

University To Train Money Laundering Experts for Banks

By Samuel Rubinfeld

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Banks, facing increased pressure from regulators to stop drug lords, corrupt officials or terrorists from moving money illicitly, will soon have a new source of talent to help in their fight.

The University of South Florida is launching a graduate certificate program in Compliance, Risk and Anti-Money Laundering that it says will provide skills to students seeking careers in business risk assessment, including in the growing anti-money laundering field. The university also developed a concentration on compliance, risk and anti-money laundering for its MBA program.

Several colleges and law schools in recent years have added compliance-related graduate-level academic programs, but USF claims to be the first to specifically target money-laundering risk management.

"We want this to be a model," said Moez Limayem, dean of the Muma College of Business, at the university, in an interview.

Financial institutions have been hiring thousands of compliance and money laundering professionals to deal with new regulations and following fines and criminal penalties for an array of misconduct facilitated through their networks. But banks have also complained about a dearth of subject-specific talent and have had to hire non-specialists and train them.

Caron Chung, who helped USF create a pilot anti-money laundering compliance boot-camp in 2012 following her retirement as a regional head of anti-money laundering at Citigroup Inc., said banks' compliance needs grew in recent years, especially after the passage of the 2010 Dodd-Frank Act, which put a primacy on compliance.

"Regulators have made their expectations clear," said Ms. Chung.

Ms. Chung said the bootcamp at USF helped her bank fast-track its training for new anti-money laundering hires, cutting a three-month process down to about four to six weeks.

The graduate certificate program, which will begin in fall of 2015, has four courses, including classes on forensic accounting, statistical data mining and risk management. The program

helps prepare students to take an exam to become a Certified Anti-Money Laundering Specialist and provides a \$1,000 discount for that qualification. It also offers two-year membership with ACAMS, the anti-money laundering trade association that oversees the exam. School officials say they hope to field a class of 25 to 30 students per semester.

Preventing money laundering is a global issue: The United Nations Office for Drugs and Crime, on its website, estimates that the amount of money laundered globally ranges from \$800 billion to \$2 trillion per year. Global Financial Integrity, a Washington, D.C.-based research and advocacy group that tracks illicit financial flows, said those flows are growing at an average of 9.4% per year.

As illicit flows increase, regulatory bodies are subsequently leaning on financial institutions to spot such activity, penalizing those that fail to do so. U.S. authorities have imposed multi-billion dollar fines and demanded guilty pleas from banks caught handling money from those under sanctions or laundering money on behalf of drug cartels or terrorists.

Some major banks, though not accused of wrongdoing, are now also facing scrutiny for their handling of funds linked to the corruption scandal engulfing FIFA, soccer's global governing body.

"In order for financial institutions to be effective in throttling these financial crimes, they need the experts," said Carlos Garcia, a Florida-based director of market planning and AML compliance at LexisNexis Risk Solutions.

Though the number of jobs on Wall Street in risk and compliance isn't broadly tracked, industry players and recruiters say anti-money laundering compliance has seen a boom in recent years.

The unemployment rate for compliance officers in the fourth quarter of 2014 was 2.4%, according to the U.S. Bureau of Labor Statistics, compared with an overall jobless rate of 5.7% in the same period.

Compliance salaries also continue to rise, according to the latest data compiled by [Robert Half International](#) Inc. The projected national average starting salary in 2015 for a compliance officer at a small company ranges from \$82,500 to \$108,500. It rises to \$99,750 to \$132,750 at a midsize company and to \$109,500 to \$150,000 at a large company, the Robert Half data show.

Mr. Limayem said the purpose of the graduate certificate is not only to underline the importance of anti-money laundering compliance, but also to give students the ability to properly do the risk analysis and communicate it effectively.

“Businesses cannot do it alone,” he said.