirements.

### SUPERVISORY COMMITTEE AUDIT REVIEW (SCAR) (REQUIRED ANNUALLY)

Encompasses an in-depth examination of your credit union's balance sheet. The contracted scope of the engagement will satisfy the requirements of a complete SCAR review as set forth in the NCUA Rules and Regulations, section 715.7(c). The review is designed to provide reasonable assurance of detecting material errors and/or irregularities in the financial statements.

### BSA/CIP/OFAC COMPLIANCE REVIEW

The BSA/CIP/OFAC Compliance Review assesses the credit union's system of internal controls and procedures that maintain ongoing compliance in accordance with the financial recordkeeping and reporting requirements of the Bank Secrecy Act, 31 C.F.R. Part 103. The Bank Secrecy Act is a combination of various statutes that require credit unions to retain certain transactional records, as well as report certain financial transactions to the Federal Government.

### ACH AUDIT (REQUIRED ANNUALLY)

An ACH Compliance Review conducted in accordance with the NACHA Operating Rules and Guidelines for all credit unions offering ACH services. The review is required to be performed annually by December 31.

### SAFE ACT AUDIT (REQUIRED ANNUALLY)

The Secure and Fair Enforcement for Mortgage Licensing Act of 2008 established a mandated nationwide licensing and registration system for residential mortgage loan originators. The SAFE Act review is conducted in accordance with SAFE Act Examination Guidelines to monitor and ensure mortgage loan originators are properly licensed and registered in the states where they are doing business, and that the credit union has proper policies in place appropriate to the size and complexity of the institutions mortgage activities. The SAFE Act review is normally conducted at the same time the SCAR audit is performed.

### OTHER AUDIT SERVICES

- Member Account Verification
- Vendor Management Review
- DOR Assistance
- Specialty Audits as requested

# We can do so much more...Take a look at our menu of Compliance Consulting Services!



CrossState's Compliance Consulting Services begin with a meeting with the CEO/designated staff to determine which compliance projects need immediate attention and how to best address those needs. Our consultants can help your credit union implement a comprehensive compliance program or simply address a specific compliance need through in-person meetings, telephone, or email support. Credit unions may select from the topics listed below and schedule based on availability and contract hours:

## CHECKS & DEPOSITS

- Account Opening & Maintenance
- Decedent Account Review
- Dormant and Escheat Accounts
- Identity Theft Red Flags
- Returned Mail
- Reg CC - Expedited Funds
- Reg GG - Unlawful Gambling
- Truth in Savings

## OPERATIONS

- Courtesy Pay
- Debit Cards
- EFT
- Wire Transfers
- Safe Deposit Box

## MARKETING

- Branch Signage
- Closed-End Loan Advertising
- Open-End Loan Advertising
- Social Media & Marketing

## LENDING

- Collections Practices
- Foreclosures
- Lending Policy & Procedures
- Private Student Lending
- FCRA
- Lending Disclosures
- RESPA
- HMDA
- Open-End Lending Compliance
- MBL
- Credit Cards

## REGULATORY ISSUES

- E-Sign
- Mobile Banking
- Mobile Deposit
- Record Retention
- Website

## RISK MANAGEMENT

- Compliance Management
- BC/DR Plan
- Dual Controls
- Forms and Disclosures
- IRR
- Physical Security
- Vendor Management

## IMPLEMENTATION OF NEW LAWS & REGULATIONS

Our experienced staff keep abreast of ever-changing rules and regulations and will assist your credit union staff in being ready and compliant for implementation.

## COMPLYSIGHT LICENSING & IMPLEMENTATION

ComplySight is a web-based compliance management and tracking system that streamlines the compliance process. ComplySight manages compliance initiatives through a single application, supporting a state of continual readiness for audits and exams. ComplySight offers a complaint management system that allows the ability to log, assign, and store complaints within the software. ComplySight incorporates aspects of InfoSight and CU PolicyPro, but goes further by assessing all areas of risk within your credit union.



For additional information please contact Compliance Services at [ComplianceServices@crossstate.org](mailto:ComplianceServices@crossstate.org).





## INTERNAL OPERATIONS REVIEW (Supervisory Committee Assistance)




Changes in regulations, operating procedures, and employee turnover can weaken a strong internal control environment. Let us help you maintain and strengthen your operations!

