



**Partners in Business**  
 Our Approach is simple...  
**PARTNERSHIP** in business  
**QUALITY** in product  
 and **INTEGRITY** in people

Follow us on

## RLR Educational Workshops

RLR Management Consulting has been conducting a series of half day workshops for our clients and other interested financial institutions since 2011. The workshops have been a tremendous success and have focused on industry-related topics including IT Audits and Information Security, the RFP Process and Vendor Selection, Vendor Management, and Operational Risk Management. Additionally, there have been peer exchange sessions at the end of each workshop among the RLR consultants and the bankers in attendance on industry hot topics.

Our most recent workshop was held on February 13<sup>th</sup> in Los Angeles which focused on the new FFIEC Guidance, effective 1/1/2013, and Regulatory Compliance Issues affecting the banking community. We also featured a guest speaker, Gayle Rose, CEO of Electronic Vaulting Services (EVS) in Memphis, TN. EVS specializes in Cloud backup, data storage and disaster recovery.



We look forward to our next workshop on June 5, 2013 in Sacramento, CA. Among the topics to be presented is Mobile Banking for Business Customers.

***Remember, there is no cost for you to attend...it is our way of saying "thank you" to our clients!***

**Workshop details:**

- Date:** Wednesday, June 5, 2013
- Registration:** 9:00am-10:00am
- Workshop:** 10:00 am – 2:00 pm  
(lunch will be provided)
- Location:** DoubleTree by Hilton Hotel Sacramento

Seating will be limited so we request your RSVP as soon as possible.

[Click here](#) to register via our website.

<b>Inside this issue:</b>	
RLR Educational Workshops	1
<b>FFIEC Proposed Guidance on Social Media</b>	2
Consultant Spotlight	4
<b>Upcoming WIB Webinar:</b> Negotiating Vendor Contracts-A Checklist for SLA Must-Haves	5
<b>CIB Regulatory Exchange 2013</b>	5
<b>Did You Know?</b> Post Fiserv Premier 8.0	6
On the Funny Side Up	7
Music's Biggest Night: A Once in a Lifetime Experience at the 55 <sup>th</sup> Grammy Awards	8
How to Contact RLR	9

## FFIEC Proposed Guidance on Social Media

In January 2013, the FFIEC issued proposed social media rules. The objective is to monitor not only what employees are saying on social media, but what the public is saying about the bank – even if the bank has a policy not to engage on Twitter, Facebook and the like.



The FFIEC's description of social media includes interactive online communication on Facebook, Google Plus, My Space and Twitter; forums, blogs, customer review websites and bulletin boards (such as Yelp); photo and video sites (such as Flickr and YouTube); professional networking sites (LinkedIn); virtual worlds (Second Life); and social games (FarmVille and CityVille).

The proposed guidance states:

A financial institution should have a risk management program that allows it to identify, measure, monitor and control the risks related to social media. The size and complexity of the risk management program should be commensurate with the breadth of the financial institution's involvement in this medium. For instance, a financial institution that relies heavily on social media to attract and acquire new customers should have a more detailed program than one using social media only to a very limited extent.



The risk management program should be designed with participation from specialists in compliance, technology, information security, legal, human resources and marketing. A financial institution that has chosen not to use social media should still be prepared to address the potential for negative comments or complaints that may arise within the many social media platforms described above and provide guidance for employee use of social media.

