



Banking and Financial Services Council March 2007

Banking and Financial Services Council

Mr. Kevin O'Brien – Chariman
The Bank of New York

Mr. Larry E. Brown – Vice Chair
First Citizens Bank & Trust

Mr. Brian R. Abraham, CPP
3SI Security Systems

Mr. Robert S. Ballagh Jr, CPP
CheckFree

Mr. Steven K. Braden
Capital One Financial Corp

Mr. Michael J. Collins
Provident Bank

Mr. Robert D. Croskery
Wells Fargo & Company

Mr. Clark B. Cummings, CPP
FirstBank

Mr. Randy Dicampili
Wilmington Trust Company

Mr. Johan D. Du Plooy, CPP
Risk Diversion Pty Ltd

Mr. R. P. Handren, CPP
RBC Protection Services

Mr. Hilton Alexander
Canadian Imperial Bank

Mr. Terry Huskey
US Security Services

Mr. Douglas W. Kohlsdorf, CPP

Mr. W. Joseph Majka
Visa USA

Mr. Richard L. Seba, CPP
JP Morgan Chase

Mr. Chris Smith
HBSC

Mr. P. Kevin Smith, CPP
Chevy Chase Bank

Mr. Francis X. Tesorero Jr, CPP
GE Consumer Finance

Mr. Hector R. Torres, CPP
Banco Popular de Puerto Rico

Mr. James W. Zardecki
Sovereign Bank

It's finally here!! Welcome to our Council Newsletter.

Welcome to the Banking and Financial Services Council Newsletter. The purpose of the newsletter is to provide an informal means of communications for all of our council members and ASIS members. This forum will be used to exchange ideas and views on the current issues that affect security, loss prevention, and risk management operations of our banking and financial services institutions. The newsletter will have various sections of interest that will include ASIS and Council news, current bank security news, surveys results, and best practices articles submitted by fellow Banking and Financial Services Council members. Additionally, in every edition we will profile a fellow ASIS banking security professional and obtain his/her insights pertaining to this field. You are welcomed to share your professional comments and insights for the benefit of all fellow banking and financial services security practitioners. Your comments can be emailed to the Council's Communication Committee at the following emails: htorres@bpr.com or bballagh@checkfree.com

March Council Meeting Notes

The March 2007 meeting for the ASIS Banking and Financial Services Council was held at 11:00 a.m. EST on March 7, 2007 via conference call. The following are the salient points of the meeting:

The Council will have a Pre-Seminar session during the Annual ASIS Seminar in Las Vegas, Nevada in September 2007. Some of the topics for this pre-seminar include *On Line Fraud Prevention, Law Enforcement Partnerships, Bank Security Convergence, and Mitigation of Bank Robbery and Fraud*. This year's pre-seminar promises to be a professionally rewarding event in that the subjects covered will present the latest trends in the banking security field.

The council discussed various ideas for submissions as topics for Virtual Forums. Among these include *Case Management* submitted by P. Kevin Smith and *Bank Robbery Training Program* submitted by Kevin O'Brien.

The Council also discussed how to process the results of banking security surveys. It was decided the Council's Subject Matter Expert Committee will develop a formal process to track and report on the results of email surveys. P. Kevin Smith will release the link for the 2006 Bank robbery Survey which has a deadline of March 31. The next Council meeting is scheduled for April 4, 2007 at 11:00 AM (EST).

Important Change to Recertification Program

The ASIS Professional Certification Board has recently announced changes in the recertification process. The Continuing Professional Education (CPE) credit will be the new standard of measure for calculating recertification credits. After extensive benchmarking and review of the various systems used by similar credentialing bodies, the PCB decided the CPE proved best suited to the ASIS International certification programs. The CPE recertification system will go into effect January 1, 2008 for all designations – Certified Protection Professional (CPP), Professional Certified Investigator (PCI), and Physical Security Professional (PSP).

ASIS 2007 – Online Housing and Registration are Now Open!!!



Housing and registration for the 2007 ASIS Seminar are now open for all security professionals desiring to attend this unique event. This year event will be held at the Las Vegas Convention Center in Las Vegas, Nevada on September 24-27, 2007. ASIS 2007 is dedicated to meeting today's security demands by providing the premier forum for the latest innovations and information across all security segments. From enterprise security to counterterrorism, loss prevention to crisis management and everything in between, ASIS has it covered! This annual event is known for its high-quality educational program covering every aspect of security. The seminar consists of more than 150 dynamic sessions on the hottest issues and trends, as well as best practices and core security management topics that successful security professionals need to stay ahead. Each presentation is reviewed and selected by a committee of your peers to ensure that attendees learn from seasoned practitioners and subject matter experts with real-world experience and insights. Register early!!

In The News

Robed Woman Claims Bomb, Robs Pennsylvania Bank

Playing on the fears prompted by terrorism has probably started a new trend in bank robberies. A woman wearing a long Middle Eastern-style robe that covered everything but her face robbed a bank branch outside Pittsburgh on Friday, March 9, 2007. At approximately 11:20 a.m., the woman passed a note to the bank teller warning that someone had strapped explosives on her body. About an hour before the robbery, a woman who was similarly attired was spotted outside another nearby bank probably in an attempt to rob or case it. The robber remains at large, and witnesses could not determine if the suspect was in fact strapped with explosives.

