



Financial Crimes Enforcement Network

A bureau of the U.S. Department of the Treasury

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FinCEN Releases Outreach Report on Depository Institutions with Assets under \$5 Billion Community Banks and Credit Unions Provide Key Insights

VIENNA, Va. – The Financial Crimes Enforcement Network (FinCEN), in a new report, [*Outreach to Depository Institutions with Assets Under \\$5 Billion*](#), released today, announced the findings of its Outreach Initiative to smaller depository institutions. The report's findings are based on information gathered from FinCEN's individual visits and town hall style meetings with more than 70 depository institutions including credit unions and community banks. This is the third in a series of Outreach Initiative reports released by FinCEN.

“FinCEN’s Outreach Initiative enhances the partnership between government and the financial industry in our shared goal of protecting the financial system from criminal activity,” said FinCEN Director James H. Freis, Jr. “Over the last few years, financial institutions’ understanding has grown about how they contribute to deterring and helping law enforcement detect crime just as the government’s better understanding of the business implications for industry, which in turn helps us align regulatory requirements where possible with business incentives.”

Among the key findings in the report:

- Depository institutions are increasingly integrating their anti-fraud and anti-money laundering efforts. Even in cases where the two functions may not be housed in the same department, there is close collaboration on fraud and money laundering issues.
- There is significant engagement with law enforcement, but many institutions do not take full advantage of existing information sharing enabled by Section 314(b) the USA PATRIOT Act to share information with their business peers.
- Institutions expressed comfort with their procedures and ability to promptly search and respond to FinCEN inquiries with respect to investigations of terrorist financing and significant money laundering.
- Credit union officials discussed unique circumstances that affect their compliance with BSA requirements. Among these are shared branching, difficulties in expelling credit union

members engaged in risky activity, growth, increasing diversity, geographic expansion of membership base, and an increasing amount of international transactions.

Beginning with large depository institutions, FinCEN initiated an outreach effort in 2008 with representatives from a variety of industries that fall under BSA regulatory requirements. In 2009, FinCEN conducted outreach to some of the nation's largest money services businesses, and last year the initiative was expanded to smaller depository institutions.

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*F*inCEN's mission is to enhance U.S. national security, deter and detect criminal activity, and safeguard financial systems from abuse by promoting transparency in the U.S. and international financial systems.