

Compliance Management Committee Policy

A compliance management committee may be a useful unit within a compliance management system (CMS) for a company to engage senior management in compliance issues. The compliance management committee would fit as a subcommittee of a board of directors or a senior management team, and may make decisions directly, or may make recommendations for the senior managers or governing body to vote on. Some important considerations for a compliance management committee include:

- How many members should the committee have to engage compliance issues meaningfully?
- Are there any stakeholders in the company that should be included in the Committee?
- What should the Committee's level of authority be?
 - Should the Committee report issues it discusses to the Board/management team?
 - Should the Committee have authority to adopt changes to policies on its own?
- What are the reasons for which members of the Committee may be added, removed, or replaced?
- How should members of the Committee be added, removed, or replaced?
- Does the Committee have a charter and are meetings held regularly?
- Does the Committee adhere to meeting formalities [agenda, parliamentary procedure, minutes, confidentiality, etc.]?

Edit this model form to meet the legal, business and compliance needs of your organization.

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Policy

Policy Type: Structure and Organization
Doc Title: Compliance Management Committee
Doc Number: **Enter doc number**
Page Count: **Enter total number of pages**

Insert
Company
Logo

1. Purpose

The purpose of this policy is to document the process by which an organizational committee of [COMPANY NAME] will be seated and function and the principles upon which the committee will operate.

2. Scope

[COMPANY NAME]'s Board of Directors, with the full support of senior management, seeks to instill a culture of compliance throughout the organization. As such, the Board of Directors has established a Compliance Management Committee to ensure [COMPANY NAME] supports a culture of compliance; effectively manages its compliance management system independent from operations; does not engage in collection practices that cause harm to consumers; and complies with federal and state laws, regulations and CFPB requirements.

3. Procedure

Type of Committee – Standing

Committee Established by - Board of Directors

Committee Chair - Chief Compliance Officer

Number of Members and Term - Seven voting members appointed by the Board of Directors. Each member serves at the pleasure of the Board of Directors for an indefinite term. Members of this committee will include:

- Board of Directors Compliance Committee Chair
- Chief Compliance Officer/General Counsel
- Director of Audits and Examinations
- Chief Operating Officer
- Director of Training
- Other TBD by the CEO
- Other TBD by the CEO

Qualifications - The committee shall at all times include a member of the Board of Directors in good standing and [COMPANY NAME]'s Chief Compliance Officer/General Counsel.

Quorum - Majority of the seated members.

Primary Responsibilities -

- Review, validate and update policies and procedures for approval by the Board of Directors;
- Review, analyze complaints, disputes and audit findings and take appropriate corrective action;
- Monitor, validate and update the internal controls used by [COMPANY NAME] to ensure compliance with its policies and procedures, laws and regulations and CFPB requirements;
- Periodically assess operational risk in terms of compliance and security;
- Oversee [COMPANY NAME]'s role based, compliance training program;
- Report successes, resource needs, nonconformities and compliance related issues to the Board of Directors;
- Carry out action items as directed by the Board of Directors and inform the Board of Directors of the status and completion thereof.

Conflicts of Interest - Members of this committee shall have an affirmative obligation to disclose to the CEO of [COMPANY NAME], any matters or interests, including monetary interest, which may be perceived as presenting or which may present a conflict of interest regarding that person's role as a member of this committee.

Recusal - Individual members of this committee having disclosed a conflict of interest or potential conflict of interest as described above, must recuse him or herself from any discussion, consideration or voting on any and all issues that may impact such committee member's interest.

Meeting Requirements – The committee shall meet live or via conference call monthly on the [day] of each month. The Chief Compliance Officer will create and distribute a meeting agenda and all supporting documentation to committee members at least three business days in advance of the meeting. At a minimum, the agenda will include a review of complaints and litigation; compliance non-conformities; training and testing results; and action items as directed by the Board of Directors.

The Chief Compliance Officer or his or her designee will take and record minutes of each meeting. Minutes of each meeting will be shared with senior management and the Board of Directors.

4. Responsibilities

Roles / Process Area	Responsibilities
CEO	Click here to enter text.
Compliance	Click here to enter text.
Board of Directors	Click here to enter text.
	Click here to enter text.
	Click here to enter text.

5. References and Related Documents

Document Number <i>(if applicable)</i>	Title
CFPB Examination and Supervision Manual – Oct 2012	Click here to enter text.
	Click here to enter text.

6. Disciplinary and Remedial Action

In collaboration with the Board of Directors, the CEO shall be responsible for ensuring the proper operation of this committee. Any violation or material deviation from this policy will subject the involved parties to removal and as applicable, progressive remedial action, including immediate termination.

7. Record Retention

The human resources department shall note any confirmed violation of this policy by any employee in the employee's personnel record.

Records pertaining to this policy will be retained in the appropriate form and for the duration required under state and/or federal law, by the _____ department.

8. Review History

Date	Reviewed by	Description of Update
Enter date	Click here to enter text.	Click here to enter text.
Enter date	Click here to enter text.	Click here to enter text.
Enter date	Click here to enter text.	Click here to enter text.

9. Governance

Approving Body: Click here to enter text.	
Approval: Click here to enter text.	Date: Enter date