Internal Operations Reviews are designed to perform the procedures necessary to maintain a

sound internal control environment and to evaluate internal processes in order to strengthen the operations of your credit union. The reviews are generally one to four days per quarter and can be customized to your credit union's needs. The reviews are performed by audit professionals with years of internal auditing experience.

*Internal Operational Reviews (IOR) = Supervisory Committee Duties which includes, but is not limited to:*

- Sending negative confirmation letters for new or closed accounts, or new loans and credit cards (could be a sample or all of them)
- New loan file review (sample determined by credit union/supervisory committee (percentage)
- Review of insider accounts (Board, Supervisory Committee, and all employees)
- Meeting with the Supervisory Committee (training, answering questions, discussing findings for visit)
- Review of reactivated dormant accounts, dormant accounts report, and escheated accounts
- Review of File Maintenance reports (Share and loan, supervisor overrides, etc.)
- Review of Corporate Credit Card statements – tracing to receipts, general ledger postings, etc.
- Random Cash counts of teller drawers and/or vaults
- Review of Negative accounts report – reviewing accounts, verifying policy compliance
- Review of Below Par report
- Review of ALLL methodology and general ledger posting of charge-offs and recoveries
- Review of Board of Director Meeting minutes
- BSA Audit, ACH Audit, or SAFE Act Audit (Can be included in a 3 or more day/quarter Engagement)
- Completion or review of ACH, BSA/OFAC Risk assessments
- Review of New Accounts – compare documentation to membership card, membership eligibility, etc.
- Review of Corporate Credit Union, Bank and/or Federal Reserve Bank reconciliations
- Review of Investments – trace board reports to balance sheet, compare board reports to broker statements and/or safekeeping receipts
- Review of Credit card reports (cardholder journal, stolen/blocked cards reports, offer profitability report, and executive report)
- Review of Paid Ahead Loans report
- Review of delinquency report
- Following up on NCUA/Department of Banking examination report exceptions
- Following up on previous Annual review exceptions
- Review of Bad Address and No mail report
- Board of Director Financial Literacy training
- Review of Employee Vacation Schedule
- Review of Active out of state member accounts
- Review of Liabilities section of balance sheet
- Review of Income and Expense general ledger accounts
- Wire Transfer Reviews
- Call Report Training
- Branch Audits

 For additional information please contact [AuditServices@crossstate.org](mailto:AuditServices@crossstate.org).

# COMPLIANCE & AUDIT TRAINING



Delivering information you can trust to keep you in the know.  
A variety of compliance and audit training options are listed below.

**REG E**

**BSA FOR STAFF**

**BSA FOR STAFF (VIRTUAL)**

**BSA FOR VOLUNTEERS**

**BSA FOR VOLUNTEERS (VIRTUAL)**

**RED FLAG/ID THEFT**

**ACH BASICS**

**IRA BASICS**

**PRIVACY TRAINING**

**ROBBERY TRAINING**

**RISK MANAGEMENT/FRAUD PREVENTION**

**BUSINESS DEPOSIT ACCOUNT BEST PRACTICES**

**CONSUMER DEPOSIT ACCOUNTS**

**CONSUMER LENDING TRAINING**

**BOARD FINANCIAL LITERACY**

**SUPERVISORY COMMITTEE RESPONSIBILITIES**

## **Why Choose CrossState for Compliance Training?**

Our trainings are convenient, affordable, and interactive. Each 60-90 minute session is led by our experienced compliance professionals holding CPA, MBA, AAP, CUCE, BSACS, CCUIA, CUERME, and CUBLP designations. Training your staff together will save you money and meet your NCUA requirements so you can enter your next exam with confidence. Each participant receives a certificate following the training session and successful completion of a quiz.

**CONTACT US**

**Email: [ComplianceServices@CrossState.org](mailto:ComplianceServices@CrossState.org)**



# COMPLIANCE TRAINING PRICING



CrossState's compliance trainings can be performed in-person and virtually.  
Credit unions and chapters are responsible for travel expenses for in-person trainings.

