ComplySight

LEVEL 1 ADMINISTRATOR USER GUIDE

February 2014 – Pilot Program, v1.0

ComplySight

Table of Contents

ComplySight Introduction

Congratulations on obtaining ComplySight. This will be a valuable resource for you and your credit union for many years.

ComplySight serves as a comprehensive compliance management and tracking tool that streamlines the compliance process throughout the credit union. The system provides visibility, tracking, measuring and reporting for compliance activities allowing credit unions to address compliance initiatives through a single application, assisting in the organization's overall communication, supporting a state of continual readiness for audits, and providing regulatory updates essential to maintaining credit union compliance. ComplySight will match compliance needs with compliance gaps – filling the need with additional League InfoSight products like InfoSight and CU PolicyPro.

ComplySight will allow users to select a specific standard industry compliance items and, with a user-defined sliding scale, rate their level of compliance based on industry defined factors. The user can build "Action Items" to manage the process of documenting their compliance efforts and assigning tasks.

You will find there are many useful tools to manage your compliance evaluation process. Plus, there are many resources to help you and your team with compliance questions through our unique integration of ComplySight with League InfoSight and CU PolicyPro. Additionally, we've included links to agency regulatory pages associated with the specific areas of compliance you need.

Lastly, for questions associated with operating the software, our support team is available your team. In addition to email and phone support, you have available User Guide documents and a library of tutorial videos in the event you need assistance using ComplySight.

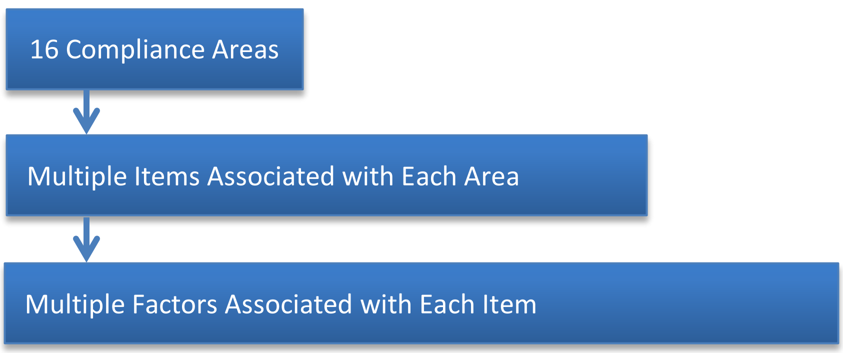
Using ComplySight to manage your credit union's compliance is streamlined in this application. By using the powerful and intuitive tools in ComplySight, your team can promptly and efficiently manage compliance in all areas of your credit union operation. By learning these modules of ComplySight, your team will quickly be ready to use these core tools:

- Selecting and Grading Compliance Factors
- Building and Resolving Action Items
- Building and Resolving Manual Action Items
- Building and Resolving Examiner/Audit Findings
- Managing Regulatory Alerts
- Understanding Grading Calculations

Overview of How ComplySight Works

ComplySight allows a credit union to perform a compliance self-evaluation on all federal credit union regulations.   The evaluation allows the credit union Compliance Officer and other employees in the compliance area to grade themselves on all elements of the laws that apply to their credit union.

Within ComplySight, there are 16 general categories of compliance called Compliance Areas. Within each Area, there are multiple sub-categories called Compliance Items. Within each Item, there are several Compliance Factors. In total, there are over 130 Items. Each Item contains, on average, seven Factors.



After ComplySight is setup by your ComplySight Administrator, the process of evaluating your credit union can begin.

First, the ComplySight user will select an Area, such as Bank Secrecy Act, and then select an associated Item such as Wire Transfers. Once the Item has been selected, the associated Factors are shown. At that point, the user can begin evaluating the Factors and grade them on a scale between 0 and 10 in quarter point increments.

When ComplySight is initially setup, every Factor within an Item is assigned an equal weight. For example, a compliance Item may include five Factors. If the credit union feels that one particular Factor is more important than others, he/she may give that Factor a greater weight.   Or, the ComplySight Administrator may decide that all Factors are equally important and will keep the weight for every Factor equal. The greater the weight, the greater the value the Factor grade will have.

The grading structure in ComplySight is as follows:

- An Item grade is made up of a sum of all the Factor grades.
- An Area grade is made up of an average of all Item grades.
- The overall credit union compliance grade is an average of all Area grades.

Part of the ComplySight setup is setting the credit union Compliance Threshold. The ComplySight Administrator sets a number between 0 and 10 that he/she feels is considered compliant. This number is called the Compliance Threshold. If a compliance Factor is graded beneath the Compliance Threshold, then an Action Item is automatically created.   The Action Item is a tool to assign tasks to employees to resolve the Factor that is graded poorly and potentially bring it up to compliance and/or understand the reason(s) for the grade. More details on this functionality is found under **Action Items**, **Manual Action Items** and **Examiner/Audit Findings**.

