

Financial Records and Reports Program

RESCINDED

Replaced - Refer to OCC Bulletin 2018-18

EXAMINATION OBJECTIVES

To determine and evaluate the savings association's policies, procedures, and controls for maintaining adequate and accurate reports and records as considered appropriate by standard accounting guidelines and as required by applicable regulations.

To determine the accuracy of the quarterly TFRs filed with OTS and to ascertain if the savings association must file any amended reports.

To determine the accuracy and adequacy of the savings association's internal financial records and reports.

EXAMINATION PROCEDURES

WKP.REF.

LEVEL I

1. Review any off-site monitoring reports, management letter, and Preliminary Examination Response Kit (PERK) information, specifically the internal control questionnaire and the applicable financial data.

2. Review the previous report of examination and all financial records and reports-related exceptions noted and determine if management has taken appropriate corrective action.

2. Review the Matters Requiring Board Attention and Corrective Actions from the three or four previous ROEs to ensure that the board and management have taken appropriate corrective action where necessary and persistent problems have not recurred.

Exam Date:	
Prepared By:	
Reviewed By:	
Docket #:	

Financial Records and Reports Program

WKP. REF.

3. Review and discuss with management the savings association's policies, procedures, and controls relating to the maintenance of financial records and reports. Include in your discussion the training and support given to the report preparer(s) of the TFR.
-

4. Review the most recent quarterly TFRs for accuracy. Ensure that the savings association prepared the reports according to TFR instructions. Explain any material reporting errors identified in the examination work papers and in the ROE and discuss them with management. (Determine, based on the guidance in the general instructions section of the TFR Instructions, whether an amended report is necessary.)
-

5. Review internal reports provided to management and the board of directors and compare with the TFRs. Identify and explain material variances. Coordinate this review process with the regulator involved in the review of management. If appropriate, determine the frequency and adequacy of the internal reports considering the complexity and level of the savings association's operations.
-

6. Review Level II procedures and perform those necessary to test, support, and present conclusions derived from performance of Level I procedures.
-

LEVEL II

7. Review and reconcile TFR line items to the general ledger, appropriate subsidiary ledger, and any other financial records of the savings association. Identify unusual or unexplained activity and material variances. Specifically review nondescriptive accounts such as "other assets" or "other expenses."
-

Exam Date:	
Prepared By:	
Reviewed By:	
Docket #:	

Financial Records and Reports Program

WKP. REF.

8. Ensure that your review meets the Objectives of this Handbook Section. State your findings and conclusions, and appropriate recommendations for any necessary corrective measures on the appropriate work papers and report pages.
-

EXAMINER'S SUMMARY, RECOMMENDATIONS, AND COMMENTS

RESCINDED

Exam Date:	
Prepared By:	
Reviewed By:	
Docket #:	