

With this issue, *Supervisory Insights* begins its tenth year of publication. The financial services industry has witnessed unprecedented change during the past decade, and this is reflected in the broad range of topics we have addressed in the journal. This edition of *Supervisory Insights* looks at diverse issues of interest to examiners, bankers, and supervisors – credit-risk due diligence of investment securities portfolios, bank information technology examination programs, and consumer compliance issues that should be considered as part of the merger- and acquisition-planning process.

As the result of the enactment of the Dodd-Frank Act, the federal banking agencies' regulations can no longer reference external credit ratings. In response to this development, the Office of the Comptroller of the Currency and FDIC have exercised their responsibility under the Act to establish new permissible investment regulations for insured institutions. "Credit Risk Assessment of Bank Investment Portfolios" discusses supervisory expectations for credit risk analysis of the investment portfolio and related risk management practices, and provides examples for conducting due diligence on municipal and corporate bonds.

Banks' expanding use of technology and the increasing incidence of cyber threats and attacks continue to

highlight the important role of information technology (IT) examinations in promoting effective IT risk management practices by depository institutions and service providers. "The Evolution of Bank Information Technology Examinations" reviews the history of IT examinations, discusses today's IT examination goals and processes, and offers suggestions for strategies banks can adopt to design an effective and layered approach to information security.

And finally, this issue of *Supervisory Insights* highlights critical consumer compliance issues banks should consider when planning a merger or acquisition. "Mergers and Acquisitions: A Compliance Perspective" reviews key components of a comprehensive due diligence process that considers all applicable consumer protection rules and regulations.

We hope you take time to read all the articles in this issue and that you find them timely and useful. We welcome your feedback on the articles as well as suggestions for topics for future issues. Please e-mail your comments and suggestions to SupervisoryJournal@fdic.gov.

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