As laws change and are modified, ComplySight will provide credit unions with Regulatory updates called Alerts. As regulatory changes occur resulting in new or modified Compliance Items and Factors, ComplySight will be updated with the new regulatory content. This new content, Items and Factors, can have an effect on the existing grades. Alerts are explained further in this document under **Regulatory Alerts.**

ComplySight offers a full range of reporting tools that provides a quick, thorough and consolidated view of your ComplySight data. All reports can be downloaded to Excel or PDF. More information on **Reports** is detailed in this document.

ComplySight Administrator Tools

The ComplySight Administrator is the user that will configure the application and prepare it for the Compliance Officer and other users in the credit union. The ComplySight Administrator needs to understand and address the following areas to prepare the software:

Select Compliance Threshold/Area Selection

Select Items

Set Weights

Area/Item Information

Regulatory Alerts List

Employee Management

Assign Employee

Set Permission Levels

Reports

Technical Support

Compliance Questions

Change Password

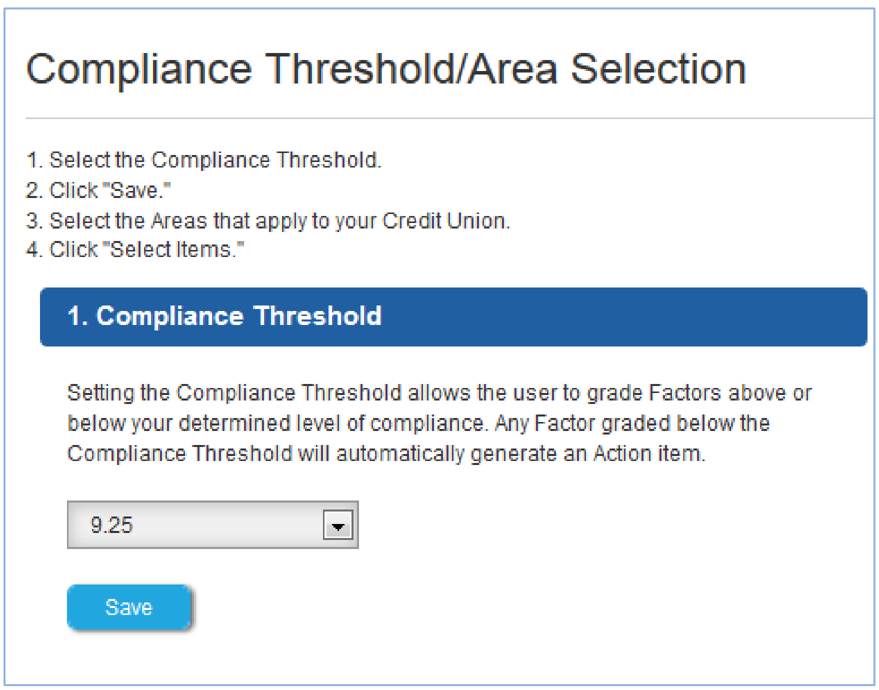
My Profile

Compliance Threshold

The first task the ComplySight Administrator will perform is to select a Compliance Threshold for the Factors of all Items that will be graded. This value, a number between 0 and 10 with 10 meaning fully compliant, is determined by the credit union and will be assigned to all areas of review. If a Factor is graded below the threshold, ComplySight will automatically create an Action Item for the user to follow up and resolve. If a Factor is graded at or above the Threshold, an Action item is not created.

The threshold applies to Factors only. Only one threshold number is established and that number applies to all Factors. Separate thresholds cannot be set for a specific Areas or Items.

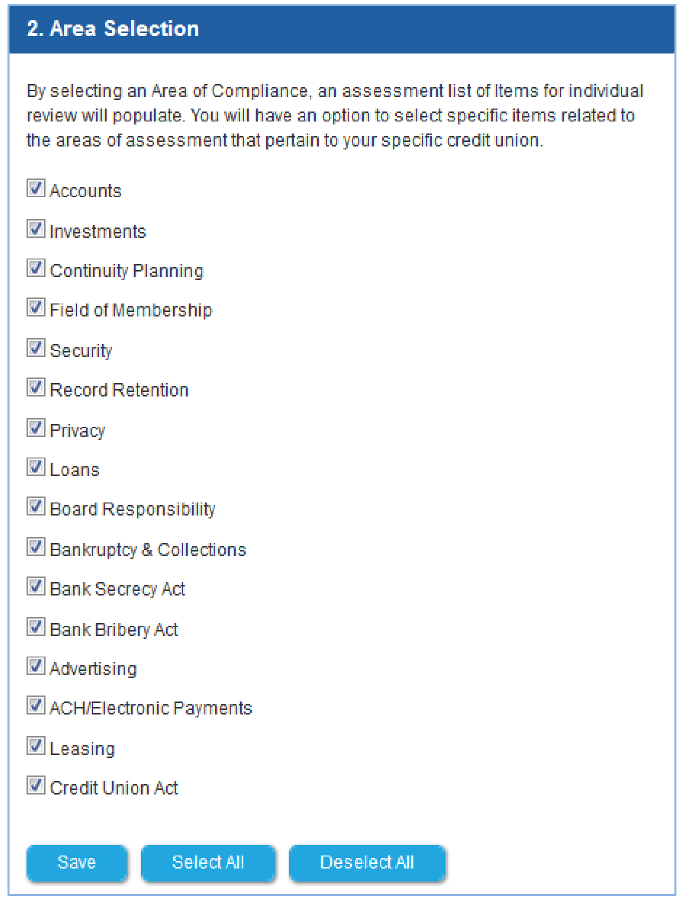
To set the Compliance Threshold, click Select **Compliance Threshold/Area Selection** from the menu bar, then select **Compliance Threshold**. From the drop down menu, select the appropriate number between 0 and 10 as the designated level of compliance for all Factors, then click **Save**.



