

**Risk Management Update**  
**April 2017**

**2017 SOLUTIONS FOR COMPLIANCE PROFESSIONALS**

At the beginning of every year, the Securities and Exchange Commission's ("SEC's") Office of Compliance Inspections and Examinations ("OCIE") identifies its examination priorities for the coming year. These priorities, which are based on perceived heightened risks to investors and the U.S. capital markets, address a wide variety of issues impacting financial firms throughout the U.S. marketplace.<sup>1</sup> This year, one of the most notable additions is a focus on retail sales practices, including investment advice through automated or digital platforms "robo-advisers."

OCIE focused their 2017 examination priorities around three themes:

- Examining matters of importance to retail investors
- Focusing on risks specific to elderly and retiring investors
- Assessing market-wide risks

Many financial firms utilize third-party service providers to help them manage key aspects of their compliance program. Not only can these service providers help firms manage regulatory risk, but they can also help increase efficiency. While CCLS does not specifically endorse any of the following service providers, clients have shared with us their positive experiences of working with the following vendors. When reviewing this list, keep in mind that you and your firm are always encouraged to conduct thorough and ongoing due diligence prior to engaging any third-party service provider.

**Compliance Certification and Continuing Education**

**National Society of Compliance Professionals: Certified Securities Compliance Professional (CSCP) Certification** – provides certification as a compliance professional, which distinguishes individuals as intermediate to advanced proficiency.

(860) 672-0843

<https://www.nscp.org/cscp/>

**The Wharton School: FINRA Certified Regulatory and Compliance Professional (CRCP) Program** – a compliance certification program created jointly by the Financial Industry Regulatory Authority ("FINRA") and the Wharton School at the University of Pennsylvania for securities law and regulation education.

(800) 321-6273

<http://executiveeducation.wharton.upenn.edu/for-individuals/all-programs/finra-wharton-certified-regulatory-and-compliance-professional-crmp-program>

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<sup>1</sup> National Exam Program, *Examination Priorities for 2017*, Office of Compliance Inspections and Examinations. For more information, please see <https://www.sec.gov/about/offices/ocie/national-examination-program-priorities-2017.pdf>.

**Quest CE** – offers compliance education and training options to the financial services industry. In addition to offering continuing education (“CE”) for professionals holding insurance licenses and professional designations like the CFP, CPA, CIMA and CLU/ChFC designations, Quest CE also provides a complete spectrum of compliance training solutions.

(414) 375-3400

[www.questce.com](http://www.questce.com)

**RegEd, Inc.** – provides annual compliance meetings, needs analysis, training plans, tracking and reporting, firm element CE, insurance CE, exam preparation licensing training with exam preparation self-study, and on-line practice exams.

(800) 334-8322

[www.reged.com](http://www.reged.com)

**Securities Training Corporation** – offers securities CE, securities licensing, insurance CE, and insurance pre-licensing and exam preparation licensing training in a classroom or self-study format.

(800) 782-1223

[www.stcusa.com](http://www.stcusa.com)

### **Compliance Technology**

**CORE TRAC Technology Resources and Consulting** – provides automated compliance technology that assists with supervisory monitoring and operational efficiencies. CORE TRAC is a great resource for registered investment advisers, broker-dealers, mutual funds, private equity firms, hedge funds and public companies. You may choose from a variety of different modules to build a customized package that is right for your firm, including compliance workstation, employee trade activity management and transaction monitoring. As part of these services, we will provide consultation services to assist with onboarding and implementation.

(619) 278-0020

[www.corecls.com](http://www.corecls.com)

**BasisCode Compliance Work Flow Solution** – delivers a simple, centralized compliance platform, enabling compliance personnel to focus on high risk areas while meeting critical regulatory and documentation requirements. The dashboard-driven system consists of a flexible menu including compliance calendar customization, testing, certifications and attestations, gifts and entertainment monitoring, risk assessments, form builder tool, personal trading, whistleblower, and document library management.

(678) 819-1991

[www.basiscode.com](http://www.basiscode.com)

**MyComplianceOffice Compliance Program Manager and Other Solutions** – provides a software system for compliance requirements and employee trading activity management, as well as task management and workflow, compliance calendar building, attestation management, disclosure management, gifts and entertainment monitoring, case and document management, risk management and more.

