



Guidance on Advanced Approaches GAA 2015-02: Supervisory Work Programs for Reviewing Advanced Approaches Banks' Use of Internal Ratings-Based Approaches for Credit Risk

This guidance transmits the wholesale and retail work programs that Office of the Comptroller of the Currency (OCC) and the Board of Governors of the Federal Reserve System (Federal Reserve) examiners use to help gather information on use of internal ratings-based approaches for credit risk at institutions subject to the advanced approaches risk-based capital rule (advanced approaches rule).¹ Publishing the work programs increases transparency by making public some of the questions and procedures that examiners ask and use in their evaluation and review of compliance with the minimum requirements to use the advanced approaches.

The work programs are based on the common text of the advanced approaches capital rule adopted by the OCC, the Federal Reserve, and the Federal Deposit Insurance Corporation (FDIC). The work programs include recently adopted technical changes.² No review question or procedure in the work programs is intended to go beyond the scope of the advanced approaches rule. The work programs may be updated as appropriate to further clarify the requirements of the advanced approaches rule and related interpretations and guidance documents issued by the federal banking agencies.

While the information collected through these work programs may be used to help determine an institution's compliance with the advanced approaches rule, the specific questions and procedures, as well as the suggested review items, are neither all-inclusive nor necessarily all required to be addressed to reach a conclusion on a particular work program question. Upon consideration of materiality and other case-specific factors, if an examiner believes that additional review steps should be taken to fully reach a conclusion on the institution's compliance with the advanced approaches rule, the examiner may adjust the review scope and document the findings, as appropriate.

Related Links

- [“Wholesale Credit Risk Work Program for the Advanced Approaches Rule”](#) (PDF)
- [“Retail Credit Risk Work Program for the Advanced Approaches Rule”](#) (PDF)

¹ The advanced approaches rules are set forth at 12 CFR 3, subpart E (OCC); 12 CFR 217, subpart E (Federal Reserve); and 12 CFR 324, subpart E (FDIC). The advanced approaches rule applies to institutions described in 12 CFR 3.100(b)(1) (OCC), 12 CFR 217.100(b)(1) (Federal Reserve), and 12 CFR 324.100(b)(1) (FDIC).

² OCC Bulletin 2015-34, [“Regulatory Capital Rule: Finalized Revisions to the Regulatory Capital Rule.”](#)