Dear Board of Directors and Chief Executive Officer:

To assist credit unions and banks, a joint statement was developed that addresses instances in which they may decide to enter into collaborative arrangements to share resources to more efficiently and effectively manage their Bank Secrecy Act (BSA) and anti-money laundering (AML) obligations. The statement was jointly developed between the National Credit Union Administration, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, and the U.S. Department of Treasury’s Financial Crimes Enforcement Network.

The attached joint statement clarifies that the use of collaborative arrangements to manage BSA/AML obligations is permissible. This may benefit some credit unions, especially smaller institutions which may find hiring or retaining staff with the necessary knowledge a challenge.

Credit unions are reminded to conduct sufficient due diligence when entering into any third party relationship, as outlined in NCUA Supervisory Letter 07-01, Evaluating Third Party Relationships. It was distributed as an attachment to NCUA Letter to Credit Unions 07-CU-13 in December 2007.

The NCUA offers a consolidated list of BSA resources for credit unions on the NCUA website. If you have any questions regarding this letter, please contact your regional office or state supervisory authority.

Sincerely,

J. Mark McWatters
Chairman