Area Selection

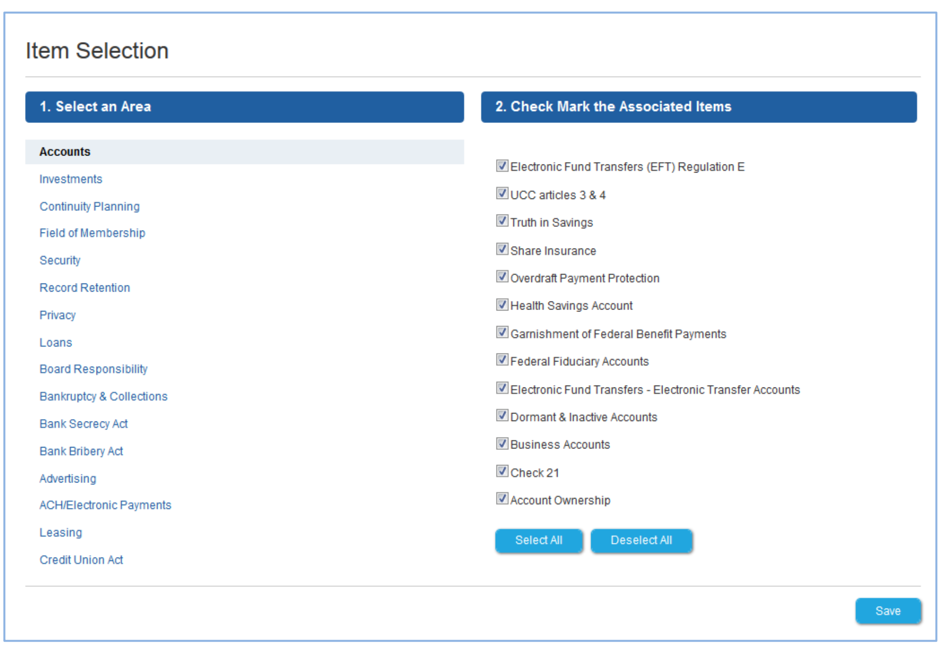
ComplySight includes 16 Areas of compliance for review. After setting the Compliance Threshold, the ComplySight Administrator will select which of the 16 Areas apply to that credit union. For each Area selected, the associated Items will then be available to be assigned in the **Select Items** section and, therefore, be available to be graded. For any Area that is not selected, the associated Items and Factors will not be available to be graded. The ComplySight Administrator can, at any time, return to the Area Selection page to select and deselect Areas.

Only Areas that are selected will be included in the overall compliance grade.



Select Items

Every Compliance Area of ComplySight has associated Compliance Items. Depending on the credit union, however, not every Item will need to be graded. ComplySight gives the user the ability to select which Items are to be graded. To select Items, go to the **Select Items** page and select an Area from the list on the left, which will populate all the associated Items on the right. Checkmark the Items to be graded (or click **Select All**) then click **Save**. Do this process for all Compliance Areas that the credit union has selected.