Components of a risk management program should include the following:

- A governance structure with clear roles and responsibilities whereby the Board of Directors or Senior Management directs how using social media contributes to the strategic goals of the institution (for example, through increasing brand awareness, product advertising or researching new customer bases) and establishes controls and ongoing assessment of risk in social media activities;
- Policies and procedures (either stand-alone or incorporated into other policies and procedures) regarding the use and monitoring of social media and compliance with all applicable consumer protection laws, regulations and guidance. Further, policies and procedures should incorporate methodologies to address risks from online postings, edits, replies and retention;
- A due diligence process for selecting and managing third-party service provider relationships in connection with social media;
- An employee training program that incorporates the institution's policies and procedures for official, work-related use of social media, and potentially for other uses of social media, including defining impermissible activities;
- An oversight process for monitoring information posted to proprietary social media sites administered by the financial institution or a contracted third party;
- Audit and compliance functions to ensure ongoing compliance with internal policies and all applicable laws, regulations and guidance; and

- Parameters for providing appropriate reporting to the financial institution's Board of Directors or Senior Management that enable periodic evaluation of the effectiveness of the social media program and whether the program is achieving its stated objectives.

The following laws and regulations may be relevant to a financial institution's social media activities. This list is not all-inclusive. Each financial institution should ensure that it periodically evaluates and controls its use of social media to ensure compliance with all applicable federal, state and local laws, regulations and guidance.

- Truth in Savings Act/Regulation DD and Part 707
- Fair Lending Laws: Equal Credit Opportunity Act/Regulation B and Fair Housing Act
- Truth in Lending Act/Regulation Z
- Real Estate Settlement Procedures Act
- Fair Debt Collection Practices Act
- Unfair, Deceptive or Abusive Acts or Practices
- Deposit Insurance or Share Insurance
- Electronic Fund Transfer Act/Regulation E
- Rules Applicable to Check Transactions
- Community Reinvestment Act
- Gramm-Leach-Bliley Act Privacy Rules and Data Security Guidelines
- CAN-SPAM Act and Telephone Consumer Protection Act
- Children's Online Privacy Protection Act
- Fair Credit Reporting Act

Reputation Risks also need to be considered:

- Fraud and Brand Identity
- Third Party Concerns
- Privacy Concerns
- Consumer Complaints and Inquiries
- Employee Use of Social Media Sites

Comments were due to the FFIEC by the end of March 2013, so hopefully we will see the published guidance soon! Get ready!



RLR is pleased to introduce our newest consultant to our clients and associates. **Neva McCormick** brings to RLR over 24 years experience in the financial services industry in key roles including SVP, CFO, Controller, IT Manager and Operations Manager. She has comprehensive experience in financial and managerial accounting, budgeting, financial reporting and analysis, contract negotiation and oversight, IT management, project management and strategic planning.

Neva was most recently with Northwest Bank (formerly Western Capital) in Boise, Idaho, where she served as their CFO and was responsible for all finance, accounting and operations functions. Neva helped grow the former Western Capital Bank from \$35 million to over \$220 million during her five plus years at the Bank. Prior to this, Neva served as CFO of Level 3 Development.

In addition to her finance, accounting and operations skills, Neva will also serve our clients in the areas of vendor contract negotiations, management of contracts and relationships for all phases of bank operations, as well as development, implementation and testing of BCP's, note department operations, and risk management assessment processes for vendors, information security, technology, BSA, remote deposit capture and virtually all operational processes.

Neva is a former Treasurer and Board member of Wespay, holds a Bachelor of Arts degree in Accounting from Boise State University, and resides in Boise, Idaho with her husband Jon.

### **We say a tearful goodbye to Darlene Sessions!**

Darlene joined RLR in 1999, 14 years ago! Darlene was instrumental in helping build RLR's client base, always taking on challenges and venturing into new territories. When Enterprise Risk Management appeared on the horizon, Darlene jumped in! When BSA became a big issue for banks, Darlene embraced it. When RLR was asked to perform SOX projects, Darlene was there. We will truly miss Darlene and want to thank her for all of her years of hard work for RLR. Darlene is retiring, or should I say, filling her days with Tai Chi and bridge with her loving husband, Tom. We wish them the best and many, many thanks to Darlene for all she has given to us.