(866) 951-2279

[www.mycomplianceoffice.com](http://www.mycomplianceoffice.com)

## **Errors & Omissions (E&O) Insurance**

**Marsh & McLennan** – offers insurance coverage for a variety of exposures, including crisis management, mergers and acquisitions, business continuity and operational risk.

(212) 345-5000

<http://global.marsh.com>

**Starkweather & Shepley Insurance, Inc.’s Investment Industry Practice Group** – provides a variety of financial insurance, risk management, and related services worldwide.

(800) 854-4625

<http://www.starshpfi.com/wp/>

**Willis Group Holdings** – a global leading risk advisor, insurance and reinsurance broker.

(212) 915-8888

<http://www.willis.com/>

## **Electronic Books & Records Solutions**

**CA Technologies, Inc.** – offers a comprehensive portfolio of identity-centric data loss prevention for IT security professionals. As part of CA’s technology solutions, data protection using CA’s DataMinder™ enables businesses to protect all types of sensitive information and assets to help minimize accidental, negligent and malicious misuse of data, as well as help you remain compliant with regulations, corporate policies and reduce overall business risk.

(800) 225-5224

[www.ca.com](http://www.ca.com)

**Compliance Science C-TRAC™** – an enterprise scaled tool designed to capture and certify institutional contract data across all clients and counterparty agreements including investment management contracts, sub-advisory agreements, prospectuses, subscriptions, side letters, and more. C-TRAC™ allows stakeholders to access and review all legal, compliance and operational obligations across the enterprise using secure browser-based technology.

(212) 327-1533

[www.complysci.com](http://www.complysci.com)

**Bloomberg Vault** – cloud-based information management services that delivers compliance, eDiscovery and enterprise archiving by leveraging the scalability and reliability of Bloomberg’s global infrastructure, which distributes up to 250 million daily messages and manages more than 70 billion archived records on behalf of Bloomberg Vault subscribers.

(212) 617-6580

[http://www.bloomberg.com/vault/?utm\\_source=bloomberg-menu&bbgsum=DG-WS-09-13-ES-BVAULT-bbgmenu](http://www.bloomberg.com/vault/?utm_source=bloomberg-menu&bbgsum=DG-WS-09-13-ES-BVAULT-bbgmenu)

## **Electronic Mail Archiving & Surveillance Tools**

**Global Relay** – provides messaging services that provide the foundation for mail management, compliance, eDiscovery and business continuity. Ask a CCLS consultant about preferential pricing available to CCLS clients.

(604) 484-6630

[www.globalrelay.com](http://www.globalrelay.com)

**Smarsh** – specializes in e-mail and instant message archiving, WORM Optical Storage, attachment archiving, virus protections, review and reporting tools, and spam filtering.

(866) 762-7741

[www.smarsh.com](http://www.smarsh.com)

## **GIPS Verification and Performance Services**

**Ashland Partners & Company LLP** – provides GIPS consultation and verification, surprise custody examinations, and SSAE No. 16 examination training.

(541) 857-8800

[www.ashlandpartners.com](http://www.ashlandpartners.com)

**CAPS Incorporated** – provides a GIPS composite and management reporting workflow software solution for GIPS compliance and reporting.

(508) 653-2800

[www.capsinc.com](http://www.capsinc.com)

**Deloitte & Touche LLP** – offers audit, tax, consultant and financial advisory services, including GIPS verifications.

(213) 688-0100

[www.deloitte.com](http://www.deloitte.com)

## **Administration and Fund Auditing Services**

**EisnerAmper, LLP** – a global firm serving a broad spectrum of financial services and high net worth clients, offering a full range of audit, accounting, taxation, and consulting services. Hedge fund advisory services include hedge fund audit and tax services as well as support for fund of funds, multi-strategy funds, and PIPES.

(415) 974-6000

[www.eisneramper.com](http://www.eisneramper.com)

**Marcum, LLP** – provides consulting, tax and auditing services for private equity partnerships, hedge funds, off-shore funds, registered investment advisers, and real estate funds, in addition to traditional accounting, assurance and tax, including domestic and international tax planning.

