

BSA Compliance Framework for RIAs

We help Registered Investment Advisors (RIAs) prepare for the 2028 Bank Secrecy Act (BSA) requirements by delivering a tailored, end-to-end compliance program designed specifically for the advisory environment.

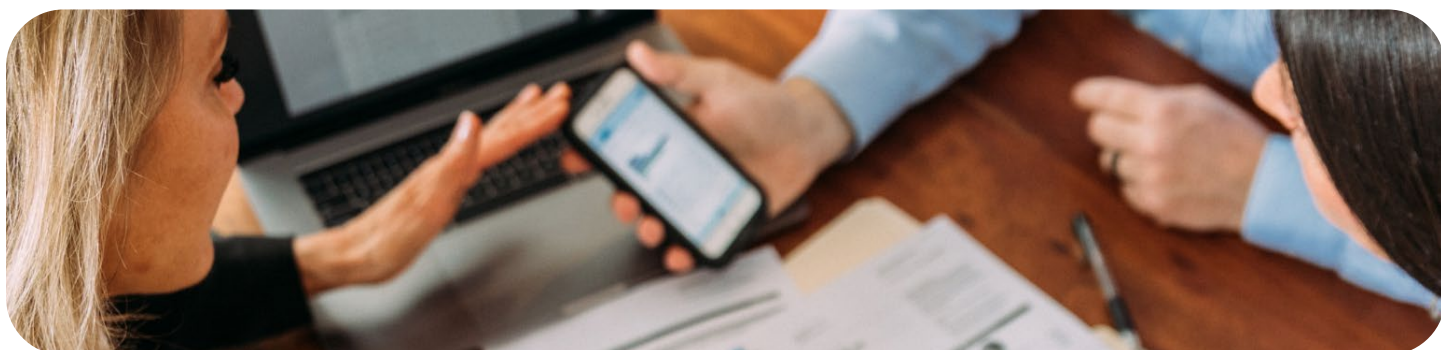
Phased BSA Compliance Consulting Methodology

Our phased approach addresses your unique risk profile and operational structure, aligning people, processes, and technology to ensure regulatory readiness. From AML program assessments and policy development to transaction monitoring, SAR filing, and ongoing advisory, we build scalable, exam-ready solutions that allow RIAs to meet evolving AML obligations with confidence—without disrupting client service or investment operations.

Objective



To guide Registered Investment Advisors through **BSA/AML program implementation** with a structured, **risk-based**, and **technology-driven approach**.






1 Discovery

Goal




Assess the client's current BSA/AML compliance landscape, identify gaps, and define a tailored roadmap to eliminate the gaps.

Key Activities

1 Initial Compliance Readiness Assessment

-  Evaluate **existing AML program, policies, technology and governance** structure
-  Identify **regulatory gaps** in the current AML program
-  Review **past AML audits** and regulatory findings (if applicable)

2 Customer, Product, Geographic Assessment for BSA Compliance

-  Conduct **risk profiling** based on products, customer base, and geographies
-  Assess money laundering and terrorist **financing risks**
-  Establish **risk appetite** and **control thresholds**

3 Stakeholder Interviews & Process Mapping



Meet with **Compliance, Risk, Finance, IT teams and Sales.**



Document **current-state processes** for:

- > Customer due diligence at onboarding
- > The identification of customers that pose a higher-than-normal risk for compliance with the BSA
- > Enhanced Due Diligence of high-risk customers
- > Transaction Monitoring
- > Investigations and Suspicious Activity Reporting
- > Management Reporting
- > Case Management
- > Forecasted Staffing Requirements

4 Technology Landscape Review



Evaluate **existing systems & AML tools**
(transaction monitoring, risk rating tools, case management, etc.)



Identify **compliance gaps** in automation & integration



Assist in **closing identified gaps**



PHASE 1

Deliverables

- > Upon completion of the program assessment, SolomonEdwards will deliver a report of findings with supporting information describing those areas where the BSA program is operating effectively and those areas where BSA program could enhance its operations.
- > All recommendations will be accompanied by detailed descriptions on how they can best be implemented and the timing and effort necessary to implement each.
- > In addition to the written report of findings and recommendations, we will provide a grid of our findings and a project plan on which we will risk rate those we believe are of a critical nature and those we believe are less critical to the long-term sustained success of the Registered Investment Advisor's BSA/sanctions program.

