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INTER-AMERICAN DRUG ABUSE  
CONTROL COMMISSION  
**CICAD**

Secretariat for Multidimensional Security

XXXII GROUP OF EXPERTS MEETING FOR THE CONTROL OF MONEY LAUNDERING  
WORKING SUBGROUPS MEETING  
May 26-27, 2011  
Washington, D.C.

OEA/Ser.L/XIV. 4.32  
CICAD/LAVEX/doc.3/11  
26 mayo 2011  
Original: English

PROCEDURES OF RECEPTION, ANALYSIS AND DELIVERY OF INFORMATION RELATING TO SUSPICIOUS  
ACTIVITY REPORTS PROCESSED BY FINCEN

# Reception, Analysis and Dissemination of AML/CFT Information By the Financial Crimes Enforcement Network (FinCEN)

*May 26, 2011*

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International Programs Division  
FinCEN





## Mission:

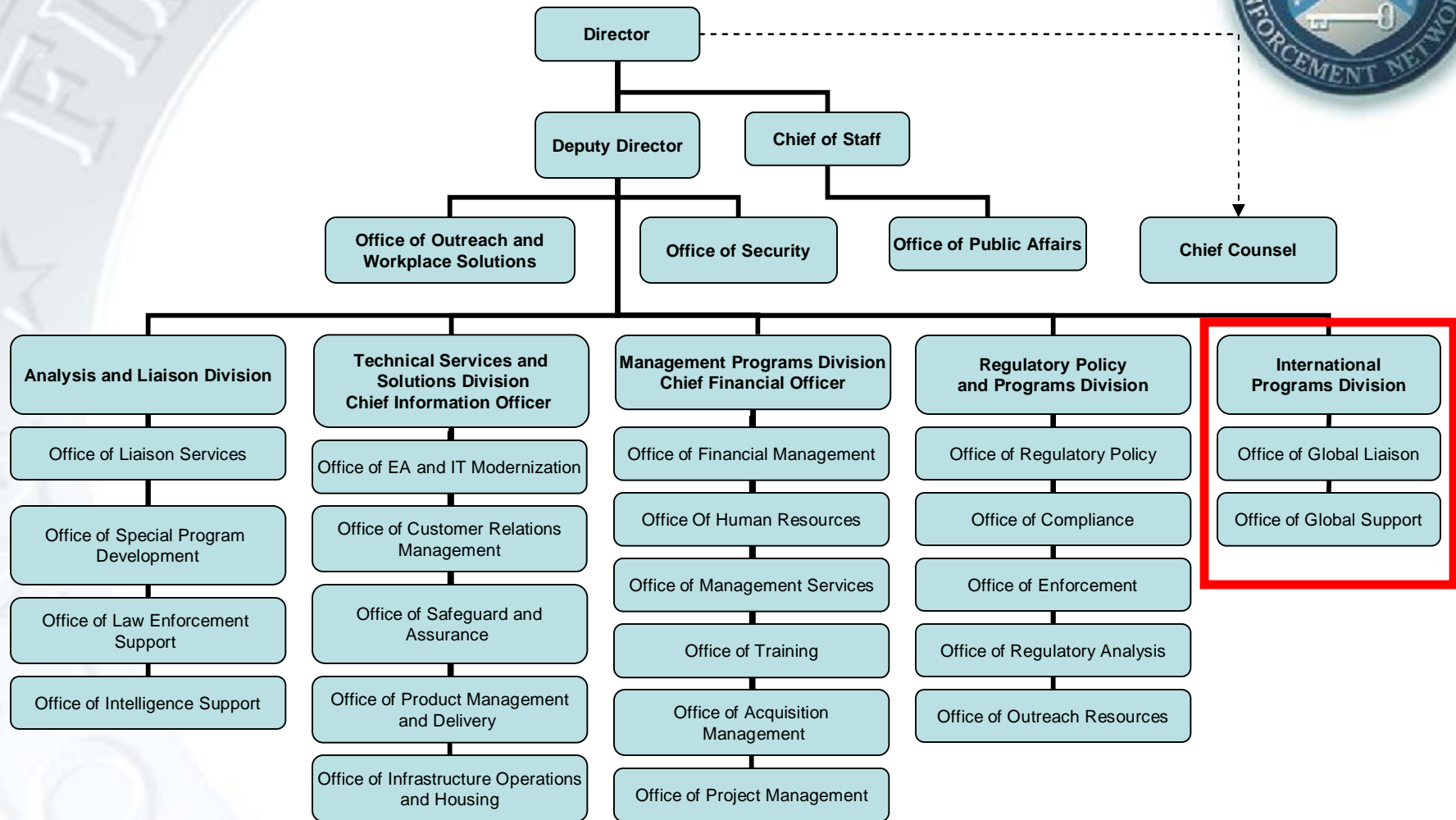
*FinCEN's mission is to enhance U.S. national security, deter and detect criminal activity, and safeguard financial systems from abuse by promoting transparency in the U.S. and international financial systems.*



