

Preservation and Promotion of Minority Depository Institutions

The Federal Deposit Insurance Corporation Report to Congress for 2018

collaboration among MDIs and between MDIs and other institutions. The publication describes some of the ways that financial institutions, including community banks, can partner with MDIs to the benefit of all institutions involved, as well as the communities they serve. Both community banks and larger insured financial institutions have valuable incentives under the Community Reinvestment Act (CRA) to undertake ventures with MDIs, including capital investment and loan participations. In 2018, the FDIC began preparations to host roundtables and other events in 2019 that would enable MDIs to engage with potential collaboration partners.

The FDIC added additional minority bankers to its CBAC to bring more diverse perspectives and input to these discussions. In addition, the agency began updating its 2014 study, [*Minority Depository Institutions: Structure, Performance, and Social Impact*](#), for publication in 2019. In support of its statutory goal to preserve the minority character in mergers and acquisitions, the FDIC hosted three outreach sessions and one webinar with MDI bankers to provide an overview of the process for bidding on failed minority banks, and to offer technical assistance to banks desiring to place a bid on a failed MDI franchise. The FDIC also began planning for the 2019 Interagency Minority Depository Institution and CDFI Bank Conference, which the FDIC will host in June 2019, in collaboration with the OCC and Federal Reserve.

Technical Assistance

The FDIC also continuously pursued efforts to improve communication and interaction with MDIs and to respond to the concerns of minority bankers in 2018. The agency maintains

active outreach with MDI trade groups and offers to arrange annual meetings between FDIC regional management and each MDI's board of directors to discuss issues of interest. The FDIC routinely contacts MDIs to offer return visits by supervision staff and technical assistance following the conclusion of FDIC safety and soundness, compliance, CRA, and specialty examinations to help bank management understand and implement examination recommendations. These return visits, normally conducted within 90 to 120 days after the examination, are intended to provide useful recommendations or feedback for improving operations, not to identify new issues.

MDIs also may initiate contact with the FDIC to request technical assistance. The MDI page on the FDIC's [website](#) encourages, and provides contact information for, any MDI to request technical assistance from the FDIC at any time.

In 2018, the FDIC provided 149 individual technical assistance sessions on nearly 50 risk management and compliance topics, including:

- » Accounting,
- » Bank Secrecy Act and anti-money laundering,
- » Community Reinvestment Act,
- » Funding and liquidity,
- » Information technology risk management and cybersecurity,
- » Third-party oversight, and
- » Troubled debt restructuring.