Employee Management

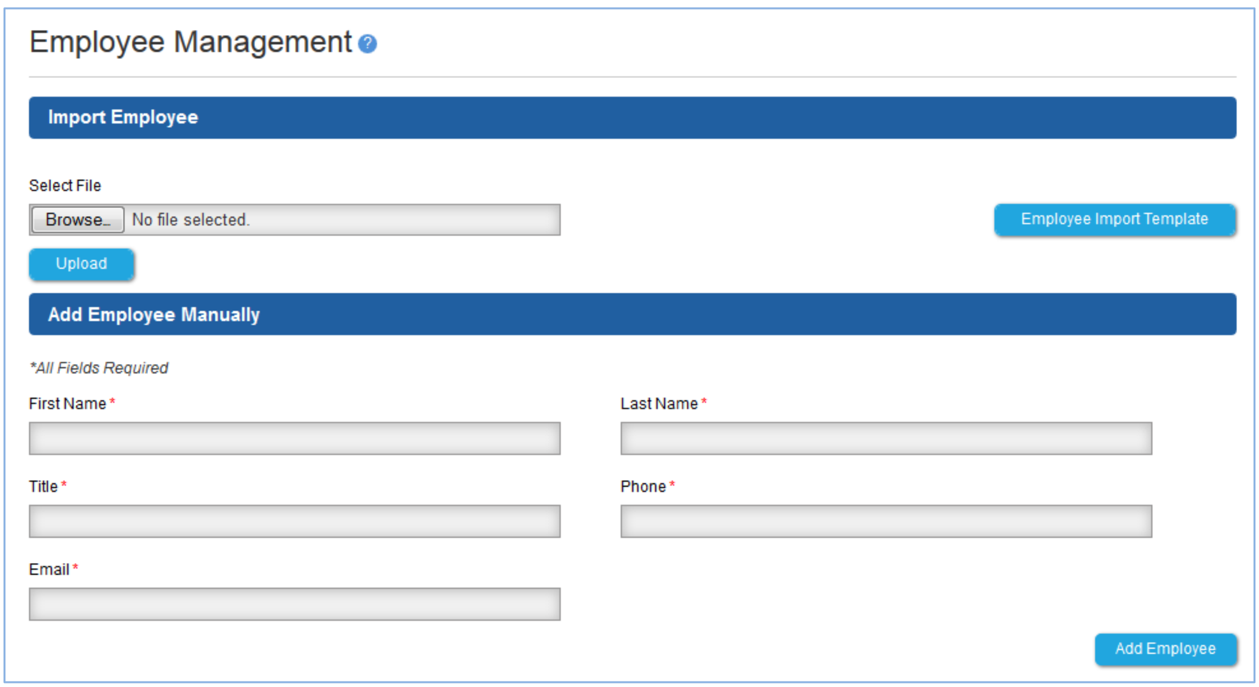
The ComplySight Administrator will give employee's access to ComplySight through this page. Users can be added through an import tool and/or manually.

Import Tool

To import users, first download the **Employee Import Template** located on the Employee Management page which includes the required columns in this order:

- Email
- First Name
- Last Name
- Phone
- Title (i.e. Compliance Officer)

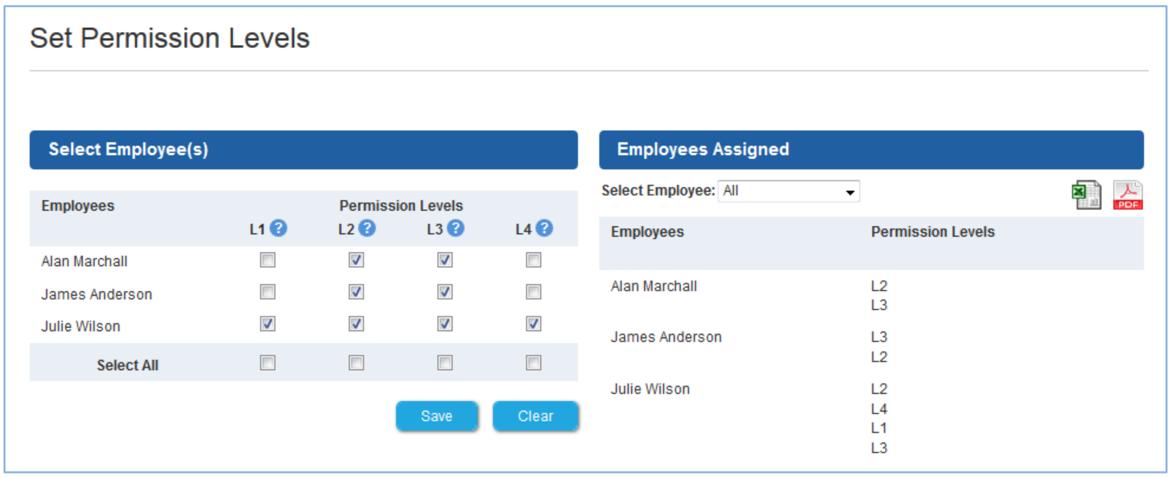
After completing and saving the template, click **Choose File** and then **Upload**. A successful import will add users to the **Manage Employees** list at the bottom of that page.



Set Permission Levels

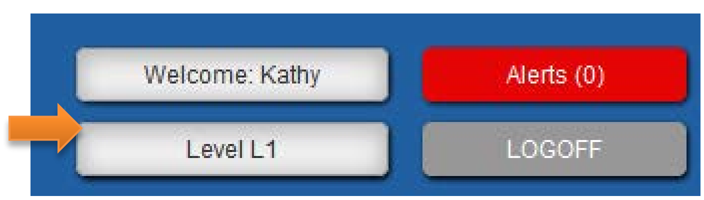
Immediately following the import of employees, the ComplySight Administrator will set the permission level of each employee added by selecting **Set Permission Levels** from the menu bar.

- Within ComplySight there are four user levels. These levels are assigned based on the access required for each designated employee, and an employee may need to be assigned to more than one level based on their responsibilities.
- The levels are assigned by selecting the appropriate level after the employee's name and clicking **Save**.
- Once the permission level(s) are set and the settings saved, those employees will receive an email titled **ComplySight Activation Email**. The email lists their permission levels and provides them with a link to establish their password in ComplySight.



