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# Preface

This book is designed primarily to be a single source of security-related information for members of the financial community and a ready reference for the security officer, managers of the security department, auditor, data security manager, human resources manager, compliance officer, legal department, and banking office manager. The material in this third edition is revised semi-annually to incorporate changing laws, rules, technologies, and standards.

The prevention of crime continues to be a major concern of bankers. Bank fraud losses are averaging over \$2 billion yearly. An American Bankers Association survey of bank security directors shows that check fraud is the number one concern. Crimes against customers at both ATMs and night depositories, and resulting civil actions, continue to escalate. With the expanded use of electronic banking services, schemes to defraud banks extend across the United States and abroad. Bank robbery attacks are averaging about 7,000 yearly.

This revised edition contains many new effective security controls designed to prevent bank crime and an updating of relevant criminal laws. The rules and regulations of the Bank Protection Act, the Bank Secrecy Act, and the Gramm-Leach-Bliley Act are now reviewed in expanded chapters. Chapter 8 discusses data security, the Internet, and the risks of doing e-commerce and e-banking. This chapter outlines controls to reduce these risks. As in previous volumes, this edition presents practical guidelines on banking office security, ATM security, safe-deposit security, and computer security. This volume also presents guidance for organizing a security department, utilizing risk management techniques to assess future security needs, planning for and responding to emergencies, and training employees in crime prevention techniques. In addition, various laws, regulations, and standards that affect financial institutions are discussed, and pertinent source materials and reference documents are reproduced in the Appendixes.

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