

# 2016 COMPLIANCE PROGRAM - CHECKLISTS -



**Sheshunoff**  
CONSULTING + SOLUTIONS

Online Compliance Consulting  
12/22/2015

## Compliance Planning

Complying with regulatory requirements is an integral part of working in the financial industry.

And, beginning the New Year with an action plan can make all the difference.

The goal... to organize compliance priorities that must be met over the next 12 months, while remaining flexible enough to allow the incorporation of new requirements that arise during that same time period.

The attached checklists were compiled to assist in this process.

*Regulations or supervisory guidance should be consulted for additional information related to definitions, detailed specifics, exemptions and clarifications. These checklists were developed as of the date referenced on the cover.*

## 2016 Checklists

**Compliance Management System**

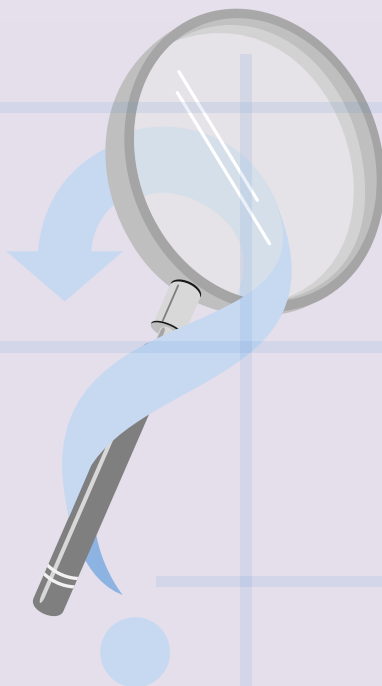
**Compliance Calendar Items**

**Policy Reviews / Updates**

**Compliance Audits (External)**

**Compliance Reviews (Internal)**

**Training**



# Compliance Management System

- ▶ **Having an effective Compliance Management System (CMS) in place is a core component in the organization of your activities.**
- ▶ Considerations are included below, for use as applicable. Indicate month(s) activity will occur and utilize completion column to check when activity is finished.

<i><b>2016 CMS Checklist</b></i>		<i><b>Month</b></i>	<i><b>Complete</b></i>
1.	Review your written compliance program and update as needed.		
2.	Review, update and approve your compliance risk assessment.		
3.	Review and schedule compliance updates for the Board to ensure they are aware of the overall status of compliance.		
4.	Review makeup of compliance committee to determine if membership needs adjustment. As needed, discuss with senior management.		
5.	Review any engagements for third party compliance reviews and audits. Set schedule.		

## Compliance Calendar Items

- ▶ **Being aware of regulatory changes, reporting requirements and other related matters will help ensure compliance.**
- ▶ Considerations are included below (does not reflect credit card items). Indicate the month of the applicable change or deadline and utilize the completion column to check when activity is finished.  
*NOTES: Regulatory changes can occur at any time. As need be, use additional page to add items.*

<b>2016 Compliance Calendar Checklist</b>		<b>Month</b>	<b>Complete</b>
1.	FLOOD – New Rules (eff. 1/1/16)	January	
2.	Regulation Z – Effective date of amendments to definitions of small creditors and rural or underserved areas. (eff. 1/1/16)	January	
3.	SCRA – Sunset of 1 year Foreclosure Protection, <i>unless amended by law</i> (1/1/16)	January	
4.	Regulation C – Asset-Size Threshold – will remain at <b>\$44 million</b> (1/1/16)	January	
5.	Regulation M – Threshold - will remain at <b>\$54,600</b> through 12/31/16	January	
6.	Regulation Z – Various Thresholds Adjustments (eff. 1/1/16) <ul style="list-style-type: none"> <li>• <b>Appraisals for HPMLs Exemption Threshold</b> – credit amount threshold will remain at <b>\$25,500</b></li> <li>• <b>Escrow Accounts for HPMLs Exemption Threshold</b> – asset-size threshold has adjusted from <b>\$2.060 billion</b> to <b>\$2.052 billion</b></li> <li>• <b>General Exemption Threshold</b> – will remain at <b>\$54,600</b></li> <li>• <b>HOEPA / High Cost Mortgage Points &amp; Fees Thresholds:</b> <ul style="list-style-type: none"> <li>– 5% of loan amount – for loans greater than or equal to <b>\$20,350</b></li> <li>– 8% of loan amount or <b>\$1,017</b>, whichever is less – for loans less than <b>\$20,350</b></li> </ul> </li> <li>• <b>Minimum Interest Charge</b> (OE rule 1026.6(b)(2)(iii)) – will remain at <b>\$1.00</b></li> <li>• <b>Qualified Mortgage Points &amp; Fees Thresholds:</b> <ul style="list-style-type: none"> <li>– Points &amp; fees may not exceed <b>3%</b> - for a loan amount greater than or equal to <b>\$101,749</b></li> <li>– Points &amp; fees may not exceed <b>\$3,052</b> - for loans greater than or equal to <b>\$61,050</b>, but less than <b>\$101,749</b></li> <li>– Points &amp; fees may not exceed <b>5%</b> - for loans greater than or equal to <b>\$20,350</b> but less than <b>\$61,050</b></li> <li>– Points &amp; fees may not exceed <b>\$1,017</b> – for loans greater than or equal to <b>\$12,719</b> but less than <b>\$20,350</b></li> <li>– Points &amp; fees may not exceed <b>8%</b> - for loans less than <b>\$12,719</b></li> </ul> </li> </ul>	January	
7.	HMDA – Update LAR w/last quarter’s activity (as applicable)	January	
8.	HMDA – 2015 LAR Reporting (as applicable)	March	
9.	CRA – 2015 CRA Reporting (as applicable)	March	
10.	HMDA – Modified LAR Availability Deadline (as applicable)	March	
11.	CRA – Update CRA Public File	April	
12.	HMDA – Update LAR w/last quarter’s activity (as applicable)	April	
13.	Regulation Z – Deadline Reminder to mail or deliver an offer of an option to escrow flood insurance for certain loans (6/30/16)	June	
14.	HMDA – Update LAR w/last quarter’s activity (as applicable)	July	