By clicking their level in the upper right of ComplySight, the user can switch to a different assigned level as needed. The details of each permission level are listed below:

L1: ComplySight Administrator
Select Areas and Items that the Credit Union will Grade
Sets Weights to Factors
Adds Employees
Assigns Employees to Items
Generate Reports
Manages Regulatory Alerts



L2: Compliance Officer
Performs the Grading for all Compliance Areas, Items, and Factors
Creates and Manages Action Items
Generates Reports

L3: Auditor
Access to Examiner Finding Audit Forms
Adds Comments and Recommendations to Factor Grades

L4: Read Only
Views Factor Grades
Generates Reports
Cannot Grade, Comment, or Perform Functional Tasks

Assign Employees

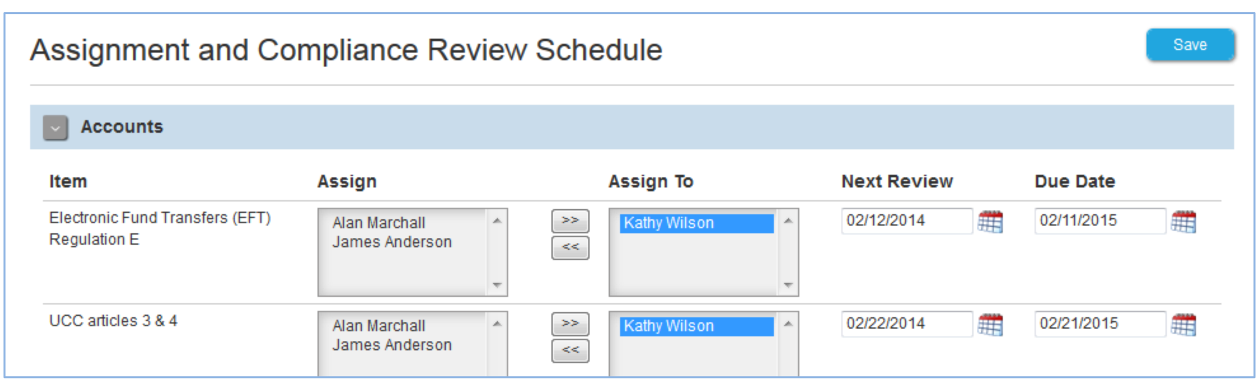
Once employees (users) have been added, permission levels set, and Areas and Items selected, the ComplySight Administrator is able to assign users to handle the compliance Items identified as needing to be reviewed and graded. Additionally, the ComplySight Administrator will establish **Next Review** and **Due Dates** which are tied to email notifications delivered as these dates approach or are overdue.

The user assigned to an Item would be responsible for viewing and grading each Factor and handling building Action Item, assignments and see that it gets resolved, where possible.

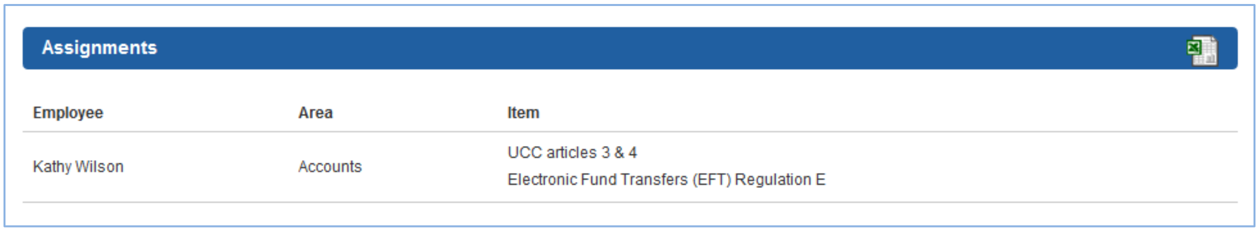
To assign user(s) to an Item:

1. Logged in as the ComplySight Administrator, from the **Assign Employee** page, click Area which will reveal all associated Items as shown in the example below.
2. Next, select an employee (or control-click to select multiple employees) to assign to the Item.
3. Then choose the **Next Review** and the **Due Dates**. The Due Date will automatically populate to one year after the Review Date.
4. Click **Save**.

Please note: the **Next Review** and **Due Date** will populate in Reports and in the Cycle Status. Also, email notifications are based on these dates.

