Managing SARs Investigations – Best Practice Guide

ICA Learning

The requirement to identify and report suspicious activity for money laundering and/or terrorist financing exists in nearly all well-regulated countries and sectors. Enforcement action for money laundering failures often involves court proceedings that require a responsible officer to speak to their investigations when suspicion was identified. As a result, the process of investigating and reporting suspicions can seem overwhelming and complex to some people as they seek to negotiate what they perceive to be a legal minefield.

In this first of an optional two-part learning journey, you'll explore some of the essential aspects to be aware of when reviewing and evaluating potentially suspicious activity. Built on practitioner knowledge, you'll study key advice and guidance on what to consider, what to look for and how to take appropriate actions, from receiving an initial alert through to after a SAR has been filed. Through following the process for considering an internal alert about a suspicious transaction or unusual account activity, this course uses practical, real-life advice to equip you with the confidence to make decisions, which can have serious implications for you personally as well as others.

NOTE: although this course is the first part of a two-part learning journey, it can be studied on its own.

Course Component (inc. hours)		Takeaways	Learning Objectives
Section 1 - Introduction	15 mins	• Understand what a SAR is and why it must be submitted. • Recognise the sequence that must be followed when investigating an internal alert. • Distinguish when a SAR must be filed and the fact that this is not the end of the process.	• Define a SAR and understand how the SARs investigation process functions.

Course Component (inc. hours)		Takeaways	Learning Objectives
Section Two – Receiving an internal alert of suspicion	**15 mins**	• Describe the considerations that go into reviewing an alert or internal SAR. • Through a scenario, identify the difference between concern and suspicion, and what happens once that suspicion has developed. • Using a video and an interaction, compare some high-risk indicators for terrorist financing.	• Determine how to approach an internal alert of suspicion, in order to establish if there is a concern.
Section Three – The investigation process	**15 mins**	• Deep dive into the three stages of a SARs investigation. • Through the use of an interaction, determine what needs to be done with information collected during an investigation in order for a decision to be made.	• Identify what is involved in investigating an internal alert, and how this can lead to the formulation of suspicion.
Section Four – Managing communications	**15 mins**	• Understand who may need to be communicated with when conducting a SARs investigation. • Recognise that speaking to the customer is an important part of an investigation, and if done correctly, isn't classed as tipping off. • Explore what can and cannot be articulated to the customer, and how to respond to their questions.	• Manage communications with third parties including the customer, and understand how this can aid an investigation.
Section Five – Completing and filing a SAR	**15 mins**	• Discuss when a suspicion becomes reportable and what to do if anyone ever tells you not to file a SAR. • Distinguish what information to include in a SAR in order to clearly articulate suspicion. • Determine the appropriate actions to take in cases of suspected fraud and/or third-party disputes.	• Apply best practice to filing a SAR, and the actions to take if fraud is suspected.
Section Six – Once a SAR has been filed	**15 mins**	• Identify any factors related to the subject of the SAR to ensure there is no further money laundering taking place. • Demonstrate what to keep a record of during an investigation and why it is essential. • Articulate the need to conduct additional monitoring or modify controls.	• Demonstrate the actions that should be taken following the submission of a SAR, and why record keeping throughout the whole process is essential.