



**CERTIFIED RISK AND COMPLIANCE
MANAGEMENT PROFESSIONAL (CRCMP)**

BENEFITS OF ATTENDING

1. You will learn the new international standards and best practices in risk management and compliance.
2. You can become a Certified Risk and Compliance Management Professional (CRMCP). This is an advantage on your resume, serving as a third-party endorsement to your knowledge and experience. Certificates give the necessary assurance that you have the knowledge and skills to accept more responsibility in your organization.
3. You improve your resume in order to meet the new “fit and proper” requirements for managers and employees in risk management and compliance.

COURSE INTRODUCTION AND OBJECTIVE

After the financial crisis, the new regulatory environment makes risk management and compliance more complicated and difficult, but also much more important. There is always one major risk, that firms and organizations do not comply with laws and regulations. It leads to significant impairment of reputation, value, earnings, business opportunities. An inadequate commitment to compliance and risk management leads to liability and potential litigation. Now, more than ever, firms and organizations devote resources to ensuring their risk management systems are bulletproof. The damage is done by negative media attention, and only the strongest and best prepared entities can achieve their objectives. Risk management is an organized methodology for continuously identifying and measuring the unknowns; developing mitigation options; selecting, planning, and implementing appropriate risk mitigations; and tracking the implementation to ensure successful risk reduction. Effective risk management depends on planning; early identification and analyses of risks; early implementation of corrective actions; continuous monitoring and reassessment; and communication, documentation, and coordination. No matter how good the controls are, no matter what risk management framework you have in place, no matter how much capital and liquidity you hold in your organization, it is risk awareness, training and culture, that most determines success in identifying and mitigating risks and protecting your organization's reputation and credibility. After this course, you will have a very good understanding of the new international standards and best practices in risk management and compliance. When you pass the Certified Risk and Compliance Management Professional (CRMCP) exam, you will be able to provide independent evidence that you are qualified. This is important in order to meet the new “fit and proper” requirements for managers and employees in risk management and compliance.

CERTIFICATION AND EXAMINATION PROCEDURE

We will follow the steps:

www.risk-compliance-association.com/CRCMP_Certification_Steps_1.pdf

More information about the exam:

www.risk-compliance-association.com/Questions_About_The_Certification_And_The_Exams_1.pdf

THE JOB TITLE /DESIGNATIONS THAT THE COURSE IS RELEVANT FOR

Risk Manager, Compliance Manager from various industries

COURSE SYNOPSIS

Certified Risk and Compliance Management Professional (CRMCP)

This course has been designed to provide with the knowledge and skills needed to understand and support regulatory compliance and enterprise wide risk management, and to promote best practices and international standards that align with business and regulatory requirements.

The course provides with the skills needed to pass the Certified Risk and Compliance Management Professional (CRCMP) exam.

This course is intended for professionals that want to understand risk and compliance and to work as risk and compliance officers. They will prove that they are qualified, when they pass the Certified Risk and Compliance Management Professional (CRCMP) exam.

This course is intended for employers demanding qualified risk and compliance professionals. The course is recommended for senior executives involved in risk and compliance.

▶ PART A:

COMPLIANCE WITH LAWS AND REGULATIONS, AND RISK MANAGEMENT

- Introduction
- Regulatory Compliance and Risk Management
- Definitions, roles and responsibilities
- The role of the board of directors, the supervisors, the internal and external auditors
- The new international landscape and the interaction among laws, regulations, and standards
- The difference between a best practice and a regulatory obligation
- Benefits of an enterprise wide compliance program
- Compliance culture: Why it is important, and how to communicate the obligations
- Policies, Workplace Ethics, Risk and Compliance Policies, procedures, the code of conduct
- Privacy and information security
- Handling confidential information
- Conflicts of interest
- Use of organizational property
- Fair dealings with customers, vendors and competitors
- Reporting ethical concerns
- The definition of Governance, Risk and Compliance
- The need for Internal Controls
- Understand how to identify, mitigate and control risks effectively
- Approaches to risk assessment
- Qualitative, quantitative
- Integrating risk management into corporate governance and compliance

▶ PART B:

THE FRAMEWORKS

- Internal Controls - COSO The Internal Control – Integrated Framework by the COSO committee Using the COSO framework effectively
- The Control Environment
- Risk Assessment
- Control Activities
- Information and Communication
- Monitoring
- Effectiveness and Efficiency of Operations
- Reliability of Financial Reporting
- Compliance with applicable laws and regulations
- IT Controls
- Program Development and Program Change
- Deterrent, Preventive, Detective, Corrective Controls
- Recovery, Compensating, Monitoring and Disclosure Controls
- Layers of overlapping controls
- COSO Enterprise Risk Management (ERM) Framework
- Is COSO ERM needed for compliance?
- COSO and COSO ERM
- Internal Environment
- Objective Setting
- Event Identification
- Risk Assessment
- Risk Response
- Control Activities
- Information and Communication
- Monitoring
- The two cubes
- Objectives: Strategic, Operations, Reporting, Compliance
- ERM – Application Techniques
- Core team preparedness
- Implementation plan
- Likelihood
- Impact
- COBIT - the framework that focuses on IT
- Is COBIT needed for compliance?
- COSO or COBIT?
- Corporate governance or financial reporting?
- Executive Summary
- Management Guidelines