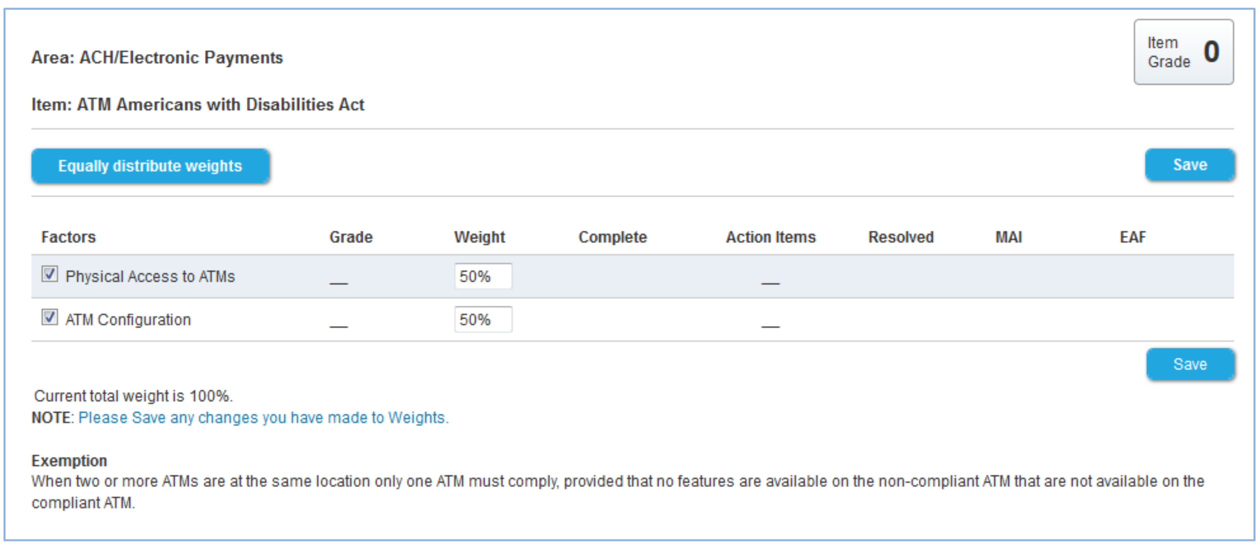


As users are assigned, their name and their assigned Item are listed below in the **Assignments** area as shown below:



Set Weights

When ComplySight is delivered, all weights within an Item are distributed equally and rounded where necessary. For example, if there are two Factors associated with **ACH/Electronic Payments**, each Factor will automatically be weighted at 50% as shown in the example below. The ComplySight Administrator may decide that Factors weighted equally is acceptable to that credit union, therefore, no additional work is needed.



Using the drop down menus, select the Compliance Area then Compliance Item to display the Factors. All Items have associated Factors and every Factor will have an associated weight. The ComplySight Administrator is the only user who can set weights.

If changes to weights are needed, the process of setting weights is as follows:

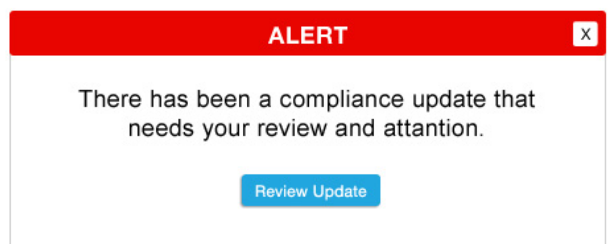
1. Logged in as the ComplySight Administrator, click **Set Weights**
2. Using the drop down menu, select the Compliance Area then Compliance Item to display the Factors needing weight.

3. All Factors associated with that Item will display and will automatically check marked. Factors that are not check marked will appear in Factor Grading with NA in the **Weight** field and cannot be graded.
4. Enter a whole number in the **Weight** field.
5. Ensure that the total of all weights equal 100%.
6. Click **Save**
7. If **Save** is clicked and the weights do not add up to 100%, an error message will display.
8. Once properly saved, to go to the next Area or Item, click **Set Weights** again.

Please note: If the ComplySight Administrator wants to reset weights to the default setting and have weights evenly distributed amongst factors, they can click on the **Equally distribute weights** button then **Save**.

Regulatory Alerts

Whenever a new or revised regulation is released from a regulatory agency, ComplySight will bring them to the credit union. When the regulation is formally released by the regulatory body, ComplySight will deliver the information to your application in the form of a **Regulatory Alert**. This regulation could be change or addition to an existing rule or a fully new regulation that will be added to ComplySight.



