



Federal Deposit Insurance Corporation
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Financial Institution Letter

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Supervisory Insights Journal

Summer 2017 Issue Now Available

Summary: The Summer 2017 issue of Supervisory Insights features two articles of interest to examiners, bankers, and supervisors. The first article emphasizes the importance of liquidity risk management and describes contingency funding strategies to help community banks mitigate potential stress. The second article provides an overview of the Bank Secrecy Act/Anti-Money Laundering (BSA/AML) examination and discusses trends in supervision and enforcement. Supervisory Insights – Summer 2017 is available at www.fdic.gov/supervisoryinsights.

Statement of Applicability to Institutions with Total Assets under \$1 Billion: The information contained in this issue of Supervisory Insights may be of general interest to FDIC-supervised financial institutions, but it is not supervisory guidance.

Distribution:
FDIC-supervised Institutions

Suggested Routing:
Chief Executive Officer
Compliance Officer

Related Topics:
Liquidity Risk Management
Contingency Funding Strategies
Bank Secrecy Act

Attachment:
None

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Note:
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Highlights:

- Maintaining and planning for a healthy liquidity position is essential to a community bank's safe and sound operation. An unexpected liquidity crisis can impair an institution's viability. "Community Bank Liquidity Risk: Trends and Observations from Recent Examinations" describes liquidity risk management and contingency funding strategies that community banks can use to help mitigate potential stress.
- The focus of the BSA/AML examination is to assess whether a depository institution has established appropriate policies, procedures, and processes consistent with the institution's BSA/AML risk. "The Bank Secrecy Act: A Supervisory Update" provides an overview of the BSA/AML examination, discusses trends in supervision and enforcement, and includes examples of rare, but significant, failures identified by FDIC examiners in BSA/AML compliance programs.
- The "Regulatory and Supervisory Roundup" provides an overview of recently released regulations and supervisory guidance.
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