



Promoting a Culture of Compliance It Starts at the Top for Community Banks

The ever-changing regulatory environment makes it imperative for community bank boards of directors to stay involved, informed and take a 'tone at the top' approach to compliance. This is especially important for boards whose members may not have a background in financial services.

Recent updates to the regulatory landscape such as the FFIEC Cybersecurity Assessment Tool, 5th BSA Pillar, the final rule amending the Military Lending Act and proposed changes to the Consumer Compliance Rating System have put an increased focus on managing compliance risk.



"In my experience as a community bank examiner, I would sometimes see disconnect between the board and senior management. Boards were either not adequately informed or were not completely involved in compliance efforts, and thus could not provide effective leadership or set expectations for how compliance would be handled." — Tom LeVasseur, IBT Director of Compliance

The ultimate responsibility of ensuring compliance with laws and regulations falls on the board of directors. As such, the actions taken at the board level have a direct impact on the success of an institution's compliance program and set the tone for a positive compliance atmosphere throughout the organization. According to the FDIC Compliance Examination Manual, these actions include, but are not limited to:

- Appointing a compliance officer with authority and accountability
- Allocating adequate resources to compliance
- Adopting clear policy statements that provide a framework for procedures
- Discussing compliance topics at meetings and requiring recurring reports from the compliance officer
- Incorporating compliance matters in communications with institution personnel and the general public

Community financial institutions can rely on IBT and our products to meet regulatory requirements. IBT is committed to protecting customer information. We partner with a premier, SSAE16 Type II-accredited colocation data center that pairs redundancy at every level with a Network Operations Center staffed around the clock with experienced reps, including multiple full-time master electricians and remote hands support.



At IBT, we take a top-down approach to delivering quality service. Together, our Board of Directors has more than 150 years of technology experience and service to community financial institutions. CEO Mark Dittman and President Mike Golebiowski make a personal effort to visit every IBT customer and shepherd them through the design, implementation, and training process.

IBT is a true partner that strengthens relationships and enhances customer retention. IBT's core processing with *iSuite* is the right way to do business for you and your customers, reducing costs, improving efficiencies and enhancing compliance.