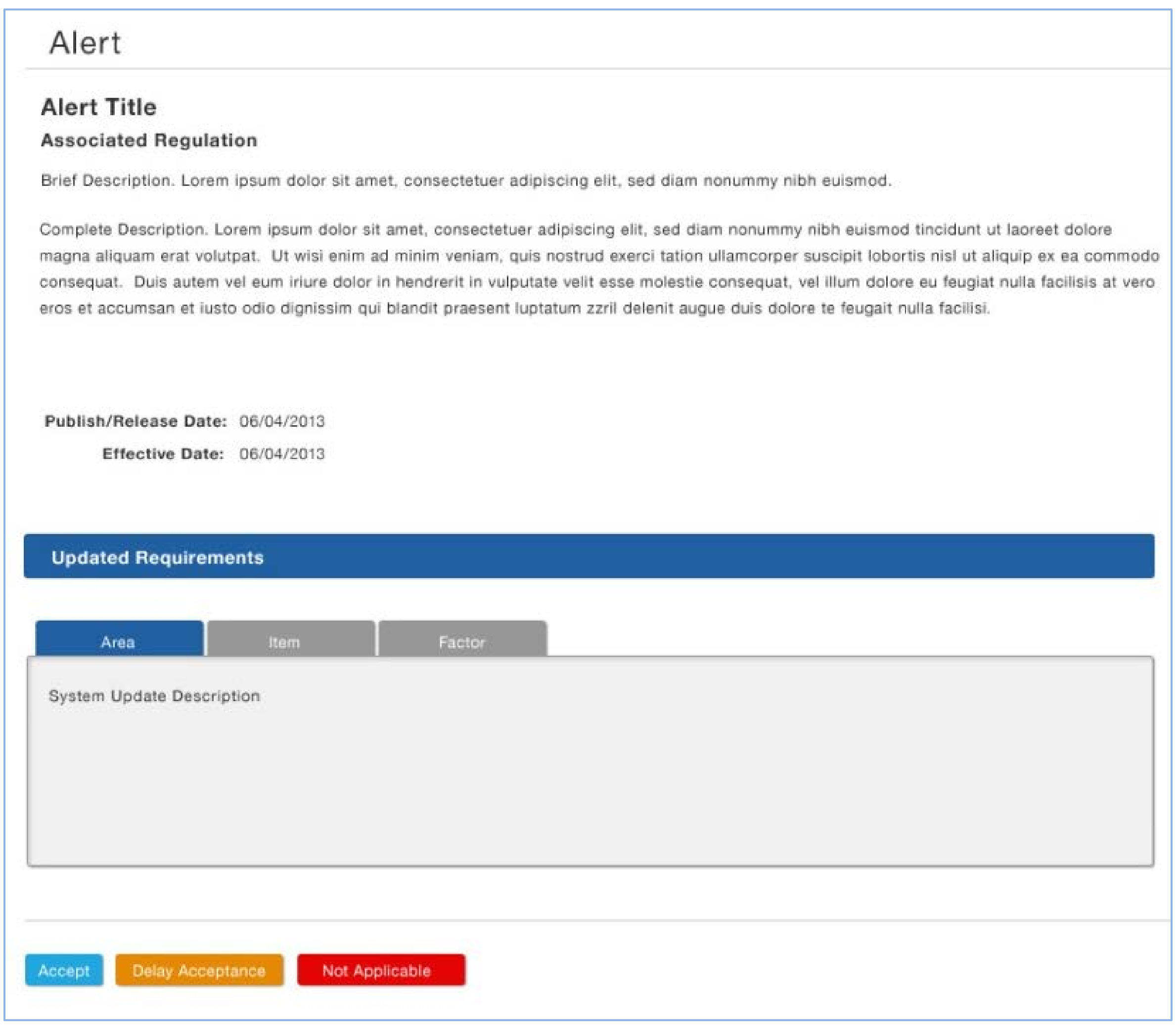
When an Alert is received by the ComplySight Administrator, a pop-up message will display as shown to the right. After the user clicks **Review Update** the user is asked to act on the Alert and select one of three statuses. The options are:

- Accept – If accepted, the changes associated with the alert will be incorporated into ComplySight Areas, Items and Factors.
- Delay Acceptance – No changes to the Compliance Areas, Items or Factors will occur. If Delay Acceptance is selected, the user is automatically taken to the dashboard if no more alerts are in the queue or to the next Alert Decision Screen if more alerts are in the queue. The ComplySight Administrator can return to this alert at a later date to change the status.
- Not Applicable – If the regulation does not apply to the credit union, the user will select this status. The information associated with this alert will not appear in the Areas, Items or Factors. If Not Applicable is selected, the user is automatically taken to the dashboard if no more alerts are in the queue or to the next Alert Decision Screen if more alerts are in the queue.

If the alert is **Accepted**, the following steps occur:

- The Alert message box provides the user complete information on the Alert including the affected Area, Item, and Factors, whether the Factors are new or if existing Factors have been modified. It will provide, where needed, instructions and recommendations for the ComplySight Administrator to make changes to Factors (i.e. make them NA or apply a weight to them).

- When the ComplySight Administrator clicks Accept, that user will immediately go to that Item in the **Set Weights** page.
- If Factors are added or existing Factors are no longer in effect, the user must re-weigh the Factors based on this new information.
- When complete, the user must click **Save**. At that point, all weight changes will take affect and other users in the system will see the changes (re-weighed Factors, etc.) when they next log in or refresh their screen.
- After the weights have been set and saved, the L2 and L3 user(s) will receive an email that reads: "Due to the regulatory change, (Name of Regulation), associated with (Item), the weights for that Item have been changed. Please review Compliance Item: (Item) to review the Factors and Factor grades."
- If multiple Regulatory Alerts are awaiting action by the ComplySight Administrator, immediately after completing the weight adjustments and saving on the first Regulatory Alert, the next alert pop-up will appear.
- The ComplySight Administrator will repeat the process for all **Accepted** Regulatory Alerts.



Delay Acceptance
If the user selects Delay Acceptance, no changes are made to the weights. The associated compliance content remains invisible to the users. If a new Item is created based on a regulatory change, it will be added to the application, but not visible to the users. If that credit union decides, in the future, that the regulatory alert needs to be Accepted and graded, the ComplySight Administrator can change the alert status by going to the Regulatory Alert List and by using the drop down menu, change the status. Only the ComplySight Administrator can change the status of a Regulatory Alert.

