Reports of Foreign Financial Accounts Examination and Testing Procedures

Objective: *Assess the bank’s compliance with the BSA regulatory requirements for the reporting of foreign financial accounts.*

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| **Procedure** | **Comments** |
| 1. Determine whether the bank has a financial interest in, or signature or other authority over, bank, securities, or other financial accounts in a foreign country. Additionally, determine whether the bank is required to file a Report of Foreign Bank and Financial Accounts (FBAR) for customer accounts, including trust accounts, in which the bank has a financial interest or over which it has signature or other authority.
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| 1. Review the bank’s policies, procedures, and processes for filing annual FBARs to determine whether they meet the BSA regulatory requirements for FBAR reporting.
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| 1. Determine whether the bank’s internal controls are designed to assure ongoing compliance with FBAR filing requirements and are commensurate with the bank’s risk profile.
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| 1. Select a sample of accounts subject to FBAR filing requirements to determine whether:
* FBARs are filed in accordance with FinCEN form instructions.
* FBARs filed contain accurate and complete information.
* Any discrepancies exist between the bank’s records of FBARs and the FBARs reflected in the BSA reporting database.
* The bank has taken corrective action where errors are identified.
* The bank retains copies (electronic format or paper copies) of FBARs for five years from the date of the report.
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| 1. On the basis of examination and testing procedures completed, form a conclusion about the adequacy of policies, procedures, and processes the bank has developed to meet BSA regulatory requirements associated with FBARs.
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