

From: Ashley,Linda <lashley@pocavalleybank.com>
Sent: Tuesday, August 06, 2019 8:06 PM
To: Comments
Subject: [EXTERNAL MESSAGE] RIN 3064-ZA06
Attachments: Technical Assistance Industry Feedback final.pdf

Thanks so much.

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FEDERAL DEPOSIT INSURANCE CORPORATION

RIN 3064-ZA06

Request for Information on FDIC Technical Assistance Offerings and Delivery

AGENCY: Federal Deposit Insurance Corporation (FDIC).

ACTION: Notice and Request for Information.

SUMMARY: The Federal Deposit Insurance Corporation is issuing this request for information to seek public input on additional steps the FDIC could take to support effective management and operation of FDIC-supervised institutions through technical assistance and collaboration on safety and soundness and consumer compliance matters. The FDIC is seeking feedback from community banks, other FDIC-supervised institutions, and other interested parties on existing FDIC methods and efforts to provide technical assistance. The FDIC requests input on strategies to improve the effectiveness of these offerings. The FDIC also seeks comment on both the content and delivery method of various technical assistance offerings and on other steps the FDIC could take to increase the level and effectiveness of technical assistance offered to the industry.

DATES: Comments must be received by [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

ADDRESSES: You may submit comments, identified by RIN 3064-ZA06, by any of the following methods:

- *Agency Website:* <http://www.fdic.gov/regulations/laws/federal/>. Follow the instructions for submitting comments on the Agency website.
- *Email:* Comments@fdic.gov. Include RIN 3064-ZA06 in the subject line of the message.
- *Mail:* Robert E. Feldman, Executive Secretary, Attention: Comments, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429. Include RIN 3064-ZA06 in the subject line of the letter.
- *Hand Delivery:* Comments may be hand delivered to the guard station at the rear of the 550 17th Street Building (located on F Street) on business days between 7:00 a.m. and 5:00 p.m.

Public Inspection: All comments received for this request for information must include the agency name and RIN 3064-ZA06. All comments received will be posted without change to <http://www.fdic.gov/regulations/laws/federal/> – including any personal information provided – for public inspection. Paper copies of public comments may be ordered from the FDIC Public Information Center, 3501 North Fairfax Drive, Room E-1002, Arlington, VA 22226 by telephone at (877) 275-3342 or (703) 562-2200.

FOR FURTHER INFORMATION CONTACT: Kathleen E. Jones, Case Manager, (816) 234-8143, *KathJones@fdic.gov*; or Thaddeus King, Policy Analyst, (202) 898-3541, *thking@fdic.gov*.

SUPPLEMENTARY INFORMATION: The FDIC is responsible for maintaining stability and public confidence in the nation's financial system by insuring deposits, examining and supervising financial institutions for safety and soundness and consumer protection, making large and complex financial institutions resolvable, and managing receiverships. In order to accomplish this mission, the FDIC provides technical assistance to financial institutions. As described further below, the FDIC is soliciting comment on strategies to improve the effectiveness of technical assistance to FDIC-supervised institutions.

Overview of Request for Information

The Federal Deposit Insurance Corporation (FDIC or Agency) is issuing this request for information to seek public input on additional steps the FDIC can take to improve the efficacy and value of technical assistance offerings to supervised institutions. The FDIC seeks to provide technical assistance, particularly to community banks, on relevant and useful bank regulatory and supervisory topics, including recent regulatory changes and emerging issues. Ongoing collaboration with supervised institutions, including requests for technical assistance, is a key component of the FDIC's effort to identify and mitigate risk to individual supervised institutions and to the overall financial system.

Accordingly, the FDIC is soliciting comment on how to maximize its efforts in providing this assistance.

Current Delivery Channels for Technical Assistance

The FDIC uses various methods of technical assistance to educate and assist insured depository institutions regarding regulations, policies, and guidance. These forms of assistance include, but are not limited to:

Technical Assistance Videos

Directors' Resource Center

Director/Banker Colleges

Teleconferences and Webinars

Community Bank Resource Kits

Regional Compliance Newsletters

Individual Assistance to Institutions

Suggested Topics for Commenters

To support bank risk management and compliance efforts and reduce burden for institutions, both in terms of expending fewer resources to find relevant information and decreasing the amount of information that needs to be reviewed, the FDIC is seeking input on how best to support effective management and operation of FDIC-supervised institutions through improved technical assistance. The FDIC encourages comments from all interested members of the public, including but not limited to, insured depository institutions, other financial

institutions or companies, and other members of the financial services industry. Detailed and specific comments, including whether the commenter prefers one form of assistance or support over another, would be helpful to the FDIC.

