

Compliance Health Check

Best Practices Compliance Assessment for Charles River IMS Clients

Keeping Up With Changing Business and Regulatory Needs

The Charles River Compliance Health Check helps Charles River Investment Management Solution (Charles River IMS) clients respond to the numerous challenges straining their compliance operations, including changing regulations, merger and acquisition activity, and fewer compliance professionals.

These factors result in compliance staff having less time to update compliance rules and maintain organized rule libraries, contributing to obsolete, redundant, and even erroneous rules. The Compliance Health Check enables Charles River IMS clients to compensate for this shortage of expertise and resources, and provides an objective assessment of your compliance rules and practices, using a proven methodology applied by an experienced compliance team.

Consultative Approach and Assessment

Charles River's specialists employ a consultative approach with clients, determining the focus and scope of the Compliance Health Check, taking into consideration timing and budget. The process includes an assessment of your current compliance rules and processes, comparing them with the best practices of your industry peers.

Further, our specialists identify gaps and inefficiencies and recommend specific corrective actions for remediation. Charles River IMS clients find that a periodic compliance monitoring assessment helps them in several ways:

Risk Mitigation – An objective compliance assessment helps firms prepare for audits, prevent trade errors, and avert compliance violations.

Reduced Costs – The assessment process identifies manual and redundant processes that can be automated and consolidated (e.g., determine leverage segregation and counterparty exposure at multiple levels), as well as areas that can be made more efficient. More effective compliance monitoring also helps avoid the cost of violations.

Improved Focus – By automating manual, repetitive or tedious processes, compliance personnel can focus their time and attention on more serious situations and fraudulent activities. A more effective utilization of the monitoring platform can also improve internal business/IT partnerships.

Upgrade Preparation – The in-depth assessment conducted during a health check will identify areas of improvement and more effective usage of Charles River IMS that can be implemented during an upcoming upgrade.

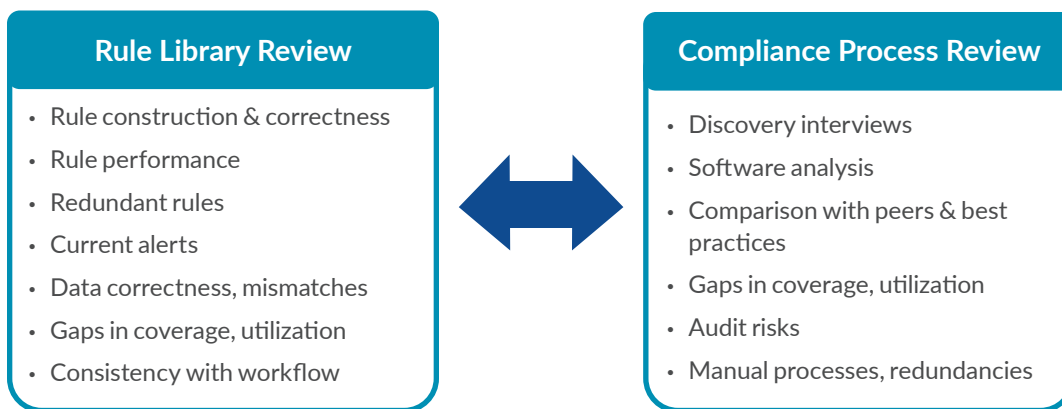
Do You Need a Health Check?

- New regulations
- Staff turnover
- Increasing data exceptions or compliance violations
- Dependent on manual processes
- New asset classes
- Geographic expansion
- Increasing volumes
- Recent merger or acquisition
- Rogue compliance situations
- Neglected rule libraries & “stale” rules (not reviewed within 2 years)

Methodology

Charles River's compliance specialists examine compliance throughout the entire investment process based on the client's needs:

1. Initial assessment – Your Charles River Compliance Specialist will meet with you to establish objectives, a preferred timeline, budget, focus (whether workflow, rule review or both), and the level of detail in the final report.
2. Rule library review – Charles River performs a detailed analysis of all compliance rules, including their design, exceptions currently being generated, and how they compare with best practices. We also evaluate rules in the context of the available data to identify gaps, inefficiencies, and inconsistencies that could compromise rule effectiveness.
3. Process review – Charles River conducts a full discovery using interviews, software analysis, and comparison with peers; we identify gaps, pain points, perceived issues, risk areas, manual processes, and redundancies.
4. Wrap-up assessment meeting – Charles River prepares and presents your health check report, including specific recommendations and a plan to implement them. Charles River can provide follow-on services to implement the changes for you, or suggest applicable compliance best practices training if you prefer to implement changes yourself.



The Compliance Health Check includes a thorough review of your rule library and compliance processes.

Charles River's Compliance Specialists

The Compliance Health Check is performed by Charles River specialists with expertise in best practice policies & procedures. All have worked in the compliance field at large and are certified in Charles River Compliance and other Charles River modules.



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