

## **BEST PRACTICES: SYSTEM VALIDATION**

October 23, 2025

## **PRESENTERS**



Ryne J Cornacchia, CFE, CAMS

Regulatory Compliance Manager Wolf & Company, P.C 617.428.5493 ryne.cornacchia@gmail.com



### WHO WE ARE

1911

WOLF & CO. ESTABLISHED

375+

**PROFESSIONALS** 



#### 3 OFFICES IN:

- Boston, MA
- Springfield, MA
- Princeton, NJ



#### **SERVICES OFFERED IN:**

- Risk Management





#### **AGENDA**

- Preparing for a BSA/AML Audit/Validation
  - Internal Risk Assessment Review
  - Strong BSA/AML Compliance Program
- Documentation Review
- System Review
- Conducting a Self-Assessment & Mock Audit
- Q&A





#### **Internal Risk Assessment Review**

- Identifying and Assessing Risks in Cannabis Banking
- Understanding Your Institution's Risk Appetite
- Board Involvement
  - Approval
  - Timely status updates





## Strong BSA/AML Compliance Program

- Policies and Procedures Tailored to Cannabis Banking
- Customer Due Diligence (CDD) and Enhanced Due Diligence (EDD)
- Ongoing Monitoring and Reporting Requirements





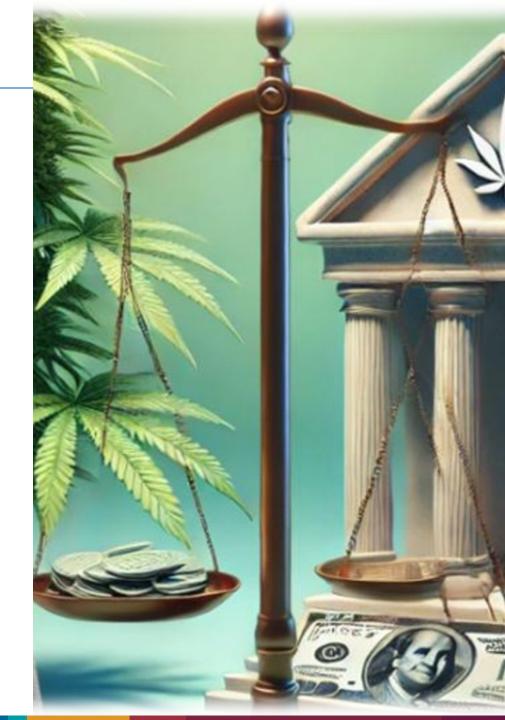
## **Documentation Review**

- Suspicious Activity Reports (SARs)
- Currency Transaction Reports (CTRs) for MRBs
- Common Red Flags and Risk Indicators
- Third-Party Vendor Management and Due Diligence



## System Review

- Automated AML Software
- Cannabis Software
- Data Integrity & Validation





## Conducting a Self-Assessment & Mock Audit

- Internal Audits and Independent Testing
- Corrective Action Plans and Continuous Improvement
- Leveraging Technology and Compliance Tools





### Common Issues and Best Practices

- Common Audit and Exam Issues in Cannabis Banking
- Best Practices for completing an Audit with Minimal Findings
- Case Studies and Lessons Learned







# **QUESTIONS**



