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## SELF-STUDY PROGRAM #3 – Information Technology

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The Self-Study Programs (SSPs) are an integral component of the System’s SR 98-2 training program. The SSPs cover various safety and soundness subjects and regulations and provide an introduction to pertinent topics outside the safety and soundness specialty track (i.e., consumer regulations and information technology concepts).

The SSPs encompass three (3) distinct programs with **all assistant examiners in the safety and soundness specialty track hired after February 28, 1998, required to complete all SSPs before being commissioned.**

The SSPs build on the System’s philosophy that learning and development are ongoing processes and shared responsibilities among the System, the Reserve Banks, and the participants. Along these lines, the SSPs are delivered outside of a classroom setting. While this format allows the participant to progress through the various subjects of each SSP at his/her own pace, the participant is responsible for **independently** completing each subject in the respective SSPs and may need to complete all or portions of the SSPs on his/her own time.

The SSPs are designed (optimally) to be completed as depicted in the chart below.

<b>Self-Study Programs – Optimal and/or Required Progression</b>		
Self-Study Program #1 (SSP #1)	Begin After Base	<b>Must be completed in its entirety</b> before FARM
Self-Study Program #2 (SSP #2)	Begin After FARM	<b>Must be completed in its entirety</b> before CRAS
Self-Study Program #3 (SSP #3)	Begin After CRAS	<b>Must be completed in its entirety</b> before 2 <sup>nd</sup> Proficiency Exam

### ***Type of Participant Targeted***

Self-Study Program #3 (“SSP #3”) is to be completed by assistant safety and soundness examiners subsequent to attending Credit Risk Analysis School (CRAS) and prior to scheduling the 2<sup>nd</sup> Proficiency Exam..

Typically, the assistant safety and soundness examiner would have 18-36 months of on-the-job experience.

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### *Prerequisites*

- Orientation Program
- Banking and Supervision Elements (BASE)
- Self-Study Program #1
- Financial Analysis and Risk Management (FARM)  
Self Study Program #2
- Credit Risk Analysis School (CRAS)

### *SSP #3 Curriculum*

Subject	Approximate Hours
Trust Fundamentals	7
Payments System Risk (PSR) Applications	3
Regulation O	3
Information Technology	7
	27

### *Individual Module Learning Objectives*

After completing each subject of SSP #3, the participant, at a minimum, will be able to demonstrate the following skills:

- **Trust Fundamentals**
  - Identify the duties and responsibilities of a financial organization engaging in trust activities.
  - Identify the factors that influence an examiner’s assessment of the adequacy of a fiduciary risk management process.
  
- **Payments System Risk**
  - Recognize a daylight overdraft
  - Analyze an institution’s daylight overdraft net debit caps.
  - Evaluate an institution’s self-assessment process.
  
- **Applications**
  - Distinguish the types of Federal Reserve applications and notifications used and internal applications processing procedures and schedules followed.
  - Identify factors considered in deciding applications, including financial, managerial, competitive, convenience and needs, and Community Reinvestment Act implications.
  - Apply the Board of Governors Small Bank Holding Company Policy Statement when evaluating applications and notifications.
  - Recognize the consolidated capital guidelines for large bank holding companies.
  - Determine eligibility for expedited processing of applications and notifications.
  - Recognize the role of commitments in applications.

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- Employ the name check process.
  
- **Regulation O**
  - Recognize potential Regulation O violations involving individual and aggregate limits, prior approval, insider overdrafts, and insiders of affiliates.
  - Research potential violations to determine if any violations exist and/or if exceptions to Regulation O apply.
  
- **Information Technology**
  - Determine how bank's strategic plan process coordinates with information technology developments.
  - Recognition of experienced inside staff of an organization vs. total vendor reliance.
  - Ability to develop integrity and security tests on automated business concepts such as credit scoring or loan systems.