

Your Policies And Procedures Can Help Keep You From Being Termed A Supervisor

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Use your P&Ps to stress that the CCO has many responsibilities but has a reduced role as a supervisor if you have concerns your work could heighten your risk of facing a potential failure to supervisor charge.

Nancy Lininger, a consultant with **The Consortium** in Camarillo, Calif., recommends your policies and procedures establish a chain of command. You could write a policy around supervision (she shares a [template of ones](#)) that gives the CCO "full responsibility and authority to develop and enforce" the P&Ps but confines any role of supervision to compelling staff to follow the firm's P&Ps, she says.

Her suggestion comes as the words of **SEC** Commissioner [Daniel Gallagher](#) echo that as a compliance officer becomes "more engaged" at the firm "the more likely they are to be deemed to be playing a supervisory role." He made his remarks after the Commission dismissed a failure-to-supervise charge against former GC **Ted Urban** this winter.

Your policy should name the CCO and the firm's supervisors and outline "the specific activities" that each would be responsible for, says Lininger.

P&Ps for social media

She also recommends your policies and procedures for social media explain acceptable and non-acceptable uses of business-related postings following [OCIE's exam alert](#). Treat such posts as advertisements because they're generally communications directed at more than one person. Require pre-approval and cross reference your social media policy with its advertising and marketing counterpart, Lininger recommends.