DATE: [Insert Date]

TO: [Insert Compliance Officer Name/Department Head]

FROM: Internal Audit Department

SUBJECT: Internal Audit Finding: SAR Filing Timeliness

Dear [Insert Name],

Internal Audit has completed its review of the Suspicious Activity Reporting (SAR) process for the period of [Insert Start Date] to [Insert End Date]. This letter serves to formally document a finding regarding the timeliness of SAR filings.

Observation:
During the testing of [Number] sampled SARs, it was identified that [Number] filings were submitted beyond the regulatory deadline of 30 days (or 60 days if no suspect was identified) following the initial date of detection.

Regulatory Requirement:
FinCEN regulations require financial institutions to file a SAR no later than 30 calendar days after the date of initial detection of facts that may constitute a basis for filing a SAR.

Risk Impact:
Delayed filings result in non-compliance with Bank Secrecy Act (BSA) requirements, increasing the risk of regulatory penalties, fines, and hindered law enforcement investigations.

Audit Recommendation:
The Compliance Department should review its current monitoring and escalation workflow to identify bottlenecks. We recommend implementing automated alerts for pending filing deadlines and conducting refresher training for staff involved in the investigation process.

Management Response Required:
Please provide a formal written response by [Insert Date] outlining your corrective action plan and the estimated date of remediation.

Sincerely,

[Your Name]
[Your Title]
Internal Audit Department