

# Shield Assure Case Study: KeyPoint Credit Union

# Introducing the Director of Compliance



## Stephanie Baer, BSACs, CAMs, CUCE

Stephanie has deep BSA/AML, OFAC, and risk management experience. Before joining Shield Compliance, she was responsible for launching, implementing, and managing a cannabis banking program at a California-based credit union.

At Shield, Stephanie uses her experience to help normalize and modernize the relationship between financial institutions and cannabis-related businesses through the utilization of Shield's compliance management platform.

# Introducing the Banker



## Justin Pilgrim, CAMs

Justin has been a BSA/AML professional for over 16 years working in various capacities with different financial institutions and fintechs including Wells Fargo and Fiserv. Justin's background in Fraud and BSA/AML has led him to a position with KeyPoint Credit Union within its cannabis banking program.

Justin has been with KeyPoint over three years and currently heads the operational side of the Cannabis Banking Program, leading his staff and handling day to day operations.



## KeyPoint Credit Union: A Success Story

- KeyPoint Credit Union is an award-winning credit union based in Silicon Valley, with \$1 billion in assets and over 58,000 members across California. It aims to improve people's lives with a full line of financial products and services, while providing excellent rates, low fees, 24/7 access and personalized member service.
- KeyPoint Credit Union has been banking the cannabis industry since 2020.

# KeyPoint Case Study



KeyPoint Credit Union has been using Shield Assure to manage cannabis compliance for the last 4 years

What was different about 2024?

- A fresh perspective
- A new market demographic to understand
- Desire for flexibility
- A pathway to building a more efficient program

# Drivers of Change



## Expansion to New Markets

- Adding tribal CRB accounts
- Adding states with cannabis programs

## Key Personnel Changes

- Departure of members of KPCU legacy cannabis banking team
- Leadership opportunity for Justin

# Opportunities



Market expansion and changes to key personnel led KeyPoint Credit Union to call on Shield to assess program opportunities

- Needed policy and program revamp to accommodate changing geographies and account types
- Program review identified departmental processes that could be streamlined for greater efficiency
- System optimization opportunities within Shield Assure were evaluated

# Shield Force Professional Services



## New Program Development

- Policy and risk assessments

## Program Refinement

- Modifications to policy or processes to address shifts in institutional strategy

## System Optimization

- Procedural standards and recommendations to optimize client's use of Shield solutions



# Program Assessment Process

Assess impact of strategic objectives to its existing policy and risk assessment

Evaluate processes for opportunities to increase efficiency through automation

Recommendations for change

Assist in implementation and documentation of changes

# Recommendation 1: Migrate SAR Filing

## SAR Filing Outside of Assure

- Timing: > 1 hour per SAR
- Resources: Multiple
- Data Quality: No Validation, User-controlled
- Quality Control: Pre-validation Errors Only
- Reporting: Mixed, User Organized
- Examination Support: Limited & User Organized

## SAR Filing Within Assure

- Timing: < 5 minutes
- Resources: One (Data is all in one place)
- Data Quality: Validation Daily, At time of Generation, and QC
- Quality Control: Pre-validation Errors, Data Errors, XML Review, Content Review
- Reporting: System Organized, Ease of Access, Consistent
- Examination Support: Extensive, Project Manager & System Organized.

# Recommendation 2: Migrate Compliance Reviews

## Compliance Reviews Outside of Assure

- Timing: > 1 hour
- Resources: Excel Report from Core, BSA/AML Software & Assure
- Data Quality: Point in Time Report, Excel filtering, Spreadsheet Error, Retention Opportunity
- Quality Control: User organized.
- Reporting: User organized.
- Examination Support: User Organized.

## Compliance Reviews Within Assure

- Timing: < 20 minutes
- Resources: Assure Software
- Data Quality: Daily data control, automated case management, flexibility for in system audit, System incorporated documentation & system retention.
- Quality Control: System Organized, Procedural based, replicable.
- Reporting: System Organized.
- Examination Support: System Organized.

# Recommendation 3: Documentation

KeyPoint Credit Union's Policy contained many procedures, and the program assessment engagement led to the introduction of process changes. The following modifications to governance documents were implemented:

- Streamlined Policy to define and document core considerations
- Introduced Program Guidelines that support the Policy at a more granular level
- Documented Process Standards for key compliance functions that were migrated to Shield Assure

# Closing Remarks & Questions