Man Steals Diamonds From Antwerp Bank

A bank in Antwerp, Belgium, was robbed of \$28 million of diamonds by a man who apparently used a false identity to become one of the bank's trusted customers for the past year. The thief who possessed a stolen Argentine passport used the stolen document to become one of several trusted diamond traders who were allowed to access the bank's vault for diamond cutters and pawnbrokers. However, on March 5, the bank discovered that the thief broke into the vault's safety deposit boxes, stealing 120,000 carats of diamonds.

Profiles in Excellence - Mr. James W. Zardecki, Sovereign Bank



James W. Zardecki
Senior Vice President
Director of Loss Prevention and Security
Sovereign Bank, Wyomissing, PA

As Director of Loss Prevention and Security, Mr. Zardecki has the responsibility of managing all aspects of loss prevention, investigations, physical security, executive level issues, and implementing Loss Reduction Behavioral systems, policies and procedures. Additionally he is responsible for developing and managing the operating budget and a staff of approximately 90 full time staff and numerous third party vendors.

Since joining Sovereign in 1999, the Bank experienced a tremendous growth rate. Sovereign grew from \$21 billion to a \$90 billion in assets and with over 800 branches and 2,000 ATM's. This growth prompted Mr. Zardecki to merge the operational loss prevention systems, corporate investigations functions, and physical security functions to create single Loss Prevention and Security unit. The resulting merge of these functions has significantly reduced operating costs and fraud losses for six consecutive years under Mr. Zardecki's direction.

Prior to joining Sovereign Bank, Mr. Zardecki held various Loss Prevention and Security functions at PNC Bank over a period of more than fifteen years. He was instrumental in initiating the corporate security functional structure through the implementation of a "White Paper" plan which he developed.

Mr. Zardecki began his career in security spending thirteen years in Luzerne County District Attorney's Office, in Wilkes-Barre, Pennsylvania as Chief County Detective and Administrator of the office. His functions included the management of the criminal court calendar, scheduling, coordinating and assigning cases to Assistant District Attorneys, and negotiating and approving plea agreements. Mr. Zardecki was also responsible for liaison to local, state and federal law enforcement agencies, investigating homicides, major cases and was a certified Polygraph Examiner and Electronic Surveillance Expert. He has investigated, coordinated and testified in numerous homicide cases, including that of notorious mass murderer George Banks, who was responsible for the murders of 13 victims.

Mr. Zardecki's professional affiliations include membership, leadership, and instructor positions in the American Society for Industrial Security (ASIS) International, ASIS Banking and Financial Services Council, American Bankers Association (ABA), BITS Fraud Reduction Steering Committee, Financial Services Sector Coordinating Council (FSSCC), Pennsylvania Banker's Association Security and Fraud Committee, and the Bank Administration Institute (BAI).

Mr. Zardecki has a detailed knowledge of all aspects of loss prevention, investigations and physical security and is a recognized expert in his profession. His strong leadership, management capabilities and the ability to work with diverse groups to accomplish organizational tasks has led to many significant accomplishments in the Financial Services Industry. He currently lives in Wyomissing, Pennsylvania with his wife Linda and has two children, Lauren and Matt.

Mr. Zardecki was recently interviewed for this profile and was asked the following questions:

1. As the Director of Security for a major banking organization, what are the major challenges of providing protective services to your 825 bank branch offices and facilities?

The significant increase in robberies last year always raises concerns. Although losses are not overwhelming, safety of our employees and customers is our first priority. Continued training and awareness is extremely important and in today's environment and our growth, it always creates a challenge to get "face to face" training, which is the most effective. We do considerable other types of training to be sure we meet our compliance requirements. (the northeastern portion of the United States had significant increases last year)

With the surge of data compromises and "identity theft" security of information is critical. Information Security is extremely important, many people think of this as "data security", but the safe guarding and destruction of "personal information goes far beyond data security. The basic securing of hard copy files, laptops and destruction bins and vendor processes is an ongoing and often overlooked process.

Continued training and peer group involvement for professionals and employees; expense control is essential in today's environment and after getting through all the business essentials, funds are limited for training. We must continue to work smarter and find the most effective ways of staying in tune with today's issues. From my own experience, "networking" with peers is the best form of education that anyone can receive. We have many talented professionals in our industry who are willing to work together to tackle any problem that arises. All the professional friends that I have developed throughout my career have been responsible for the successes that I may have.

2. What do you see are the major security threats to the banking industry?

The use of the internet and other electronic means of financial transactions is a rapidly growing venue for fraud and information compromising threats. Compromising of Data for identity and other types of theft; the costs to banks is tremendous, the customer service issues are even greater and the unknown usage of some of the data can be scary.

In addition, emergency response and business resumption functions can not get complacent. It appears the world is becoming less stable and the uncertainty of "Terrorist Activity" requires the industry to stay informed and communicate with each other throughout the industry, along with other business sectors.

Best Practices: Creating Added Value in Corporate Security

As we begin the 21st century, organizations must operate in a continuously changing global business environment spurred by the globalization of markets. As organizations change to adapt themselves to their environments, so must their management functions. Management functions such Human Resources and Corporate Security must not only perform their basic missions but must also create added value in the process. We can define added value as those actions taken in a management function which contributes to organizational efficiency, increases the growth of revenues, or provides a competitive advantage to the organization. The challenge for security managers is to identify and execute those actions that create value in a corporate security program. In doing, corporate security as a management function will become a primary strategic partner in the organization and not a secondary or supporting management function.



1625 Prince Street
Alexandria, VA 22314-2818
USA
703-518-1447
Fax: 703-518-1517
Email: councils@asisonline.org