2



Compliance Strategy & Design

Goal

Develop a **customized, risk-based BSA/AML compliance program** with clear policies, procedures, and governance.

Key Activities

1 BSA/AML Program Development



Draft/update **BSA compliance policies & procedures** specific to each line of business/ RIA support function. Examples include: Sales/Relationship Managers, Customer Service, Compliance personal, etc.



Align policies & procedures with industry best practices and regulatory expectations

2 Governance & Roles Definition



Establish **BSA governance** model (Board, CCO, Compliance Officers)



Define **roles & responsibilities** for:

- > Compliance Operations
- > Risk Management
- > AML Analysts/Investigators
- > IT & Data Teams

3 Process Redesign & Automation Strategy



Optimize **KYC/CDD** onboarding workflows



Design **AML transaction monitoring** & case management workflows



Identify **automation opportunities** utilizing AI for existing manual processes

4 Regulatory Compliance & Reporting Plan



Define **audit/exam readiness processes**



Prepare for **FinCEN 2028 regulatory changes**



PHASE 2

Deliverables

- BSA/AML Compliance Framework (Policies, SOPs, Governance Model)
- Future-State Process Maps & Automation Strategy
- Detailed project plan for implementation

3



Implementation & Integration

Goal

Deploy **BSA compliance technology**, integrate systems, and conduct staff training.

Key Activities

1 Technology Implementation & Integration



Implement or **enhance existing AML transaction monitoring systems**



Integrate **KYC/CDD systems** with onboarding & core advisory services



Enable **AI-driven risk scoring & alert automation**

2 Case Management



Implement **case management tool** for AML alert and case resolution



Configure **efficient suspicious activity report (SAR) workflows**



Establish **audit trails & historical case tracking**

3 Testing & Quality Assurance



Conduct **user acceptance testing (UAT)** for compliance workflows



Simulate **regulatory exam scenarios**



PHASE 3

Deliverables

- > Technology Implementation Blueprint & Go-Live Plan
- > AML System Configuration & Integration Report

4



Training & Go-Live

Goal

Transition teams to the new **BSA compliance model** and ensure **operational readiness**.

Key Activities

1 Staff Training & Compliance Awareness



Conduct "job specific" **BSA/AML training** for all employees



Train IT & risk teams on **data governance & reporting tools**

2 Change Management & Stakeholder Buy-In



Implement **communication & adoption strategies**



Set up **internal reporting dashboards** for leadership oversight



Establish **feedback loops** for continuous improvement

3 Final Go-Live & Monitoring



Roll out **AML systems**

(e.g. transaction monitoring, customer risk rating, case management, etc)



Roll out **onboarding and due diligence** process



Conduct **first regulatory compliance audit (mock exam)**



PHASE 4

Deliverables

- BSA/AML Training Program & Compliance Playbook
- Go-Live Readiness Report & Risk Remediation Plan

5 Ongoing Support

Goal

Provide **ongoing support, audits, and program optimization.**

Key Activities

1 Quarterly Compliance Audits



Review **AML system performance & false positive rates**



Conduct **risk-based internal compliance testing**



Identify **new compliance gaps**

2 Regulatory Change Management



Track **emerging BSA/AML regulations**
(FinCEN 2028 updates, FATF recommendations)



Advise on **policy updates & technology enhancements**

3 Advanced AI & Data Analytics Optimization



Implement **predictive analytics**



Fine-tune **machine learning models** for risk scoring and transaction monitoring



Enhance **KYC/CDD automation** for better accuracy

4 Executive Reporting & Board-Level Insights



Provide **BSA compliance performance dashboards**



Support **regulatory audits & enforcement response**



Offer **continuous improvement recommendations**



PHASE 5

Deliverables

- › Quarterly BSA “health check” Report.
- › Regulatory Change Impact Assessments

SUMMARY

Phased BSA Consulting Service Model

1



Discovery

Current BSA/AML program assessment

2



Compliance Strategy & Design

Findings report, gap analysis, risk-rated project plan, development of policies and procedures

3



Implementation & Integration

Tech selection, configuration and implementation

4



Training & Go-Live

Change management, staff training and enablement, mock audits

5



Ongoing Support

AML staff augmentation, exam preparation, regulatory response, staff augmentation, management, and board reporting