

The New Normal: Maintaining Compliance Programs Remotely

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The way most of us work together has changed. Video calls have replaced the conference room. Children and pets have made cameos into boardrooms. Virtual happy hours are now how we commiserate about the difficulties of teaching fourth grade math. Open lines of communication have never been more challenging, or for that matter, more important. On one hand, businesses rely on human connection to drive collaboration, service, and innovation. How many deals or ideas originate out of the office in social settings? On the other hand, remote work has optimized many operations. There is less water cooler banter and other office distractions, and we are forced to be more deliberate with our calendars and schedules, making meetings more efficient.

From a compliance perspective, this new environment creates both opportunities and challenges. Here are some tips that we think you may find helpful.

Over-Communicate. Although instant messaging has become the new “stop by my office”, sometimes the old-fashioned phone call still goes a long way. Continue to send email reminders to staff on best practices, policies, and risk areas. Scheduling periodic team check-ins and one-on-one meetings with employees help keep things moving forward.

Continue to Identify Risks. In the initial weeks of the pandemic, many advisers conducted risk reviews, identifying new vulnerabilities resulting from firm-wide shifts to remote work, such as consistency of investor communications, new messaging platforms and archiving, password sharing, and the list goes on. We expect the SEC will continue to focus on advisers’ actions to monitor and address the evolving risks during this pandemic.

Set Periodic Goals. While to-do lists are seemingly endless, highlighting 1-2 top priorities at the start of each week and for each month will help track and adapt plans to keep compliance program tasks and projects on schedule. As we approach mid-year with continued dislocations, we are seeing this become critical in maintaining an efficient and proactive compliance program.

Leverage Technology Solutions. While some would rather teach fourth grade math than take on this task, it can be a great time to leverage technology and automate workflows to create improved operational efficiencies. For example, paper statements piling up at closed office locations can be avoided by using compliance reporting software with electronic data feeds. With so many ways to collaborate, the challenge is often less about finding the technology that meets the needs but communicating and implementing the new workflow to the team.

Remote Annual Compliance Reviews. Like this summer’s vacation plans, onsite vendor visits are likely on pause for the foreseeable future. However, the SEC has not postponed its examinations and advisers cannot afford to postpone being prepared. HighCamp has transitioned to offsite reviews and remote support. In many ways, conducting reviews remotely has enabled us to be more creative in our approach. For instance, we are no longer confined to pack as much into one visit, which allows more time between interviews. We have also incorporated more compliance program forensic testing by expanding our electronic communications surveillance reviews given the volume increase. These subtle changes have alleviated some of the document production and resource burden that is typical during a robust review.



Although it is difficult to forecast how things will look like on the other side of this pandemic, some of this is going to be here to stay, so any investment in these areas will likely translate back to the office environment post-crisis. The only certainty is that risks and challenges will continue to evolve beyond this uncertain time.

Most importantly, as we continue to navigate the unknown, we wish everyone good health, safety, and some quality time outdoors.

About HighCamp Compliance

HighCamp Compliance is a premier, boutique compliance consulting and outsourcing firm helmed by former SEC examiners, CCOs, and proven consulting professionals. HighCamp specializes in regulatory compliance and operational support for SEC-registered alternative and institutional investment managers. The team includes specialists in private equity, real estate, and hedge funds.

Have questions? Get in touch at Hello@HighCampCompliance.com.