In addition to feedback on the FDIC's technical assistance initiatives described above, the FDIC requests input on the following specific topics and questions related to the FDIC's technical assistance:

Technical Assistance Videos

1) The FDIC began issuing technical assistance videos in 2013. The target audience for these videos includes bank directors or bank officers.

a. Have you used any of these technical assistance videos?

Very limited use.

b. If so, describe how you use the videos within your institution.

We utilize videos on an occasional basis inside of our board meetings as a training tool.

c. Which have been most helpful to your directors?

d. Which have been most helpful to management?

2) In the last year, the FDIC changed the format of the videos to voice-over recordings. This format allows the FDIC to update videos more quickly and at a lower cost. The first video issued using this new format is the Bank Secrecy Act video released in December 2018. What are your thoughts on the new format?

Adding features to the current format that provide interactive problem/solution screens would be helpful. Sometimes drawing the picture is a way of learning

for the visual learner, rather than just audio. Tactical learners prefer interactive screens. In today's technology world, perhaps touch screen options would be engaging.

- 3) The FDIC's Technical Assistance Video Program provides videos for bank directors (including new directors) and management and staff.

- a. Are the topics for each group comprehensive and useful?

The topics are appealing. The description *comprehensive* doesn't come to mind when viewing the videos, but obviously, real life is difficult to depict in a tutorial. For example, the Examiner process and interaction is nothing like the video where the examiner sits down with the Director to talk about the process. In reality, the examiner/director interaction is geared more toward the results of the exam.

- b. Is it more useful for the target audience of these videos to be bank directors, management, or staff? FDIC governance is first and foremost on Directors' minds. Oftentimes, the board is very knowledgeable of loans/deposits since they have those products as a consumer or small business owner. However, regulation and the whys of regulation are vague. Correlating FDIC regulations to Board governance is most useful for the target audience. Examiners make it very clear to whom has the liability of oversight to the performance and practices of a bank, so enhancing the educational opportunities would make better boards which should yield better banks.
 - c. Would you like to see videos for additional groups (smaller subsets of bank staff, for example)?
- 4) The FDIC seeks to provide technical assistance videos on topics that provide the most benefit to community bankers.
- a. Of the current videos offered, which do you believe are the most important for the FDIC to retain and continue to maintain and update over time?
 - b. Are there any additional videos the FDIC should consider adding to its video program? Director concerns such as unsolicited offers for acquisition would be of interest. The fiduciary responsibility as a Board is important to understand as we act on behalf of shareholders.

Also of interest would be specific topics contained in BSA – elder

abuse, cash structuring, etc.

- c. Are there any videos that should be removed from the current Technical Assistance Video Program?

Directors' Resource Center

- 5) Currently, the Directors' Resource Center is organized by product (videos, supervisory guidance, etc.). The FDIC is considering how to improve the Directors' Resource Center. One step underway is moving to a topic-based resource center where significant information regarding a single topic will be located. The Bank Secrecy Act resource page, which was released on May 21, 2019, is the first issuance under this initiative and can be found at <https://www.fdic.gov/regulations/examinations/bsa/>.

- a. Do you prefer topic-based resource pages or product-based resource pages? Please explain. Topic-based indices would be my preference. For a Director who most likely has not worked in banking, it is important to connect dots with topics as opposed to products.
- b. Using the Bank Secrecy Act resource page as an example, please provide feedback on the format of such a topic-based resource center. Elder Abuse – why it is important, how you detect it, working with law enforcement. There are many components of BSA and elder abuse is a small subset but a very large reality inside of our banks.
- c. What suggestions do you have to further improve this format?
- d. Are there additional types of information that would be useful to add to such a page?
- e. Please list additional topics for which the FDIC should develop a resource page.

Director/Banker Colleges

- 6) The FDIC provides course offerings for bank directors and officers through its Director/Banker College program. These programs are offered locally by the FDIC's six regional offices, and topics are chosen based on the local areas.
 - a. Have you attended one of these events in the last two years?
 - b. Do you find these one-day seminars helpful?
 - c. Is the length sufficient to meet your needs?
 - d. Are there any topics you would like to see addressed?

