



## Charter Global

# CASE STUDY – Enhancing Compliance and Efficiency in a Prominent Financial Institution

A major southeastern bank with \$150 billion in assets sought to enhance its compliance with Financial Crimes Enforcement Network (FinCEN) regulations and address challenges such as delayed Suspicious Activity Reporting (SAR), manual Anti Money Laundering (AML) processing, and fragmented workflows. Charter Global, through a Pega-based application, enabled proactive risk identification, real-time SAR reporting, and automated recovery processes. The results were remarkable: zero failed FinCEN audits, 50% improved recovery rates, and the ability to repurpose 20% of the workforce. Charter Global demonstrated expertise and commitment in achieving these outcomes, exemplifying their value as a strategic partner.

### About the Client

The client is a prominent financial institution based in the southeastern region, boasting an impressive \$150 billion in assets. It operates a vast network of subsidiaries and maintains a presence with 1,400 branches spanning across 11 states in the Southeastern region. Headquartered in Atlanta, Georgia, this client offers a wide array of financial services, including corporate and investment banking, capital market solutions, mortgage banking, and wealth management. This diverse portfolio is managed by a dedicated workforce of nearly 24,000 employees.

## Project Goals

- Proactively identify any risk and compliance issues pertaining to FinCEN.
- Comply with internal audit teams.
- Zero-Day SAR reporting to FinCEN.
- Increased diligence and reporting in dealing with internal fraud, corporate fraud, and global wires to restricted countries.
- Reduce federal and state penalties with respect to AML and SARs from \$10M to \$0.
- Improve recovery time and amount for court-ordered penalties.

## Key Challenges

- The client is battling several federal audit compliance issues on timely filing of SARs.
- Delayed processing of AML cases due to manual processes and handovers.
- Lack of a centralized workflow with systems that run on Excel.
- Timely communication between victims and interested parties with periodic updates.
- Unable to recover hard debts incurred as fines or court ordered restitutions.

## Project Description

- The application ensures the SAR is submitted on time to FinCEN, serving two important business units of the bank – FIU (Financial/Fraud Investigation Unit) and EFM (Enterprise Fraud Management).
- FIU manages fraud cases outside the country and AML and EFM deals with cases within the bank where customers are affected. Recovery of the funds lost is an automated process within CSI (Case System Inventory). App also ensures that the bank exercises its right to offset, charge off and positive bank account closure.
- Alerts generated from the automated systems are investigated and are turned over as cases for further investigation. Suspicious accounts and transactions are closely monitored using STAMP (Suspicious Transactions Monitoring Program).
- Recovery is either made by debtor or payor once found guilty or after court orders restitution.
- Incidents are added for EFM LOB (lines of business) and depends on the case type: (Check/Deposit/Scam/Internal).

## Results

- 0 failed internal FinCEN simulated audits.
- Proactive alerting and monitoring of all financial transactions that are subject to FinCEN guidelines.
- Ability to repurpose 20% of the workforce due to automated workflows and handshakes across the business units.
- Improved recovery rate of 50%.

## Why Charter Global

- Charter Global was instrumental in converting client's SDLC process from Waterfall to Agile and educated the client on Pega's DCO (Direct Capture of Objectives) methodology.
- A Minimum Viable Product (MVP) went live in the first 4 months. The bank was in full compliance 8 months after the project was fully adopted.
- Charter Global architected and built the application in Pega. Charter Global facilitated testing with client resources.
- Zero critical production issues after the application went live.
- Charter Global has in-depth domain and Pega knowledge ensuring the client achieved the project goals.

## About Charter Global

Charter Global drives innovation in IT projects and business operations by defining strategy and providing consulting, digital solutions, custom development, and skilled resources. With an established customer base of Fortune 1000 industry leaders and over 100 successful project implementations, our experience and proven methodologies enable our professionals to deliver industry leading solutions in cloud technologies, open source, DevOps, mobility, CRM, AI/ML, AWS, SAP, Microsoft & Pega BPM.