- The Framework
- The 34 high-level control objectives
- What to do with the 318 specific control objectives
- COBIT Cube
- Maturity Models
- Critical Success Factors (CSFs)
- Key Goal Indicators (KGIs)
- Key Performance Indicators (KPIs)
- How to use COBIT for compliance

▶ PART C:

SARBANES OXLEY

- The Sarbanes Oxley Act
- The Need US federal legislation: Financial reporting or corporate governance?
- The Sarbanes-Oxley Act of 2002: Key Sections
- SEC, EDGAR, PCAOB, SAG
- The Act and its interpretation by SEC and PCAOB
- PCAOB Auditing Standards: What we need to know
- Management's Testing
- Management's Documentation
- Reports used to Validate SOX Compliant IT Infrastructure
- Documentation Issues Sections
- 302, 404, 906: The three certifications
- Sections 302, 404, 906: Examples and case studies
- Management's Responsibilities
- Committees and Teams
- Project Team – Section 404
- Disclosure Committee
- Audit Committee
- Report to the Board of Directors
- Control Deficiency
- Deficiency in Design
- Deficiency in Operation
- Significant Deficiency
- Material Weakness
- Is it a Deficiency, or a Material Weakness?
- Reporting Weaknesses and Deficiencies
- Examples
- Case Studies
- Public Disclosure Requirements
- Real Time Disclosures on a rapid and current basis?
- Whistleblower protection
- Rulemaking process
- Companies Affected
- International companies
- Foreign Private Issuers (FPIs)
- American Depository Receipts (ADRs)
- Employees Affected
- Effective Dates

▶ PART D:

BASEL II / BASEL III

The Basel Capital Accords

- Realigning the regulation with the economic realities of the global banking markets
- New capital adequacy framework replaces the 1988 Accord
- Improving risk and asset management to avoid financial disasters
- "Sufficient assets" to offset risks
- The technical challenges for both banks and supervisors
- How much capital is necessary to serve as a sufficient buffer?
- The three-pillar regulatory structure
- Purposes of Basel
- Pillar 1: Minimum capital requirements
- Credit Risk – 3 approaches
- The standardized approach to credit risk
- Claims on sovereigns
- Claims on banks
- Claims on corporates
- The two internal ratings-based (IRB) approaches to credit risk

Some definitions:

- PD - The probability of default,
- LGD - The loss given default,
- EAD - Exposure at default,
- M – Maturity

5 classes of assets

- Pillar 2: Supervisory review Key principles
- Aspects and issues of the supervisory review process
- Pillar 3: Market discipline
- Disclosure requirements
- Qualitative and Quantitative disclosures
- Guiding principles
- Employees Affected
- Effective Dates

Operational Risk

- What is operational risk
- Legal risk
- Information Technology operational risk
- Operational, operations and operating risk
- The evolving importance of operational risk
- Quantification of operational risk
- Loss categories and business lines
- Operational risk measurement methodologies
- Identification of operational risk
- Operational Risk Approaches
- Basic Indicator Approach (BIA)
- Standardized Approach (SA)
- Alternative Standardized Approach (ASA)
- Advanced Measurement Approaches (AMA)
- Internal Measurement Approach (IMA)
- Loss Distribution (LD)
- Standard Normal Distribution
- “Fat Tails” in the normal distribution
- Expected loss (EL), Unexpected Loss (UL)
- Value-at Risk (VaR)
- Calculating Value-at Risk
- Stress Testing
- Stress testing and Basel (AMA)
- Advantages / Disadvantages
- Operational Risk Measurement Issues
- The game theory
- The prisoner’s dilemma – and the connection with operational risk management
- Operational risk management
- Operational Risk Management Office
- Key functions of Operational Risk Management Office
- Key functions of Operational Risk Managers
- Key functions of Department Heads
- Internal and external audit
- Operational risk sound practices
- Operational risk mitigation
- Insurance to mitigate operational risk
- Basel II and other regulations
- Capital Requirements Directive (CRD)
- Markets in Financial Instruments Directive (MiFID)
- What is the impact of MiFID to EU and non EU banks?
- Aligning Basel II operational risk and Sarbanes-Oxley 404 projects
- Common elements and differences of compliance projects
- New standards
- Disclosure issues
- Multinational companies and compliance challenges

What is Basel III?

- The Basel III papers
- Was Basel II responsible for the market crisis?
- Introduction to the Basel III Amendments
- The Financial Stability Board (FSB), the G20 and the Basel III framework
- The New Basel III Principles for risk management and corporate governance

- The key areas where the Basel Committee believes the greatest focus is necessary
 1. Board practices
 2. Senior management
 3. Risk management and internal controls
 4. Compensation
 5. Complex or opaque corporate structures
 6. Disclosure and transparency
- Sound Practices for the Management and Supervision of Operational Risk
- The 9 principles

▶ PART E:

DESIGNING AND IMPLEMENTING A RISK AND COMPLIANCE PROGRAM

- Designing an Implementing an enterprise wide Risk and Compliance Program
- Designing an Internal Compliance System
- Compliance programs that withstand scrutiny
- How to optimize organizational structure for compliance
- Documentation
- Testing
- Training
- Ongoing compliance with laws and regulations
- Compliance Monitoring
- The company and other stakeholders
- Managing the regulators and change in regulations
- International and national regulatory requirements
- Regulatory compliance in Europe
- Regulatory compliance in the USA
- What is different
- The GCC countries
- The Caribbean
- The Pacific Rim
- Common elements and differences of compliance projects
- New standards
- Disclosure issues
- Multinational companies and compliance challenges

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