

# Overview

## Application of Technology to the AML Compliance Function

2003 - 2004

### Survey of Technological Applications

Major areas where technology can benefit:

- Client Identification/Verification
- Monitoring
- Reporting
- Training
- Record Keeping

### Practical Considerations

- Leverage Your Existing Resources
- Efficient Use of Management Information
- Getting a Handle on AML/CFT requirements
- Analysis of AML Risks
- Consult with Internal Users and Outside Experts
- Define the Scope
- Needs Analysis
- Scalability Through the Enterprise
- Engineer the Right Solution

### Institutional Considerations

- Budgeting
- Business Case Justification
- Consider Outsourcing as an Option
- Establish Sponsorship
- Identify the Necessary Resources
- Acquisition/Implementation Strategy
- Milestones, Deliverables, Timelines
- Communications

### Methodology for Adoption

- Develop and Document the RFP
- Project Management Approach
  - Vendor, Performance and Issues Tracking Management
- Post Implementation Plan
  - Training
  - Operations
  - Maintenance

## Closing Thoughts

- Take a Positive Approach to Regulation
- Turn the Regulatory Burden into Competitive Advantage - Other advantages of technology can assist in:
  - Customer service, sales/marketing, detecting fraud, monitoring sales practices, employee misconduct, identifying bad or marginal customers, and better decision making)
- Automation or a technology driven approach may be the only way to effectively comply
- With Technology Applied to the Compliance Function, you can:
  - Improve Performance
  - Enhance Profitability
  - Accelerate Growth
- You have two choices: Pay Now, or Pay Later

## Resources

AML Technology Solutions – A Project Management Approach, Kenneth L. Bryant, Association of Certified Anti-Money Laundering Specialists, Cyber Seminar, January 2003

AML Technology Solutions – A Project Management Approach, Howard Steiner, Association of Certified Anti-Money Laundering Specialists, Cyber Seminar, January 2003

An Overview of the Application of Technology to the AML Function, Kenneth L. Bryant, Association of Certified Anti-Money Laundering Specialists, Technology Resource Guide, 2003-2004

Project Planning and Implementing AML Software, Howard Steiner, Association of Certified Anti-Money Laundering Specialists, Technology Resource Guide, 2003-2004

Psychology, Technology and Methodologies of AML, Howard Steiner, Money Laundering Alert, 8th Annual International Conference, March 2003

Update on Recent Developments in Computer Software to Prevent and Detect Money Laundering and Terrorist Financing, Kenneth L. Bryant, Royal Society of Fellows, 3<sup>rd</sup> Annual Congress, Grand Cayman, June 2003

Software no panacea for AML Compliance Effort, Howard Steiner, Money Laundering Alert, June 2003

The Complicated Task of Implementing AML Technical Solutions, Howard Steiner, Money Laundering Alert, September 2003

Greater Emphasis on Systems Evaluations in Federal Audits, Howard Steiner, Money Laundering Alert, February 2004

IT Induced Risks to Your AML Program, Howard Steiner, Money Laundering Alert, 9th Annual International Conference, February 2004

Screening the Politically Prominent: Authorities Demand Rigor Yet Offer Little Guidance (Part 1 of 2), Kenneth L. Bryant, Money Laundering Alert, August 2004

Screening the Politically Prominent: How to Handle the PEP Due Diligence Corruption Challenge (Part 2 of 2), Kenneth L. Bryant, Money Laundering Alert, September 2004

FDIC letter seems to hold vendors accountable for AML compliance, Howard Steiner, Money Laundering Alert, November 2004

## About The Authors

<p>Kenneth L. Bryant, Consultant MSCJ, CPP, CFE, CRP, CAMS, ACoI Anti-Money Laundering (AML)/ Combating the Financing of Terrorism (CFT) Best practices   Program Development   Systems Integration www.amlcft.com ken@amlcft.com</p>	<p>Howard Steiner, Consultant Anti-Money Laundering (AML) Technology Systems Integration www.impactaml.com hsteiner@impactaml.com</p>
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