## *Don't miss this upcoming Webinar offered by WIB:*

**April 23: Negotiating Vendor Contracts-A Checklist for SLA Must-Haves**

*Presented by Ruth L. Razook, CEO, RLR Management Consulting, Inc.*

**START TIME: 10:00 am Pacific** (60 minutes)

Visit [www.wib.org](http://www.wib.org) for more information and to register for the webinar.

When was the last time you negotiated your vendor contracts? Do you know if any of the recent regulatory guidance affected your contract negotiations? There are several dos and don'ts in negotiating vendor contracts. This webinar will address the items that you need to address in your negotiations, including Service Level Agreements (SLAs) and penalties for non-performance.

Session attendees will also receive a sample **Vendor Contract Review Checklist** after the conclusion of the live webinar.

### **Who should attend?**

COO, CIO, IT/Tech, Contract Managers, Risk Officers, Compliance Officer, CEO/President



MODERATED BY: GARY STEVEN FINDLEY, ESQ.

### **DATE AND LOCATION**

**JUNE 7, 2013**

The Westin Pasadena  
191 North Los Robles Avenue  
Pasadena, CA 91101

**Co-sponsored by RLR Management Consulting, Inc.**

For more information, visit [www.cib.org](http://www.cib.org)



## DID YOU KNOW?

### POST FISERV PREMIER 8.0

As Fiserv Premier outsourced banks decide how to best use the new features of the Premier 8.0 release, RLR Management Consulting, Inc. can help. RLR Consultants have been assisting banks with developing a policy and workable approach to the post-release clean-up process. Many banks are discovering the large task of clean up related to name and address duplication. Most are finding that this challenge needs to be addressed in some way to stop compounding the problem. Front line employees may need guidance as the Bank decides the best use of the new tools in the release. Appropriate review and recommendations will enable Premier clients to take advantage of the 8.0 release.

RLR can assist with the following:

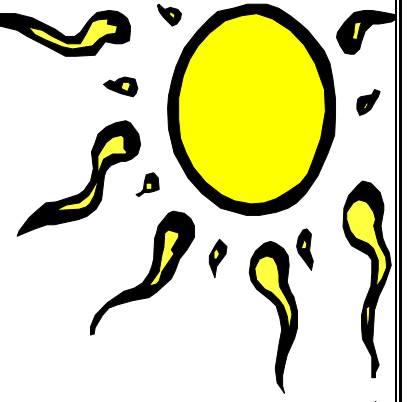
- Review new specifications – cross portfolio and mailing options
- Review character length options in Name and Address lines as well as explore multiple address line availability.
- Review or assist in establishing standards for data input regarding names and addresses.
- Premier Report writing.
- Review of exception reports provided through business analytics or the Premier core system.
- Review new relationship codes.
- Review/identify invalid data in customer contact numbers.
- Manage overall project plan.
- Assist in staff training with post-upgrade clean up through use of name and address merge tools.

Our onsite assistance and industry expertise can help make your transition to the 8.0 release a strategic advantage for your institution, positioning your institution over your competition, and improving your operational efficiencies. RLR consultants average over 25 years of hands-on experience with the Premier System and the financial services industry; we provide knowledgeable consultants that have a reputation for being the best in the financial services industry!

Please contact us at [info@rlrmt.com](mailto:info@rlrmt.com) or contact Mitch Razook, President and COO, at [mitch.razook@rlrmt.com](mailto:mitch.razook@rlrmt.com) directly.

# Funny Side Up

On the



Last week I received an envelope from the California Department of Motor Vehicles, addressed to me, return address of:

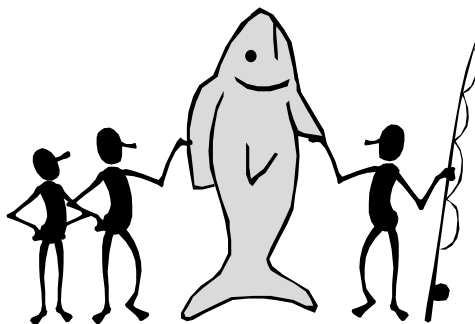
Department of Motor Vehicles  
P. O. Box 942890  
Sacramento, CA 92490-0001

With the words:

## ***IMPORTANT INFORMATION: OPEN IMMEDIATELY***

Since I had sent in my answers to their 3 questions to renew my license (yes, another year older), I figured it was probably a notice to go pick up my driver's license. Instead, when I opened the envelope, there I found my new driver's license. I was floored! When did the DMV start sending driver's licenses in the mail? How dumb is that?