### FinCEN achieves its mission by:

- Administering the Bank Secrecy Act (BSA)
- Supporting law enforcement, intelligence, and regulatory agencies through sharing and analysis of financial intelligence
- Building global cooperation with our counterpart financial intelligence units
- Networking customers and BSA information

# Financial Crimes Enforcement Network (FinCEN)



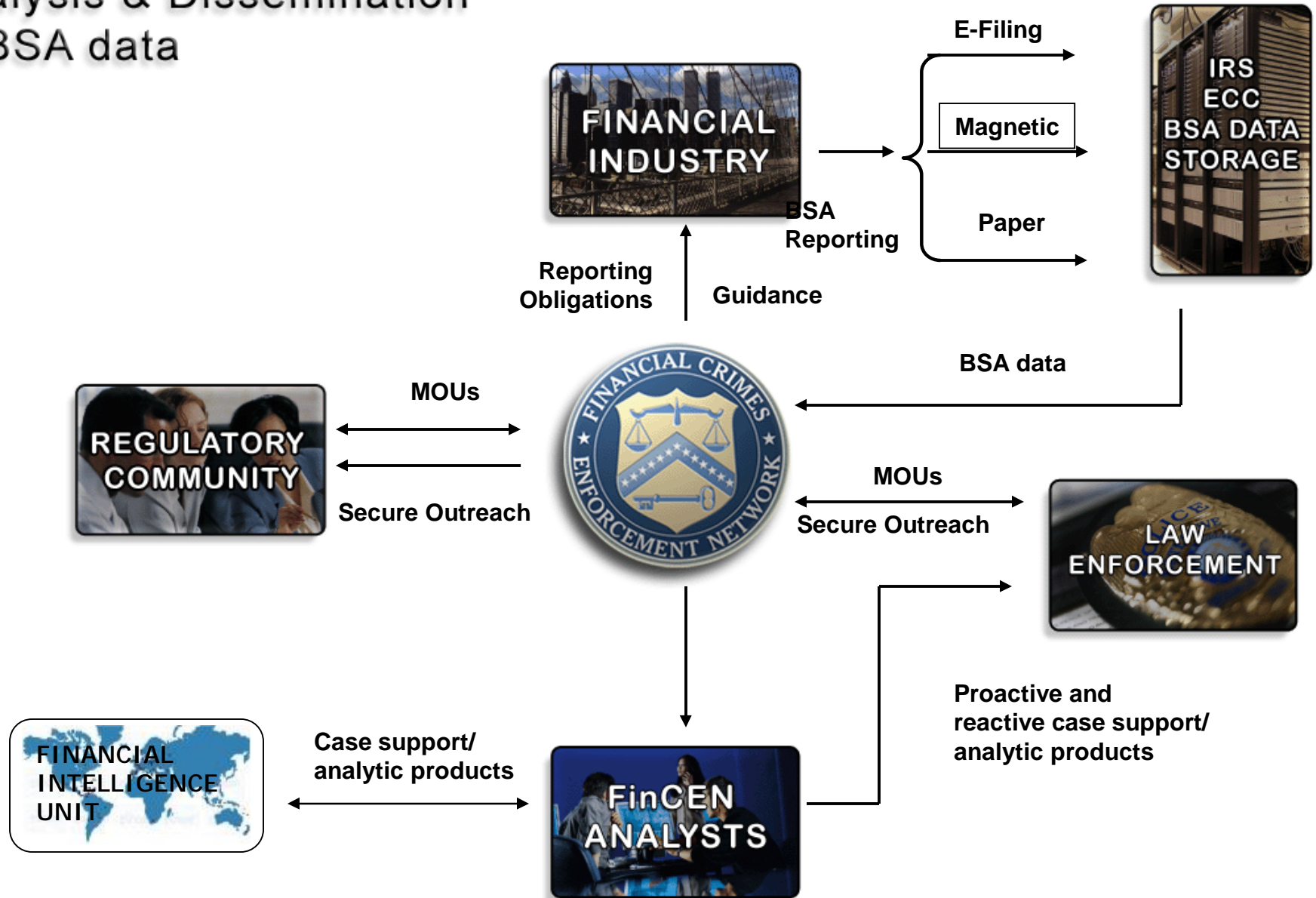


## Approximately 300 Employees

- Analysts
- Administrators and Managers
- Regulatory Specialists
- Technology Experts
- International Specialists
- Federal Agents



# Collection Analysis & Dissemination of BSA data





*Currently, at least 300,000 entities in a variety of different financial industries are subject to the Bank Secrecy Act.*

### Depository Institutions

- Commercial Banks & Trusts (federal and state chartered)
- Savings & Thrift Institutions (federal and state chartered)
- Credit Unions

### Other Financial Institutions

- Money Services Businesses
- Casinos
- Securities, Mutual Funds, and Futures
- Credit Card System Operators
- Dealers in Precious Metals, Stones, or Jewels
- Insurance Companies





### ***Bank Secrecy Act Reports:***

- Suspicious Activity Reports (SARs)- several forms
- Currency Transaction Reports (CTRs)
- Currency Transaction Reports by Casinos (CTR-Cs)
- Reports of International Transportation of Currency or Monetary Instruments (CMIRs)
