

# **II. Compliance Examinations**





**Contents**

<b>Overview of Compliance Examinations</b>	<b>II-1.1</b>
Introduction	II-1.1
Examination Approach	II-1.1
Determining Risk	II-1.1
Evaluating the Compliance Management System	II-1.1
Applicability and Adaptability to Large and Small Institutions	II-1.2
Role of the Compliance Examiner	II-1.2
Overview of the Examination Process	II-1.2
Pre-examination Planning	II-1.2
Review and Analysis	II-1.3
Communicating Findings	II-1.3
References	II-1.3
<b>Compliance Management System</b>	<b>II-2.1</b>
Introduction	II-2.1
Compliance Management System	II-2.1
Board of Directors and Management Oversight	II-2.1
Compliance Program	II-2.2
Compliance Audit	II-2.4
References	II-2.4
<b>Pre-Examination Planning</b>	<b>II-3.1</b>
Introduction	II-3.1
Gather Internally Available Information	II-3.1
From the Field Office (FO)/Regional Office (RO)	II-3.1
From Third Parties	II-3.1
Contact the Institution	II-3.1
Director Involvement	II-3.2
Prepare and Send the Compliance Request Letter	II-3.2
References	II-3.2
<b>Review and Analysis</b>	<b>II-4.1</b>
Introduction	II-4.1
Off-Site Review and Analysis	II-4.1
Risk Profile and Scope Memorandum	II-4.1
Developing a Risk Profile	II-4.1
Developing a Scope Memorandum	II-4.3
On-Site Review and Analysis	II-4.3
Entrance Meeting With Senior Management	II-4.3
Ongoing Communication	II-4.3
Review of the Compliance Management System	II-4.3
Applicable Statutes and Regulations	II-4.4
Evaluating Management Oversight	II-4.5
Procedures	II-4.5

## II. Compliance Examinations — Table of Contents

---

Evaluating the Compliance Program	II-4.6
Transaction Sampling and Testing	II-4.8
Consultation Policy	II-4.9
References	II-4.9
<b>Communicating Findings</b>	<b>II-5.1</b>
Closing Management Meeting	II-5.1
Board Meeting	II-5.1
Report of Examination	II-5.2
Introduction	II-5.2
Format of the Report of Examination	II-5.2
Transmittal Letter	II-5.2
Content of the Report of Examination	II-5.2
Review of the Report of Examination	II-5.7
<b>Documenting the Examination</b>	<b>II-6.1</b>
Introduction	II-6.1
Documenting Findings	II-6.1
General Procedures	II-6.2
Filing Workpapers	II-6.2
Retention	II-6.2
SOURCE	II-6.2
Job Aids	II-6.3
References	II-6.3
<b>Investigations and Visitations</b>	<b>II-7.1</b>
Investigations	II-7.1
Consumer Complaints	II-7.1
Enforcement Actions	II-7.1
Visitations	II-7.1
Introduction	II-7.1
Conducting a Visitation	II-7.1
General Visitation Procedures	II-7.1
Preparing the Visitation Report	II-7.1
Documenting Visitation Findings	II-7.2
References	II-7.2
<b>Enforcement Actions</b>	<b>II-8.1</b>
Introduction	II-8.1
Types of Enforcement Actions	II-8.1
References	II-8.1
<b>Truth in Lending (TIL) Restitution Verification</b>	<b>II-9.1</b>
Examination Objectives	II-9.1
Verification Procedures	II-9.1
References	II-9.1
Job Aids	II-9.1
Contents	
Appeals	II-10.1

## II. Compliance Examinations — Table of Contents

---

Introduction	II-10.1
Institutions Eligible To Appeal	II-10.1
Determinations Subject To Appeal	II-10.1
Good Faith Resolution	II-10.2
Filing a Request for Review With the FDIC Division of Supervision and Consumer Protection	II-10.2
Appeal to the SARC	II-10.2
Filing With the SARC	II-10.2
Contents of Appeal	II-10.2
Burden of Proof	II-10.3
Oral Presentation	II-10.3
Dismissal and Withdrawal	II-10.3
Scope of Review and Decision	II-10.3
Publication of Decisions	II-10.3
SARC Guidelines Generally	II-10.3
Limitation on Agency Ombudsman	II-10.3
Coordination With State Regulatory Authorities	II-10.3
Effect on Supervisory or Enforcement Actions	II-10.3
Effect on Applications or Requests for Approval	II-10.3
Prohibition on Examiner Retaliation	II-10.3
References	II-10.4
<b>Examination and Visitation Frequency</b>	<b>II-11.1</b>
References	II-11.1
<b>Consumer Compliance Rating System</b>	<b>II-12.1</b>
Introduction	II-12.1
Overview	II-12.1
Consumer Compliance Ratings	II-12.2
One	II-12.2
Two	II-12.2
Three	II-12.2
Four	II-12.2
Five	II-12.2
<b>SOURCE Exam Violation Text List</b>	<b>II-13.1</b>

**(This page intentionally left blank.)**