Comprehensive pay-to-play mitigation
IN 3 EASY STEPS

Introduction

Monitoring the political contributions of your employees simply isn't enough to protect your company from the steep penalties that follow a breach in pay-to-play regulation.

The STAR Platform provides a user-friendly, streamlined experience for both employees and compliance teams spanning across three critical areas to mitigate firm risk with confidence: political contributions, gifts and entertainment, and certifications.

The Challenge

The often-overlooked complexities of state and local regulations governing political contributions differ substantially from federal laws. Beyond regulatory intricacies, additional complexities arise concerning spouses' contributions, employee volunteering, and contractual employee arrangements. While federal fair play rules do not encompass spouses, the indirect risks associated with their contributions warrant inclusion in company policies. Similarly, volunteering activities necessitate careful scrutiny to ensure compliance with solicitation and resource usage guidelines.

To navigate this complexity effectively, companies are advised to establish a robust baseline pay-to-play policy tailored to accommodate state and local nuances, and to implement a technology solution that can automate key processes and surface potential risk before it occurs.

STEP 1:
Political Contribution Pre-Clearance & Surveillance

By streamlining pre-clearance and surveillance workflows, suspicious activity can be surfaced faster, and reconciliation windows can be drastically reduced from 90+ days, to as donations are made public in three easy steps:

> Monitored employees log into the STAR Platform to submit their political contribution, completing a simple form collecting all the necessary information needed for documentation and approval purposes, and promptly receives an approval or denial.

> The STAR platform aggregates data from the Federal Election Commission ("FEC"), all 50 states, including municipalities, and provides donation information in a standardized format. On a daily basis, as new contributions are disclosed to the public, contributions made by employees, or their family members, are collated and made available within STAR.

> Using the names and mailing addresses of employees and their family members, Star searches for likely matches, accounting for misspellings and common pseudonyms, powered by our database of over 14,000 name variations.

STEP 2:
Gifts & Entertainment Pre-Clearance & Reconciliation

The governing stipulations that span across federal, state, and local government offices and elected officials can present unique challenges, exemplified by prohibitions against government officials accepting even minor gratuities like coffee. If your organization conducts business with government entities or officials, understanding the nuanced gift and entertainment definitions and the minimums associated with them is the first step to creating a detailed policy employees can reference and clearly understand. In addition to a thorough policy, automating the pre-clearance of gifts and entertainment can significantly reduce firm risk and stop activities outside of defined thresholds before they occur.

- Using Star's robust rules engine, configure pre-clearance rules to meet the gift and entertainment policies you've defined. The rules engine leverages vast amounts of data, including employee information, user group and line of business relationships, and the thresholds you set to effectively pre-clear employee activity, providing an instant approval or denial.

- For employees on-the-go, arm them with Star's Mobile App. From the palm of their hand, employees can update pre-cleared gifts and entertainment to include additional guests or adjust requested spend, or submit new requests for those ad-hoc meetings and dinners that come up at the last minute.

- Integrate Star with your expenses system or CRM to reconcile pre-cleared gifts and entertainment with actuals and eliminate duplicate data entry or hours of manual data stitching between Excel workbooks.

STEP 3:
Certifications

Certification is the third puzzle piece to comprehensive pay-to-play mitigation. Employees (and family members where necessary) should be required to certify that they have read and understood the pay-to-play policies outlined by your firm, thereby demonstrating to regulatory bodies the sound compliance practices you've established. In addition, the certification period provides an opportunity for both employee and firm to level-set on the accuracy of their information.

> Collate employee activities and data at regular intervals into certifications and attestations within the STAR platform and store completed records in the STAR platform for future reference in the event of an audit or inquiry.

> Configure certification templates by user group, role, location and more so employees only review and attest to what's relevant to them.

> Give employees an easy in-app process to flag inaccuracies or report missing information—including employee and spousal contributions, volunteer activities, gift and entertainment transactions, and more.

By adhering to the aforementioned steps, your company can proceed with assurance, confident that the risk of pay-to-play scenarios is minimized due to the policies and centralized oversight implemented through the STAR Platform.

About StarCompliance

StarCompliance is the world's leading provider of compliance technology solutions. Trusted globally by forward-thinking companies in 114 countries, Star's future-ready compliance platform delivers on-demand configurability, multi-jurisdictional integrity, and the actionable intelligence you need to monitor for conflicts, meet regulatory obligations, and reduce risk. Compliance no longer needs to be complex. Check out Star's intuitive, straightforward UX and give your employees the multi-layered protection they need to comply with confidence.

w: starcompliance.com
e: info@starcompliance.com

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