- Report of Cash Payments Over \$10,000 Received in a Trade or Business (Form 8300)
- Money Services Business Registration Form
- Reports of Foreign Bank and Financial Accounts (FBARs)

Direct access to bank documentation (such as account owners, account activity and/or account balances), other than what is specified or contained in the above BSA reports, requires a Mutual Legal Assistance Treaty (MLAT) request to the U.S. Department of Justice, Office of International Affairs or Letters Rogatory.



## Cumulative BSA Filings (1990-Present)

*FinCEN maintains over **172 million** financial reports*

Document	Filings	Oldest	Newest
SAR	5,686,003	01/01/1996	03/03/2011
SARC	72,687	08/16/1996	03/03/2011
CMIR	3,918,924	02/04/1991	02/28/2011
8300	1,456,153	01/01/2002	02/01/2011
DEP	759,313	07/15/1999	03/03/2011
SFSAR	92,970	01/16/2003	03/03/2011
FBAR	4,228,455	07/12/1990	02/10/2011
SARMSB	3,740,375	10/01/2002	03/03/2011
CTRC	6,803,691	01/06/1992	03/03/2011
CTR2011	5,307,994	12/31/2010	03/03/2011
CTR2010	13,755,874	12/31/2009	12/30/2010
CTR2009	13,737,846	01/02/2009	12/31/2009
CTR2008	15,549,505	01/01/2008	12/31/2008
CTR2007	15,297,358	01/02/2007	12/31/2007
CTR2006	15,091,102	03/07/2005	12/31/2006
CTR2005	14,283,505	01/03/2005	12/31/2005
CTR2004	13,623,799	01/02/2004	12/31/2004
CTR2003	12,708,496	01/02/2003	12/31/2003
CTR2002	12,576,716	01/02/2002	12/31/2002
CTR2001	12,711,123	01/02/2001	12/31/2001