**Ruth L. Razook**  
CEO and Founder  
RLR Management Consulting, Inc.



"Give a man a fish, and you'll feed him for a day. Teach a man to fish, and he'll buy a funny hat. Talk to a hungry man about fish, and you're a consultant."

**Scott Adams**  
*Dogbert; Dilbert cartoons*



## ‘Music’s Biggest Night’: A Once in a Lifetime Experience at the 55th Grammy Awards

In February our Executive Assistant, Alicia Palu, was notified by Rdio (ad-free music subscription service) that she was the Grand Prize Winner of their **“Rdio and the 55th GRAMMY Awards Sweepstakes”**. The grand prize included: two tickets to the GRAMMY Awards, a two-night hotel stay at Hotel Figueroa in Downtown Los Angeles, spending money while in Los Angeles and a one-year subscription to Rdio Unlimited.



The doors of the Staples Center opened at 3pm and the show started at 5pm. Our seats were in the upper level, unfortunately with no concessions up there, and after sitting in a stadium chair for over three hours, through many commercial breaks; we were ready for dinner!



Favorite moments during the show:

- Seeing the show live! It was really interesting to see how they operate the stages and set changes. To be able to coordinate that many performances alternating between two stages must be an incredibly difficult process, especially because of the elaborate sets! Every performance had a different set and crews were hard at work throughout the entire show changing sets out.
- Star gazing! We brought a pair of binoculars and used them quite a bit to watch the show, but mostly to watch all of the celebrities during the commercial breaks! There was a lot of socializing and moving around during the commercial breaks. It was fun to watch everyone from Sting to Nicole Kidman and Keith Urban, Beyonce, Jennifer Lopez, Adele, Taylor Swift (singing along to most of the performances) and Prince!

Overall, attending the Grammy Awards was an absolutely unforgettable experience. Just being in the same room as so many wonderful musicians was incredible.



## Where RLR will be:



## Conferences & Exhibits

### RLR to Attend:

- 4/15-4/18 **Fiserv Forum Spring Client Conference**, Venetian, Las Vegas, NV
- 5/2-5/4 **CBA Annual Convention of Bank Officers & Directors**, Hyatt Regency Huntington Beach, Huntington Beach, CA
- 5/13-5/16 **FIS Client Conference**, The Delta Center, Milwaukee, WI
- 6/7 **CIB Regulatory Exchange 2013**, The Westin Pasadena, Pasadena, CA

### Ruth Razook to Speak: (see page 5 for more info)

- 4/23 **WIB Webinar**-Negotiating Vendor Contracts: A Checklist for SLA Must-Haves

## HOW TO CONTACT RLR

**Corporate Office**  
77806 Flora Road, Suite D  
Palm Desert, CA 92211

**Telephone:** (760) 200-4800  
**Toll Free:** (888) 757-7330

**Ruth Razook**, CEO & Founder: [ruth.razook@rlrmgmt.com](mailto:ruth.razook@rlrmgmt.com)  
**Mitch Razook**, President & COO: [mitch.razook@rlrmgmt.com](mailto:mitch.razook@rlrmgmt.com)  
**Tracy Olar**, Office Manager: [tracy.olar@rlrmgmt.com](mailto:tracy.olar@rlrmgmt.com)

You can also visit our website:  
[www.rlrmgmt.com](http://www.rlrmgmt.com)

Or send an e-mail:  
[info@rlrmgmt.com](mailto:info@rlrmgmt.com)