(212) 485-5501

[www.marcumllp.com](http://www.marcumllp.com)

**KPMG, LLP** – an international firm that provides audit, tax and advisory services and industry insight to help organizations negotiate risks and perform in the dynamic and challenging environments in which they do business.

(201) 307-7000

[www.kpmg.com](http://www.kpmg.com)

**Hedge Solutions, Inc.** – provides specialized accounting services for fund structure or investment strategy, and also offers consolidated online investor access to key information, reporting and documents in a protected and secure environment.

(310) 893-1743

[www.hedge-solutions.com](http://www.hedge-solutions.com)

**Opus Fund Services, LLC** – provides hedge fund administration, including fund accounting/NAV calculations, partner allocations, and year-end reporting services.

(415) 762-8749

[www.opusfundservices.com](http://www.opusfundservices.com)

**SS&C Technologies Holdings, Inc.** – provides fund administration services for hedge funds, fund of funds, private equity funds and managed account managers. SS&C also offers back office, middle office and front office software for alternatives investment managers.

(800) 234-0556

[www.ssctech.com](http://www.ssctech.com)

### **Trade Order Management Systems**

**Advent Software, Inc.** – offers innovative investment management solutions that integrate portfolio accounting, reporting, performance analytics, and client relationship management, effectively linking portfolio managers, operations, and client service staff on a single database platform.

(800) 727-0605

[www.advent.com](http://www.advent.com)

**Charles River Systems, Inc.** – provides software, hosting and data services to automate front and middle office investment operations for buy-side firms. On-premise software solutions support portfolio management, compliance and risk monitoring, access to global liquidity, and trade processing.

(781) 425-6460

[www.crd.com](http://www.crd.com)

**Envestnet, Inc. (Tamarac)** – offers scalable web-based portfolio management technology that enables investment managers to provide customized, tax-efficient, individual account management to a multitude of clients.

(866) 525-8811

[www.tamaracinc.com](http://www.tamaracinc.com)

**EZE Castle Software** – provides comprehensive technology solutions to broker dealers, hedge funds, institutional asset managers, mutual funds, pension funds and wealth managers.

(617) 316-1000

[www.ezesoft.com](http://www.ezesoft.com)

**Orion** – offers a Trade Order Management platform that provides advisors with scalable solutions that allow them to create, review and edit their trade orders with powerful back-end processing.

(402) 496-3513

<https://www.orionadvisor.com/solutions/trade-order-management/>

### **Personal Trading Surveillance and Archiving\***

**Schwab Compliance Solutions/Charles Schwab & Co., Inc.** – offers employee trade surveillance technology that proactively blocks restricted trades that are not compliant with your firm’s employee trade monitoring policy.

(877) 589-4276

[http://corporateservices.schwab.com/public/corporate/compliance\\_solutions](http://corporateservices.schwab.com/public/corporate/compliance_solutions)

**TD Ameritrade, Inc.** – provides a fully automated employee trading surveillance system that combines customized tools to help financial and professional services firms better monitor their employees’ personal trading accounts.

(888) 376-4682

<http://tdadesignatedbrokerageservices.com/>

*\*Please also see Compliance Technology Services for additional solutions that include employee personal trading surveillance.*

### **Proxy Voting Services**

**Broadridge Financial Solutions** – supplies tools to help manage proxy votes, keep records, and maintain compliance.

(800) 353-0103

[www.broadridge.com](http://www.broadridge.com)

**Glass Lewis** – offers proxy vote management solutions that support all aspects of governance programs, from engagement before, during and after the proxy season, to the implementation of custom policies, to reporting for clients, management and regulators.

(888) 800-7001

<http://www.glasslewis.com/>

**ISS** – provides an integrated platform that helps investors manage proxy research, voting and reporting.

(646) 680-6350

<https://www.issgovernance.com/solutions/proxy-voting-services/>

**MSCI Inc. RiskMetrics Group, Inc. – Institutional Shareholder Services** – offers indices, portfolio risk and performance analytics, and governance tools, research and voting, social investment portfolio

screening, proxy distribution, and corporate governance advisory services to financial institutions and corporations.

(888) 588-4567

[www.msci.com](http://www.msci.com)

Should you require additional information, please do not hesitate to contact CCLS at (619) 278-0020. Thank you.

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