### ***Bank Secrecy Act records may also include the following:***

- Names of Associates
- Names of individuals conducting transactions on behalf of another entity
- Possible Aliases
- Names of businesses and 'Doing Business As' (DBA) names
- Addresses and other identifiers
- Subject/Associate Occupations
- Previously Unknown Assets
- International Activity



### Types of Information

- Financial
  - ∅ Bank Secrecy Act (BSA) Information
  
- Commercial
  - ∅ Assets
  - ∅ Identifiers (addresses, identification numbers)
  - ∅ Business information
  - ∅ Bankruptcy Records
  - ∅ News Articles
  
- Law Enforcement
  - ∅ Foreign Travel
  - ∅ Criminal History
  - ∅ Law Enforcement Contact Information
  - ∅ Driver's License Information



*FinCEN analysts provide tactical and strategic analytic support to our domestic and International counterparts:*

- Support for law enforcement cases with significant financial or terrorism-related components
- Analysis of money laundering and terrorist financing patterns/trends/threats
- Regulatory analysis of Bank Secrecy Act compliance patterns/trends/threats
- Information exchange with international FIU counterparts

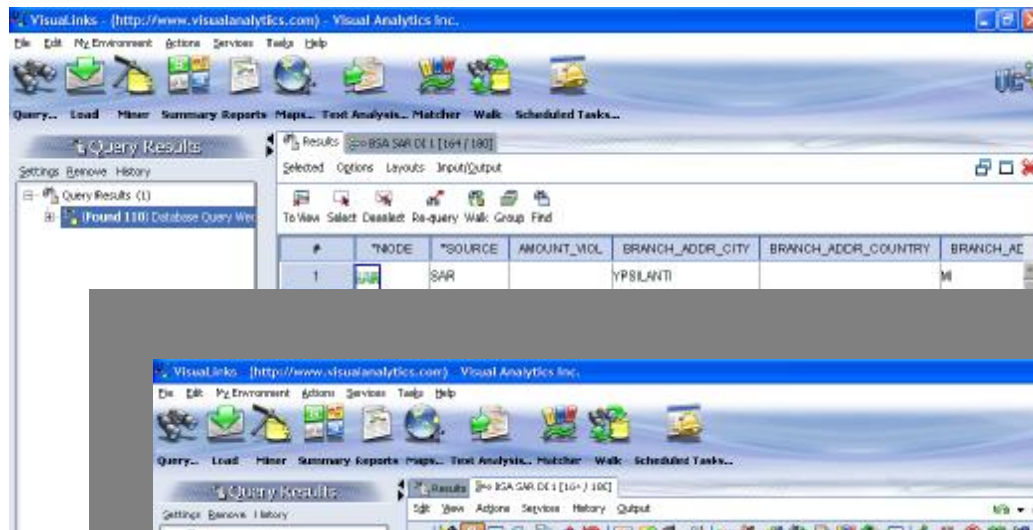


## Analytic Tools

- VisuaLinks: Used for Advanced Financial Analysis
- WebCBRS: Used for Tactical Financial Analysis
- SAS: Tool being evaluated for Advanced Analysis
  
- Geographical Mapping Software
- Link Analysis Software
- Microsoft Office Products (Excel, Access)