Not Applicable
If “Not Applicable” is selected, no changes are made to the weights. The associated compliance content remains invisible to the users. As stated above, if that credit union decides, in the future, that the regulatory alert needs to be Accepted and graded, the ComplySight Administrator can change the alert status by going to the Regulatory Alert History page and by using the drop down menu, change the status. Only the ComplySight Administrator can change the status of a Regulatory Alert.

Area and Item Information

For the ComplySight Administrator, the Area and Item Information page is a simple resource to see the content associated with any compliance Item in ComplySight.

Switching Between User Levels

The application allows the ComplySight Administrator to assign permission levels to every user. One user can be assigned multiple permission levels. To change to a different permission level

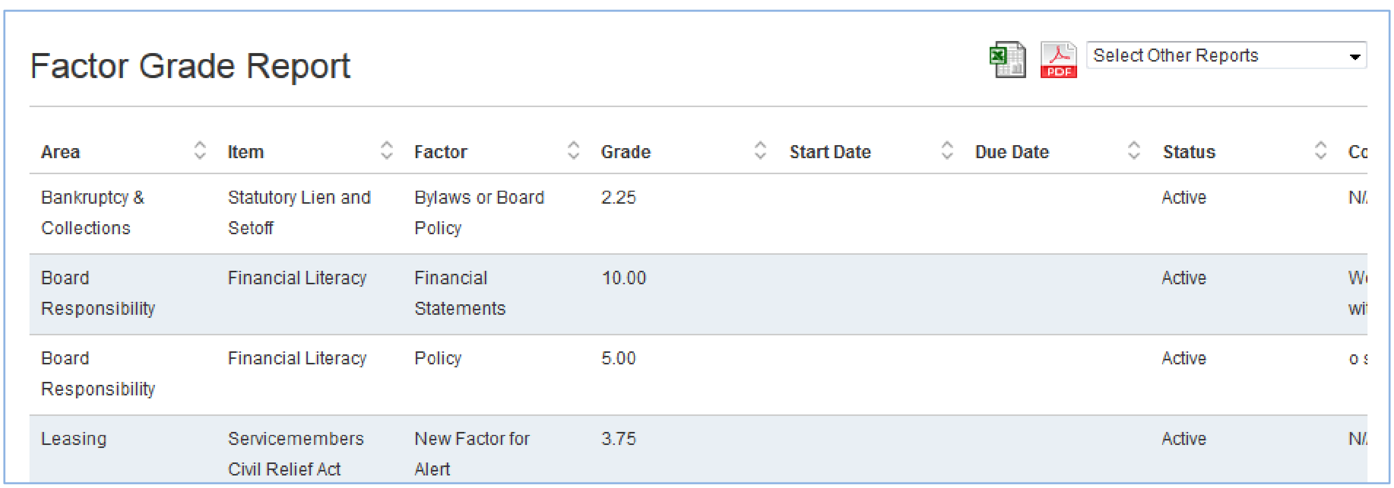
- Click the Permission Level box in the upper right.
- The user will be presented with a choice of permission levels available for that user.
- Click the new permission level.
- The user will now be logged under that permission level.

Reports

The Reports section of ComplySight allows the user to select and review data associated with a range of areas of the application. All reports include pre-defined data. For Example, the Examiner Audit/Finding Report includes predefined data of the Area, Item, Factor, Due Date, Assigned To, Status, and Comments that were previously input.

With any report, the user has the option to export to either Excel or PDF file formats. Click on the arrows located next to each column to sort information.

Report Example:


Factor Grade Report

Select Other Reports

Area	Item	Factor	Grade	Start Date	Due Date	Status	Co
Bankruptcy & Collections	Statutory Lien and Setoff	Bylaws or Board Policy	2.25			Active	N/
Board Responsibility	Financial Literacy	Financial Statements	10.00			Active	W wi
Board Responsibility	Financial Literacy	Policy	5.00			Active	o s
Leasing	Servicemembers Civil Relief Act	New Factor for Alert	3.75			Active	N/

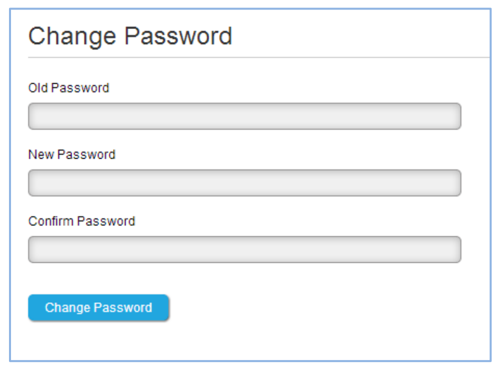
Technical Support

This form will be routed to the ComplySight Technical Support Representative. Questions submitted here will be about software functionality and/or problems the user has encountered while using the software.   This form will be pre-populated with the users name, League, and name of Credit Union.

Compliance Questions

This form is available to users who have compliance related questions and will be prepopulated with the users' name, League, and name of the Credit Union. After clicking Submit, the form will be routed to the proper ComplySight Representative for follow up.

Change Password



To change your password, click Change Password, enter your existing password. Next, enter your new password, and confirm. Click Change Password. A password must include at least eight characters, and must contain one uppercase letter, one numeral and one special character (e.g., @#$%^).