Our Board attends Director college and all thoroughly enjoy the topics covered. Strategic planning is a general topic that most directors perhaps implement within their own businesses; however, cyber security and reputational risk not so much. The length of the college is good as most Directors have their own businesses and finding “extra” time is sometimes a challenge. Directors aren’t as concerned with talent management which is geared more toward management. Another interest of directors would be compensation packages, geographic expectations and peer data of salary levels in similar regions and for similar sizes of banks. It is hard to compare salaries and benefits for an intermediary sized WV bank against the same size bank in FL due to economic competition. Perhaps seeing what a sample organizational chart would look for various size banks. What are the compliance expectations of CRA?? Or when there are changes to our assessment areas, receiving notification would be great, as opposed to hearing it when the Compliance Examiners show up.

Teleconferences and Webinars

- 7) The FDIC hosts teleconferences and webinars to provide timely information to the industry.
 - a. Are the teleconferences and webinars useful?
We could do a better job of making Directors aware of webinars.

- b. What would make them more useful?
- c. Please list any topics for which you would like the FDIC to host a teleconference or webinar.
- d. Provide feedback on the announcement of teleconferences and webinars, including the length of time between the announcement and the event.
- e. Should the FDIC establish a regular schedule for teleconferences and webinars with specific topics to be announced closer to the date of the event?
- f. Are the materials provided for teleconferences and webinars helpful?
- g. How can we increase the effectiveness of materials? For example, should audio files and other materials be available after the events and posted on the topic-based resource pages, if applicable?

Community Bank Resource Kit

- 8) The FDIC created a Community Bank Resource Kit in 2016 that included a reprint of the agency's Pocket Guide for Directors, information on the Technical Assistance Video Program, information on cybersecurity and cyber resources, various reprints of *Supervisory Insights* articles, and information on other topics. These Kits were provided at FDIC Director/Banker Colleges and sent to each state non-member bank.
 - a. Have these Kits been useful to your institution? If so, were the Kits more useful to board members or to bank officers and staff?

The pocket guide – definitely. Providing the acronyms to Directors is important. Most have no clue what ALLL, ROA, NIM are.

- b. Would you be interested in an updated Community Bank Resource Kit? If so, what materials or information would you like to see included?
- c. Would you prefer the Kit in print (hard copy), electronic delivery, or both?

Regional Compliance Newsletters

- 9) Each of the FDIC's six regions produces a quarterly consumer compliance newsletter. These regional newsletters are sent via email to all state nonmember banks within the region. The newsletters provide information on FDIC initiatives, updates to regulatory guidance, common examination findings, and other topics.
- a. Are these newsletters helpful to your institution? **Yes.**
 - b. Do you prefer longer, more in-depth articles that address a compliance topic or shorter, briefer articles that provide a quick update? **Current newsletter meets my expectations.**
 - c. Is there additional information you would like to see addressed in the newsletters?
 - d. Is email an effective delivery method? Why or why not? **Only IF I know to expect it and how to identify it as not a normal marketing solicitation email. Email is so overused and more often than not, I delete things without reading if the subject or the Sender are not readily known. With spoofing and phishing – we are geared to not click on links. I have to believe there is a better method but have no suggestions.**

Individual Assistance to Institutions

- 10) How often have you contacted the FDIC in the last year to request technical assistance unrelated to an examination? In the last five years?
- 11) If you requested technical assistance unrelated to an examination, on what topics

did you request technical assistance? Did you contact the local field office, the regional office, or the Washington Office for assistance?

- 12) What type of assistance was most effective? What was least effective?
- 13) What steps did you take based on the assistance provided?

Other Items

- 14) In responding to the questions below, it would be helpful to indicate in rank order, or note preference or priority among, technical assistance offerings that you or your institution find most helpful.
 - a. Which technical assistance offerings do your board members prefer?
 - b. Which technical assistance offerings do your bank officers prefer?
- 15) What other methods, if any, should the FDIC consider using to provide technical assistance?
- 16) Have you attended training or received technical assistance from another regulator (state or Federal) that was more helpful than that provided by the FDIC? Please explain.
- 17) Have you attended training or received technical assistance from a third party that you felt could be provided by the FDIC? Please describe.

Dated at Washington, DC, on June 3, 2019.

Federal Deposit Insurance Corporation.

Valerie Best,
Assistant Executive Secretary.