

Southwest Heritage Bank optimizes compliance and merger process with Abrigo BAM+

Case Study

Southwest Heritage Bank is a community-based financial institution headquartered in Scottsdale, Arizona, with less than 10 branches. The bank recently went through a merger, expanding its footprint to New Mexico and bringing its total assets to \$1 billion. Both legacy institutions, Commerce Bank of Arizona and Bank 34, were already using Abrigo's BAM+ platform prior to the merger, which played a crucial role in helping the bank integrate its compliance and risk management functions during and after the merger.

THE OPPORTUNITY: STREAMLINING COMPLIANCE DURING A COMPLEX MERGER

When Commerce Bank of Arizona merged with Bank 34 to form Southwest Heritage Bank, the bank identified several opportunities related to compliance integration. Ryan Nuffer, Vice President and BSA Officer at Southwest Heritage Bank, and his team recognized a need to manage a growing number of compliance alerts and the complexities of aligning the compliance programs of two institutions. While the bank had experienced success with BAM+ for day-to-day operations, the merger presented new complexities.

The merger brought increased transaction monitoring demands and necessitated a comprehensive system optimization to ensure that both institutions' data and scenarios were functioning smoothly.

"Before the merger, I relied heavily on Abrigo Advisory Services to prepare for regulatory exams and optimize our system. The process of integrating two institutions was much more complicated, but Abrigo's support was indispensable," Nuffer explained.

"We knew exactly what to expect and were able to navigate the blackout period without any major issues,"

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Ryan Nuffer, VP and BSA Officer

SOUTHWEST HERITAGE BANK

THE SOLUTION: BAM+ AND ADVISORY SERVICES FOR SEAMLESS INTEGRATION

Working with Abrigo's Advisory team, Ryan and his team optimized their transaction monitoring system and streamlined compliance processes throughout the merger.

"The implementation team was super beneficial throughout the process. They worked with us for several months, ensuring that both legacy systems were aligned before the merger. We knew exactly what to expect and were able to navigate the blackout period without any major issues," Nuffer said.

During the merger, Nuffer's team centralized and streamlined all compliance monitoring into BAM+, which was crucial for ensuring consistent regulatory reporting. The Abrigo Advisory team also helped fine-tune transaction monitoring scenarios, allowing Southwest Heritage Bank to manage the influx of alerts that occurred post-merger as a result of combining the financial institutions.

"We saw a massive increase in alerts, going from around 150 a month at each legacy institution to nearly 500 combined after the merger. With the help of the BAM+ scenario module and advisory services, we were able to reduce those alerts back down to around 350 in just a few months," Nuffer explained.

THE RESULT: A SMOOTH MERGER AND INCREASED COMPLIANCE EFFICIENCY

The BAM+ platform's workflow management capabilities now allow the bank to efficiently handle a large volume of alerts, investigations, and regulatory reporting tasks.

"BAM+ organizes our workflows so well that even with a small team, we can manage our compliance program efficiently. It's not just about reducing alerts—it's about ensuring that alerts are being generated for the right reasons in a manner consistent with the Bank's risk profile," Nuffer noted.

In addition, BAM+ has provided Southwest Heritage Bank with a scalable compliance solution that will support the bank as it continues to grow. With the system's customizable modules, the bank is now better positioned to meet its compliance requirements while managing its evolving needs.

"One of the things I appreciate most about BAM+ is its flexibility," Nuffer said. "I expect any system I choose to have the same level of advisory support and customization that BAM+ offers. It's absolutely essential."

With the merger now behind them, Southwest Heritage Bank is looking ahead, confident that BAM+ will continue to support its compliance needs. The platform's ability to organize workflows, reduce false alerts, and provide detailed regulatory reporting has not only improved efficiency but has also ensured the bank can remain compliant as it grows.

"BAM+ has been a key part of our success throughout this process," Nuffer said. "It's not just a software solution—it's a partnership."

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ABOUT ABRIGO

Abrigo is a leading technology provider of compliance, credit risk, lending, and asset/liability management solutions that community financial institutions use to manage risk and drive growth. Our software automates key processes—from anti-money laundering to asset/liability management to fraud detection to lending solutions—empowering our customers by addressing their Enterprise Risk Management needs.

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