

Risk Evaluation Exercise:

Risk consideration	Elements to use for evaluation	Your credit union's assessment/comments
Does the credit union currently have a strong BSA program?	Clean audit and exam reports, sufficient resources for its BSA officer and other staff.	
Has the credit union reviewed its BSA policies and procedures to accommodate accounts for borrowers with an ITIN?	Conduct research and review which alternative forms of ID may be used in its community and the reliability of those IDs, sufficient staff training on alternative IDs, other safeguards to reduce the risk of fraud, updated its BSA risk assessment.	
Has the credit union reviewed its lending policies and procedures?	Review underwriting guidelines to ensure income and income documentation, and/or credit history requirements are acceptable within the credit union's safety and soundness parameters and allow for sufficient flexibility for members to demonstrate their ability to repay.	
Has the credit union determined which loan programs will permit ITIN borrowers?	Different types of loans will carry different implementation needs and risks – consider different registration, insurance or lien filing requirements for different types of collateral.	
Has the credit union identified whether any operational or technological adjustments need to be made to its systems?	If a credit union is using a credit score as part of its underwriting process, staff should determine whether it will face any challenges accessing the information with the credit bureaus as well as reporting information to credit bureaus under an ITIN.	
Has the credit union established a monitoring procedure to ensure new practices are adopted properly by staff?	Screening for alternative IDs and following proper CIP procedures. The credit union should also be monitoring its loan programs and underwriting practices to ensure fair lending/non-discrimination requirements are met and communication with members is proper and clear.	
Has the credit union reviewed its loan monitoring program to include changes to ITIN lending?	Monitor delinquency rates as well as concentration risks with new growth.	

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<p>Has the credit union researched any state or local law requirements in their area?</p>	<p>Different states may have varying requirements or restrictions for insurance or registration of collateral under an ITIN. Other state variables may include foreign language requirements for communication or loan documentation and disclosures, as well as differences amongst state ID cards.</p>	
<p>Has the credit union discussed its loan program expansion and serving ITIN borrowers with their examiner?</p>	<p>New loan growth will likely draw the attention of examiners and since are unique considerations for serving the immigrant community, credit unions should prepare staff to discuss their BSA program, underwriting standards and other safety and soundness considerations.</p>	
<p>Has the credit union incorporated serving a broader community into its overall strategic plan?</p>	<p>Conduct market research, understands the community it is serving, utilizing outside resources when needed, identified other areas and services to fully support a diverse membership.</p>	
<p>Other considerations specific to the credit union?</p>	<p>A credit union should include a broad array of staff in the implementation process to identify unique considerations. The number of people will vary depending on the size of the credit union. However, all credit unions should incorporate board members, those responsible for compliance, lending and frontline staff into the risk analysis and implementation process.</p>	<p>List other considerations specific to your credit union:</p> <ol style="list-style-type: none"> 1. 2. 3.

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