# Analysis

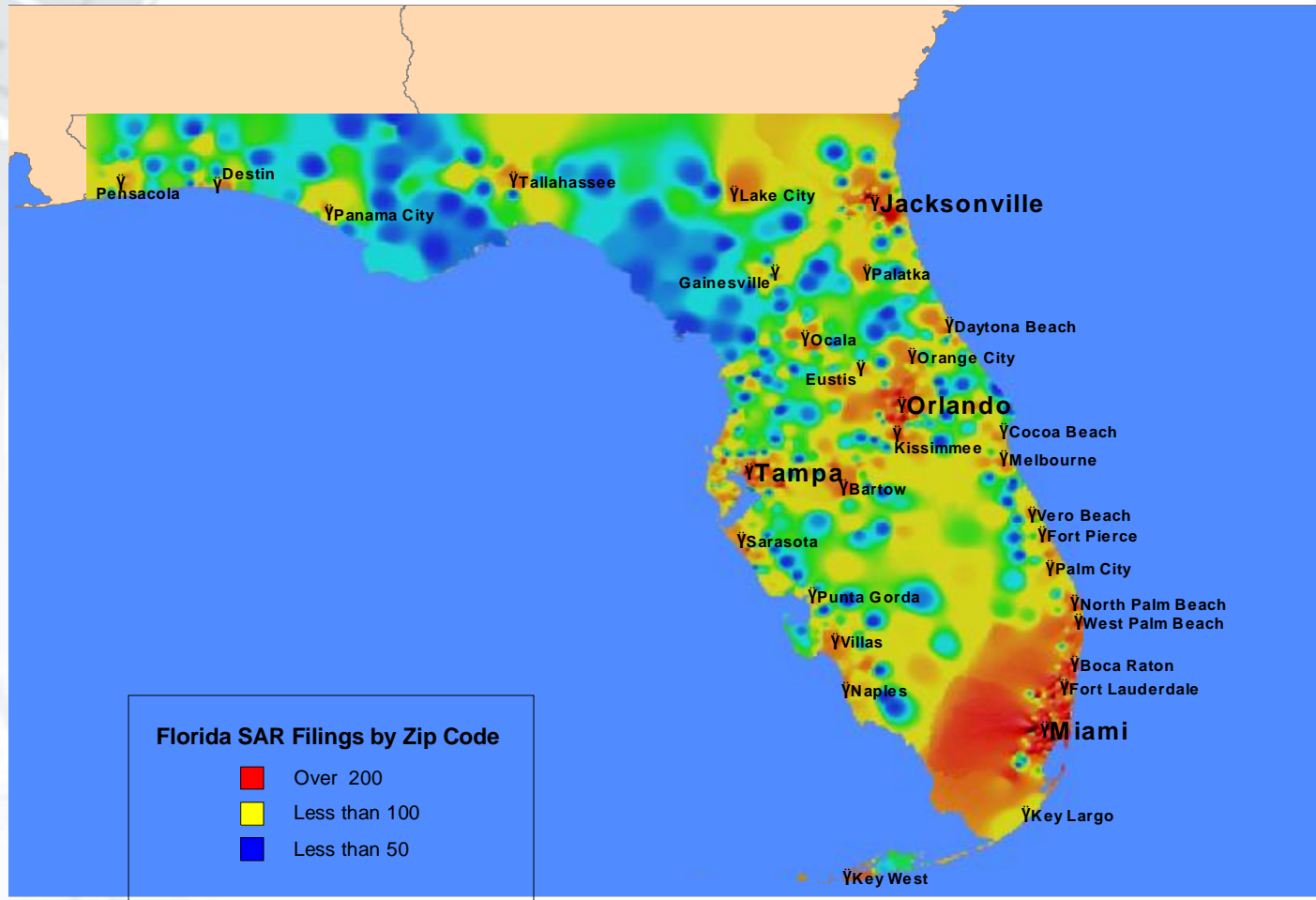


VL is a BSA query and analysis tool

- queries one form type at a time
- complex queries (any field + free text search on SAR narratives)
- returns full data or summary (counts)
- advanced features