## INDIVIDUAL PROGRAM PRICING

<b>\$400</b> <i>credit unions under \$50M</i>	<b>\$700</b> <i>credit unions over \$50M</i>	<b>\$800</b> <i>chapters (in-person)</i> <b>\$600</b> <i>chapters (zoom)</i>
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In-depth full day trainings on a variety of topics critical to your credit union's success:	<b>\$199</b> <i>Member (per person)</i>	<b>\$249</b> <i>Non-member (per person)</i>
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### RECORDED BSA (STAFF)

<b>\$69</b> <i>Individual (member)</i>	<b>\$299</b> <i>for Groups (up to 25 people - member CU)</i>	<b>\$399</b> <i>for Groups (up to 25 people - non-member CU)</i>
<b>\$99</b> <i>Individual (non-member)</i>		

### RECORDED BSA (VOLUNTEERS)

<i>Members:</i>	<i>Non-members:</i>
<b>\$49</b> <i>for Individual</i>	<b>\$79</b> <i>for Individual</i>
<b>\$249</b> <i>for Group</i>	<b>\$349</b> <i>for Group</i>

## BUNDLED PRICING PACKAGES

Save money while meeting NCUA requirements and enter your next exam with confidence.

### BSA/ ID THEFT

<b>\$700</b> <i>CU &lt; \$50M</i>
<b>\$1,100</b> <i>CU &gt; \$50M</i>

### BSA

<b>\$500</b> <i>CU &lt; \$50M</i>	<b>\$800</b> <i>CU &gt; \$50M</i>
<i>(Staff &amp; Volunteers)</i>	

### PICK 3

<b>\$900</b> <i>CU &lt; \$50M</i>	<b>\$1,400</b> <i>CU &gt; \$50M</i>	<b>\$1,800</b> <i>Chapters</i>
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### PICK 4

<b>\$1,200</b> <i>CU &lt; \$50M</i>	<b>\$2,000</b> <i>CU &gt; \$50M</i>	<b>\$2,400</b> <i>Chapters</i>
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## CrossState offers many other services and resources in the world of Compliance:

### COMPLIANCE HOTLINE

Free member benefit: Experienced, trusted Compliance Officers are ready to promptly answer your compliance questions. Call 800-932-0661, option 3, or email [compliance@crossstate.org](mailto:compliance@crossstate.org).

### COMPLIANCE CONSULTING & AUDIT PRACTICE

Shared consulting resources that provide policy and procedure review, perform many critical compliance functions, all discounted as a benefit of membership. We also offer a wide range of discounted audits.

### COMPLIANCE CONNECTION WEEKLY

A free weekly publication featuring timely articles and up-to-date information to keep CrossState members in-the-know.

### COMPLYSIGHT

Streamline compliance management with a single cloud-based system to track, measure, and report activities.

**CONTACT US:** [ComplianceServices@CrossState.org](mailto:ComplianceServices@CrossState.org)

# FULL-DAY TRAININGS



In-Person Price \$199, Virtual Price \$175 | Non-member price \$249, Virtual Price \$225

*CrossState Solutions has a variety of full-day trainings including topics such as:*

## DEPOSIT ACCOUNT & LENDING WORKSHOP

This session provides an in-depth review of essential information required when opening or processing maintenance requests on consumer deposit accounts. From a lending perspective, the workshop includes a high-level review of essential information on Lending Compliance topics covering recent developments and frequent compliance hotline questions.

## ACH BASICS AND REGULATION E WORKSHOP

This workshop guides attendees through the life of an ACH transaction, including how ACH credits and debits are processed. It explores the involvement of third parties in the ACH Network, and the risks they present to your credit union.

## IRA TRAINING

Select one or both days depending on your experience level. Day one covers the fundamentals of Traditional, Roth and Coverdell IRAs while day two goes into more advanced topics.

## DECEDENT ACCOUNT WORKSHOP

One of the most asked questions to our Compliance Hotline begins with, "we have a member who passed away." These unfortunate circumstances can lead to complex situations. This full day workshop will provide answers to those complicated questions regarding closing accounts, opening estates, handling requests for information, loan obligations, and more.

## S.A.F.E. ACT/HOME MORTGAGE DISCLOSURE ACT (HMDA) WORKSHOP

This session covers federal and state law requirements specific to Mortgage Loan Originator (MLO) origination activities as required by the Secure and Fair Enforcement for Mortgage Lending Act (S.A.F.E. Act) for your NEW MLOs, a refresher for all current MLOs and all Lending personnel supporting your MLOs.

## FAIR LENDING WORKSHOP

Fair Lending is one of the most significant areas of risk for your Credit Union. This session includes an overview of what is covered in each fair lending law and regulation, what the regulations require of credit unions, and some potential risks. Additionally, what are the specific operational requirements covered in each fair lending law and regulation and possible administrative actions for noncompliance.

