

# Sheshunoff™

Dear Valued Customer,

To make the *BSA Officer's Administration Handbook* easier to use, Section 1, BSA Officer, has been divided into three parts. New Section 1 contains procedures and information for the **administration of your BSA program**. In this section you will find sample BSA/AML and customer due diligence policies and procedures, worksheets and checklists, a sample BSA officer job description, a risk assessment matrix, a chart showing accountability assignments, and general training materials. Section 1A focuses on **reporting and recordkeeping rules**; tools include SAR, CTR, and exemption forms, checklists, and worksheets. Section 1B covers **OFAC requirements, information sharing under the USA PATRIOT Act, and special high-risk accounts**; tools include an MSB identification form and checklist, section 314(a) procedures, an OFAC risk matrix, and OFAC policies and procedures.

Other changes to your *BSA Officer's Administration Handbook* include:

- *FinCEN's guidance on "reasonable determination" of percentage of ineligible business activities.* FinCEN has issued guidance to help financial institutions determine whether certain businesses qualify for an exemption from currency transaction reporting. A new part in Section 1A discusses how to form a "reasonable determination" of the percentage of a business' gross revenues per year that are derived from one or more of the ineligible business activities listed in the rule and document your conclusions.
- *BSA E-Filing.* Effective June 27, 2009, BSA E-Filing transitioned to the use of Adobe forms. A Transition Questions and Answers document is available on the BSA E-Filing web site and the transition is discussed in Section 1A.
- *New CTR reference guide for customers.* FinCEN has issued a pamphlet that will help your employees explain currency transaction reporting requirements to your customers. A copy of the guide has been added to Section 2 as a tool.
- *FinCEN's mortgage fraud report.* FinCEN has released a report in March showing mortgage fraud in connection with other financial crimes. This report, discussed in Section 5, provides new insights on how businesses besides lending institutions can play a role in the discovery of potential fraud.
- *Brokered deposits.* To assist you in managing deposit broker relationships, we have added a sample brokered deposits policy and procedures as a tool in Section 11.