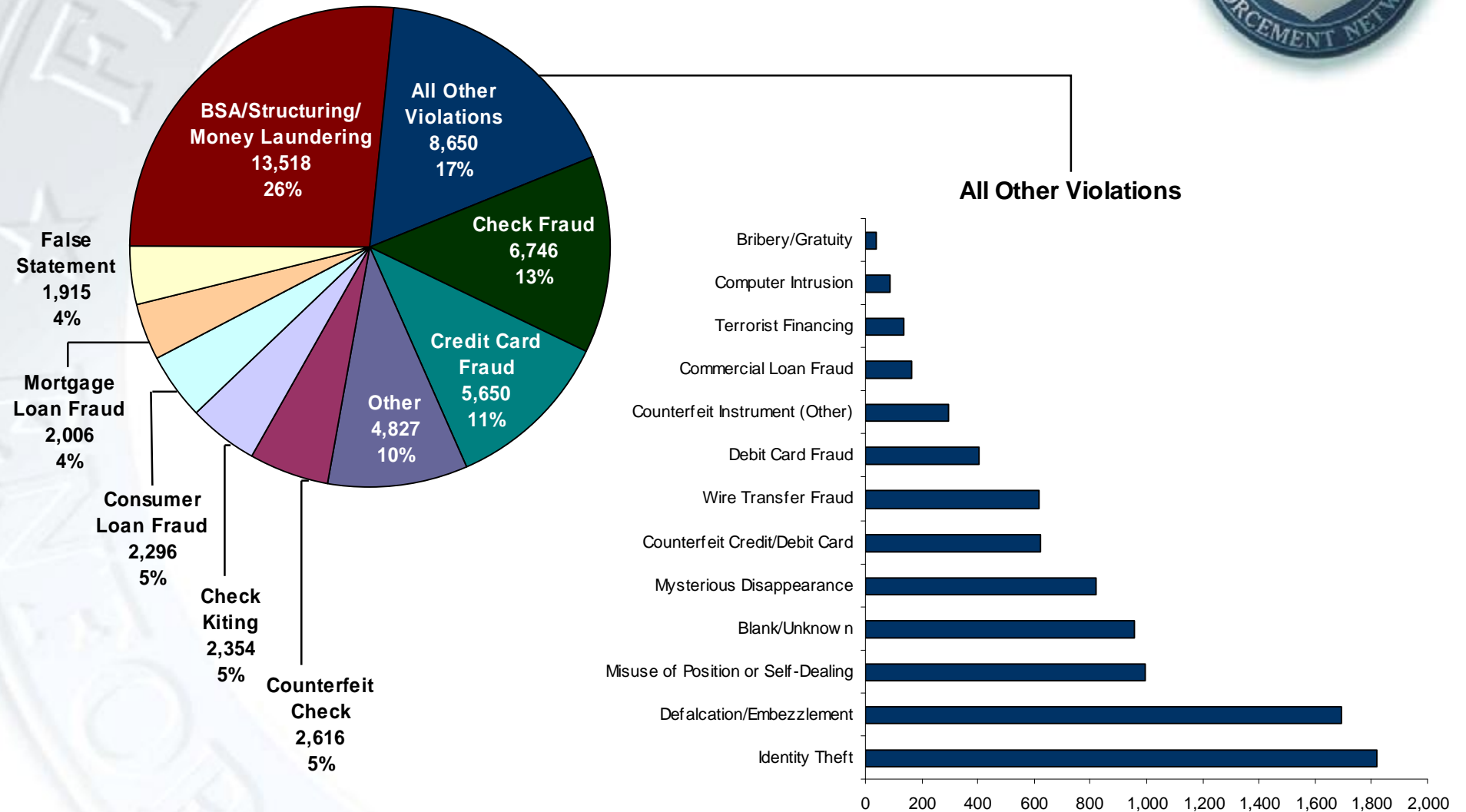
## Suspicious Activity Report Filings for the State of Florida



# Analysis



## Characterizations of Suspicious Activity





*FinCEN disseminates BSA data to law enforcement, regulatory, and international stakeholders.*

- Dissemination to Domestic Law Enforcement and Regulatory Agencies
  - ∅ Direct Access
  - ∅ Tactical Case Support
  - ∅ Strategic Products (Southwest Border Study, SAR by the Numbers, SAR Activity Review, Industry Analysis-Mortgage Loan Fraud Study)
  
- Dissemination to International Counterparts
  - ∅ Tactical Case Support
  - ∅ Strategic Analysis
  - ∅ Special Projects/Collaboration
  - ∅ Spontaneous Disclosures



### ***FinCEN provides domestic law enforcement with direct access to BSA Data.***

- Direct access to Bank Secrecy Act data through secure, web-based system (MOU required)
- FinCEN authorizes, trains and audits users, and provides technical support
- Authorized law enforcement and regulatory agencies can quickly search/analyze financial data related to cases, analysis
- Onsite access to FinCEN resources