## INTERNAL AUDIT WORKSHOP

This full day training will include discussions about the internal audit department, the structure, work plan, and issues facing credit unions and internal audit departments. We will also have open discussions involving the internal audit department as ambassadors of the credit union when interacting with examiners and external auditors. The session will also give attendees an understanding of required and supplemental audits for the credit union.

## TROUBLED LOANS & BANKRUPTCY WORKSHOP

This session takes a close look at some of the more difficult issues facing credit unions that are dealing with troubled loans, focusing largely on the impact bankruptcy has on troubled loans, as well as practical tips and best practices for effectively managing troubled loans.

## SUPERVISORY COMMITTEE WORKSHOP

Each year the NCUA identifies supervisory priorities that will be areas of focus during credit union exams. This session helps Supervisory Committee members understand the key focus areas for the year and be equipped to proactively prepare for implementation and mitigate risk. Additionally, attendees will be advised on some best practices for supervisory committees.

## MEMBER BUSINESS LENDING WORKSHOP

NCUA emphasizes that credit unions engaging in commercial lending activities must have the people, processes, and policies in place to ensure the safety and soundness of their operations. The professionals from RKL and CrossState Solutions will review the NCUA Rules and Regulations Part 723 and the NCUA's Exam Guide as well as underwriting practices including reading balance sheets and income statements.

## CONTACT US

Email: [ComplianceServices@crossstate.org](mailto:ComplianceServices@crossstate.org)





**Joanne Broderick,**  
CUCE, BSACS, CUBLP  
*Senior Manager,*  
*Compliance Services*  
Cell: 717-884-3381

Joanne has been with CrossState Credit Union Association since 2009. Prior to joining the Association, Broderick worked as Compliance Officer for a credit union in State College. She holds the CUNA's Credit Union Compliance Expert (CUCE) certification, BSACS certification (BSA Compliance Specialist), and CUBLP (Credit Union Business Lending Professional) designations.



**Greg Westwood,**  
AAP, BSACS  
*Senior Manager,*  
*Audit Services*  
Cell: 717-614-0739

Greg has delivered on CrossState's Audit Services since 2009, with his expertise culminating in a promotion to Senior Auditor, then Audit Services Manager in 2014. Greg earned a BS in Accounting from Penn State University and his Master's of Science in Accounting from Northcentral University.



**Dana Fischer,**  
BSACS, CUCE  
*Internal Operations*  
*Lead Auditor,*  
*Audit Services*

Prior to Dana's addition to CrossState's auditing team in 2018, she worked at PG&W FCU, followed by Penn East FCU. Dana earned a BS in Business Administration from Widener University.



**John Barker,**  
BSACS  
*Auditor, Audit Services*

John has been immersed in the credit union world for over 11 years, starting out as a teller and eventually becoming the Office Manager at Allegheny-Ludlum Brackenridge FCU, where he is still a board member.



**Erika Church,**  
BSACS  
*Auditor,*  
*Audit Services*

Erika hopped aboard in 2020 with a rich financial background. Possessing a Bachelor's in Accounting from Virginia State University, and a Master's in Finance from Lincoln University, she previously worked with Wells Fargo and BNY Mellon.



**Mora O'Malley,**  
BSACS  
*Auditor, Audit Services*

Mora has an Associate's Degree in Specialized Business, Accounting Administration Program and is currently pursuing a Bachelor's degree in Business Administration, with a concentration in Accounting. Mora has several years of service with credit unions in Pennsylvania, most recently with PSECU as an Accounting Analyst.



**Brittany Beh,**  
BSACS, CUCE  
*Compliance Consultant,*  
*Compliance Services*

Brittany brings over four years of experience working in the Credit Union industry. Most recently she served as the Compliance Officer for New Cumberland Federal Credit Union. Brittany holds CUNA's Credit Union Compliance Expert (CUCE) and Bank Secrecy Act Specialist (BSACS) designations.



**Josh LaFace,**  
BSACS, CUCE  
*Compliance Consultant,*  
*Compliance Services*

Josh joins with 13 years of experience at BNY Mellon. He is passionate about compliance and worked on projects focused on business continuity, control, risk and most recently, fraud prevention governance. He possesses a Bachelor's in Jurisprudence from PennWest California. An advocate for food security in the Greater Pittsburgh Region, Josh is a VITA tax prep member for a local nonprofit.