

HOMESTREET BANK

Making Compliance Easier with WatchDOG® Elite

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- Heather Sawle, AVP, HomeStreet Bank



Managing compliance, especially watch list screening, at a bank that has more than \$6 billion in assets is a big job that requires extreme diligence. For Heather Sawle, associate vice president and BSA deputy officer compliance program manager at HomeStreet Bank, in Seattle, Washington, it is a constantly changing pursuit.

“Regulatory compliance seemed so much easier back when I started nine years ago, but everything is much more technical now,” Sawle says. “It used to make sense to perform a lot of compliance tasks manually, but now, that’s not a practical use of time. You have to use an automated compliance system.”

HOMESTREET GOES PRO

To get away from the painstaking and inefficient manual process for ensuring compliance with regulations from the U.S. Treasury’s Office of Foreign Assets Control (OFAC), HomeStreet started using CSI’s WatchDOG® Pro, a Web-based watch list screening solution, in October 2010. According to Sawle, the bank chose WatchDOG Pro because it was in search of a more efficient way to complete their screening processes.

“We had so many manual processes in place to accomplish the same things Pro could do, with much less effort,” Sawle says. “When you’re doing everything manually, things can get missed.”

In addition to increased efficiency, WatchDOG Pro’s real-time updates provide a failsafe that a manual process simply cannot. CSI technicians update WatchDOG Pro whenever the OFAC list changes, so if an individual named on the list tries to do business with an institution using WatchDOG Pro, the system will register a hit and issue an alert before a transaction takes place.

Sawle says the automated screening against OFAC increased productivity; it also added an element of convenience that “put a lot of hours back into the week.”

HomeStreet worked successfully with WatchDOG Pro for five years, but as the compliance necessities at the bank began to increase, so did the demands on their watch list screening program. For instance, HomeStreet needed to retain more detailed records, enhance its reporting capability and incorporate additional functionality to be able to work with Regulation O and Section 314 of the USA PATRIOT Act.

The bank found the perfect solution in WatchDOG Elite.

AN ELITE UPGRADE

HomeStreet decided to upgrade to WatchDOG Elite in February 2016. With 15 associates from several different business units, including Loan Servicing, Human Resources and Accounts Payable, using Elite for batch uploads and quarterly monitoring of personnel lists, HomeStreet needed to ensure a seamless upgrade experience to the new platform.

To help Sawle facilitate a smooth transition for her team, CSI built a sandbox site so everyone who was



going to be using Elite could train without having to worry about breaking anything.

“Once we were comfortable, we flipped the switch over a weekend and began officially using Elite. It was very easy,” Sawle says. “The CSI team that we worked with was pretty awesome. It did not take very long to get spun up on Elite.”

ENHANCED USER EXPERIENCE

WatchDOG Elite offers several useful features not available in Pro, one of which is the FinCEN Tracking Number Report—a report that shows auditors that a new FinCEN list has been uploaded utilizing FinCEN tracking numbers.

Another function in Elite that HomeStreet takes advantage of is the ability to build a Good Customer List. Once Sawle and her associates review and clear a name, they add it to the Good Customer List, which eliminates the need to recheck the name every time a watch list is updated. This functionality has been a huge timesaver for HomeStreet.

“In WatchDOG Pro, it would typically be the same 600 people or so that we would have to review every time a list changed,” Sawle says. “It’s incredibly convenient not to have to do that now.”

To add even more significance to the Good Customer List, WatchDOG Elite users have access to the Review Batch Results page, which allows users to manage the results of screened batches and review additional batch-related reports based on the Good Customer List, Blocked Customer List and more.

WatchDOG Elite has been everything HomeStreet Bank has needed to elevate their watch list screening to the next level. And with additional modules, including the International ACH Transaction (IAT), Customer Data Master (CDM) and Controls and Response modules, HomeStreet can depend on WatchDOG Elite to scale along with the bank’s always evolving regulatory compliance needs.



BANK PROFILE

Institution: HomeStreet Bank

Website: www.homestreet.com

Founded: 1921

Location: Seattle, Washington

Branches: 113

Employees (FT): 2,264

Assets: \$6.2B

CSI Customer Since: 2010



ABOUT CSI REGULATORY COMPLIANCE

CSI takes risk management and regulatory compliance seriously. Since regulations constantly change, we have developed comprehensive solutions that address today’s requirements and adjust to meet tomorrow’s demands. Our industry-leading solutions include watch list screening, consulting, social media compliance and testing. Financial institutions and businesses alike trust CSI’s expertise to enhance their compliance programs and reduce operational costs.

www.csiweb.com