*Dissemination to FIUs is primarily achieved through the Egmont Information Exchange process (FinCEN's Office of Global Support).*

- Requests for analysis received by FinCEN from foreign FIUs:
  - Ø FY09: 1,027 completed requests from 84 FIUs
  - Ø FY10: 1,101 completed requests from 96 FIUs
  
- Requests for analysis sent from FinCEN to Foreign FIUs:
  - Ø FY09: 491 requests supporting 261 investigations
  - Ø FY10: 588 requests supporting 286 investigations





### ***Process for Receiving Requests from Egmont Member FIUs:***

- Requests are screened
- FinCEN cases are opened in internal FinCEN Database, FinCEN case number is assigned
- Cases are assigned to analysts for research and analysis
- Terrorism requests receive immediate attention
- Completed reports are disseminated to the requesting FIU via the Egmont Secure Web (ESW)



### *Request Requirements (What we look for)*

- Connection to the United States
  - ∅ Travel
  - ∅ U.S. Citizen/Business
  - ∅ U.S. Accounts
  
- Summary of Investigation
  - ∅ Description of Investigation
  - ∅ More details help with analysis
  
- Supplemental Form
  - ∅ Networking
  - ∅ Helps streamline research

# Dissemination (International Request Process)

## Supplemental Form Required by FinCEN



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**United States of America**  
FINANCIAL CRIMES  
ENFORCEMENT NETWORK  
(FinCEN)  
FAX: 1-703-905-3526



### U.S.A./FinCEN CASE REQUEST SUPPLEMENT

Requesting Agency: \_\_\_\_\_ Requester's Case Number: \_\_\_\_\_ Primary Subject: \_\_\_\_\_

1. Type of request  Investigation / Case  Information Only\*

\*If you check 'Information Only', this means that you are making this information available to FinCEN and you are not requesting FinCEN to take further action on your behalf.

2. What information do you need from FinCEN?

Commercial  Financial (Bank Secrecy Act)  Law Enforcement\*  International Travel

\*If you check 'Law Enforcement', please be advised that FinCEN will release your request to the appropriate U.S. Law Enforcement agencies in order to obtain responsive material.

3. Does this case involve allegations of political corruption?  Yes  No

If yes, please explain (attach additional sheets if necessary).

4. Will you allow FinCEN to release the results of your request (the FinCEN report) to U.S. Law Enforcement agencies if FinCEN identifies Bank Secrecy Act data?  Yes  No

### NETWORKING

It is FinCEN's policy to network (i.e., notify) different requesters that have submitted requests for information to FinCEN on the same subject. Networking gives requesters the opportunity to coordinate their efforts with U.S. Law Enforcement and other international entities on matters of mutual interest.

- Are you interested in participating in the networking process?  Yes  No

If you check 'yes', FinCEN will disclose only the identity of your agency, your telephone number, and the common subject(s) of the inquiry to the other parties making similar inquiries. It is for your agency to decide whether you wish to share the details of your inquiry with the other requesting parties.

If you check 'no' FinCEN will not notify you that other requesters have sought information relating to the subject of your inquiry and FinCEN will not disclose the existence of your inquiry to other requesters.

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### Case Networking

- FinCEN identifies requests by different agencies on same subject
- FinCEN notifies agencies so they can coordinate, avoid duplication, de-conflict



### ***FinCEN Reports May Include:***

- Detailed results of our research (to include tables, graphs, and link charts as appropriate)
- Summarized information obtained from financial, commercial and law enforcement sources
- Contact information of other U.S. law enforcement agencies who may have current/past related investigations
- Further dissemination authorization if requested
- List of sources that were queried



### ***Information provided by FinCEN:***

- **Is for Intelligence (Information) Purposes only**
- May not be used as evidentiary material, presented in court, or used in any other formal proceedings
- May not be further disseminated without FinCEN authorization





**Questions?**