## Compliance Calendar Items cont.

<b>2016 Compliance Calendar Checklist cont.</b>		<b>Month</b>	<b>Complete</b>
15.	Military Lending Act – New Rule (eff. 10/3/16)	October	
16.	HMDA – Update LAR w/last quarter’s activity (as applicable)	October	
17.	Annual Privacy Notices (actual policy or alternative delivery method)		
18.	Annual Update of ARM / HELOC disclosures		
19.	Annual Identity Theft Prevention Program Update & Report		
20.	Annual Error Resolution Notices ( <i>Reg E</i> )		
21.	Annual Billing Rights Statement ( <i>Reg Z</i> )		

## Policy Reviews & Updates

- ▶ It is a common practice for Compliance to participate in the annual review and update of compliance-related policies and submit them to the Board for approval. *Taking this course of action throughout the year (versus all in one presentation) will help ensure each policy gets the proper attention and inhibits this from being a "rubber stamp" process.*
- ▶ Considerations are included below, for use as applicable. Indicate the month of presentation for a policy and utilize the completion column to check when process is finished. Use additional lines to add policies.

<b>2016 Policy Review Checklist</b>		<b>Month</b>	<b>Complete</b>
1.	BSA / AML Policy		
2.	Fair Housing Policy		
3.	Fair Credit Reporting Act / FACTA Policy		
4.	Flood Disaster Protection Act Policy		
5.	Homeowners Protection Act Policy		
6.	Reg. B / ECOA Policy		
7.	Reg. C / HMDA Policy		
8.	Reg. CC / Expedited Funds Availability Policy		
9.	Reg. D Policy		
10.	Reg. DD / Truth in Savings Policy		
11.	Reg. E / Electronic Funds Transfer Policy		
12.	Reg. GG / Unlawful Internet Gambling Policy		
13.	Reg. O Policy		
14.	Reg. X / RESPA Policy		
15.	Reg. Z / Truth in Lending Policy		
16.	Record Retention Policy		
17.	Right to Financial Privacy Act Policy		
18.	SAFE Act Policy		
19.	SCRA Policy		
20.	UDAAP Policy		

## Compliance Audit (external)

- ▶ **Using a third party to perform compliance audits and reviews can provide an independent determination of your compliance in various areas. Based on your engagement, schedule areas of review.**
- ▶ Considerations are included below, for use as applicable. Indicate the month of audit and use the complete column to check when process is finished. Use additional lines to add additional reviews.

<b>2016 Compliance Audit (external) Checklist</b>		<b>Month</b>	<b>Complete</b>
1.	BSA / AML / CIP / OFAC		
2.	Loan Review (non-real estate)		
	- <i>Regulatory coverage includes:</i>		
3.	Loan Review (real estate lending)		
	- <i>Regulatory coverage includes:</i>		
4.	Deposit Review		
	- <i>Regulatory coverage includes:</i>		





# Training

- ▶ **Ensuring staff are properly trained is an important internal control to enhancing compliance.**
- ▶ A few considerations are included below, for use as applicable. Indicate the month(s) of training and use the complete column to check when training is finished. Use additional lines to add additional training topics, based on your own process.

<i>2016 Training Checklist</i>		<i>Month</i>	<i>Completion</i>
1.	BSA / AML / CIP – annual training		
2.	BSA / AML / CIP – new hire training	continuous	
3.	Bank Security Policy & Robbery Training		
4.	Disaster Recovery Plan		
5.	Fair Lending		
6.	Flood Disaster Protection		
7.	Identity Theft Prevention Program		
8.	Information Security Program		
9.	Regulation CC / Funds Availability		
10.	Regulation O		
11.	Regulation DD / Truth in Savings		
12.	Regulation X / RESPA		
13.	Regulation Z / Loan Originator & Origination Requirements		
14.	SAFE Act		
15.	UDAAP		