

Chapter 22

EXAMINATION EVALUATION AND REVIEW POLICY

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Chapter 22

EXAMINATION EVALUATION AND REVIEW POLICY

Examination Evaluation and Review Objectives

- Communicate consistent feedback regarding the overall quality of examiner work in a timely manner
- Measure the quality and effectiveness of NCUA's examination and supervision program by assessing the quality of examiner problem identification, recommendations for resolution and risk mitigation, and effectiveness of communication with officials
- Provide feedback for improving the examination and supervision program to management and the examiner

Associated Risks

Although the associated risks in this chapter do not apply to the examination evaluations and reviews, the quality of the examination report can cause risk to the National Credit Union Share Insurance Fund (NCUSIF.)

Overview

For purposes of staff development and quality control, NCUA evaluates and reviews examination reports. The process occurs at two levels:

- Supervisory examiners in the field evaluate all of the examiners' work as part of the examiner's development and overall appraisal; and
- Division of supervision (DOS) analysts perform a quality control function, and as such, limit their review to the written reports.

Supervisory examiners have responsibility for developing staff and ensuring the effectiveness of the examination and supervision program. To meet these responsibilities, they encourage the district examiners to perform high quality examinations and supervision. The Supervisory Examiner (SE) Evaluation commends the examiners for high quality work, provides guidance to examiners, and informs examiners of needed improvements in their work.

DOS analysts review reports to identify existing or emerging trends, common or frequently occurring findings, and systemic risk factors. DOS can further observe trends within the credit unions (e.g., increases in member business loans, decreases in net worth) and trends in the examination process (e.g., decrease in consumer compliance reviews, misinterpretation of ALLL criteria.)

After DOS identifies and analyzes region- or area-wide findings, trends, and risks, they communicate resulting information as appropriate. Sharing of this information in a timely manner will enable NCUA to determine the extent of the situation under review, monitor it for further developments, and take action when necessary.

The “Selecting Reports for Evaluation and Review” section of this chapter sets forth the national standard minimum criteria for reports requiring an SE Evaluation or a DOS Review. The regional office may adopt additional criteria thereby increasing reports they review to further assure quality control or to meet other regional objectives.

Minimum Standards

All regions adhere to the following minimum standards for evaluations and reviews, presented in priority order. Regions may add standards according to their needs.

Supervisory Examiner Evaluations

SE Evaluations serve as the basis for annual performance appraisals and staff development. These evaluations should determine the following:

- Examiners receive consistent, prompt feedback regarding the quality of their work, including the strengths, weaknesses, and suggestions for improving performance;
- Examiners prepare an appropriate and effective scope and report that adequately addresses risk, identifies problems, and makes sound recommendations to resolve major problems within acceptable time frames;
- Examiners have written a report that stands alone and documents a complete administrative record of the examination contact; and

- Examiners minimize NCUSIF losses through adequate identification and resolution of problems.

**DOS
Reviews**

DOS Reviews focus on quality control and should address whether the report:

- Addresses risk through an appropriate and effective scope;
- Focuses on results and includes plans for correcting problems promptly;
- Addresses negative trends and includes sound recommendations to resolve major problems within acceptable time frames;
- Complies with uniform examination, insurance review, and supervision standards;
- Presents a stand-alone document of the examination contact; and
- Provides a complete administrative record of the examination contact.

**Selecting
Reports for
Evaluation and
Review**

Supervisory examiners select at least five reports each year from each examiner for formal evaluation. They should make every effort to select the reports evenly throughout the year. When reviewing a report that addresses a specific risk area well, the supervisory examiner may determine that other examiners could benefit from the information presented and methods outlined in the report. They may choose to share this information for continuing staff development.

DOS, at a minimum, reviews reports meeting the following criteria:

- All credit unions coded CAMEL 4 or 5 with assets greater than \$100,000;
- All credit unions coded CAMEL 3 with assets greater than \$50 million;

- All credit unions coded CAMEL 3 for longer than 36 months and with assets greater than \$5 million;
- All credit unions with assets greater than \$250 million; and
- A selected sample of examinations and supervision contacts determined by the regional director.

NCUA's reviews of federally insured state-chartered credit unions (FISCU) include at a minimum:

- Insurance reviews performed independently by NCUA, including supervision contacts designated by the regional director, using the above criteria; and
- Joint NCUA insurance review and state supervisory authority (SSA) examination reports, including supervision contact reviews designated by the regional director, using the above criteria.

Independent Review and Feedback

The supervisory examiner and DOS will conduct the evaluation and review processes independently. Both supervisory examiners and DOS will complete and disseminate their evaluations and reviews within 30 days of the report upload. Regional policy determines whether the region will release DOS Reviews to examiners.

Each region will develop its own policy to identify and resolve material differences between DOS Reviews and SE Evaluations.

DOS Review

The DOS Review will address the following:

1. Risk Identification;
2. Scope Development;
3. Proper Solutions;
4. Continuing Supervision/Examination Plans; and
5. Comments.

Appendix 22A contains a sample form for a DOS Review. This form contains the minimum elements regional office staff must include in

their reviews. In addition to these required elements, each regional director has the discretion to add other elements to these standard criteria and use whatever format best fulfills regional needs.

**Risk
Identification**

Risk identification is the recognition of significant problems through the collection, analysis, and verification of data. The Scope Workbook and report will address and document material risks. The DOS review will determine whether the report:

- Properly assessed and appropriately rated risks (low, moderate, or high) from the seven major risk areas (strategic, interest rate, credit, liquidity, transaction, compliance, and reputation) and reasonably determined the direction of the risks (increasing, decreasing, or unchanged);
- Identified and discussed areas with high or increasing risk (moderate or high risk rating) including (1) the underlying cause; (2) the problem's severity, duration, and effect on the credit union's financial condition; and (3) deficiencies in policies, processes, personnel, and control systems (refer to the Risk-Focused Program chapter);
- Identified and discussed material negative financial trends (e.g., key ratios, loan analysis, liquidity and funds management, shares and deposits, capital evaluation, etc.);
- Supported conclusions using the Total Analysis Process (TAP) considering both quantitative and qualitative data;
- Stated clearly that credit union officials acknowledged or refused to acknowledge the existence of risks, problems, and weaknesses; and
- Supported CAMEL ratings consistent with risk ratings and in accordance with current NCUA guidance.

**Scope
Development**

Scope development involves the process of evaluating the potential for loss, and building examination procedures to review risk areas.

Examiners require proficiency in developing the scope when performing a risk-focused examination. Regional office staff assesses whether the Scope Workbook:

- Contained a preliminary risk assessment using historical examination information, current financial data, 5300 data (risk management reports and Financial Performance Reports [FPRs]), and local economic factors;
- Included modifications to the preliminary scope based on examination analysis, unforeseen issues, and emerging problems; and
- Documented sufficient examination procedures used to evaluate the risk areas using *process* (e.g., review of policies and procedures) and *transactional* procedures to ensure high-risk areas received in-depth review and low-risk areas only a limited review.

**Proper
Solutions**

The report's effectiveness depends on the development and communication of proper resolutions for the risks and problems identified both during the scope development and the examination. The analyst will evaluate the recommendations for problem resolution, timeliness, and effectiveness. The DOS Review will include an analysis of whether:

- The Overview:
 - Summarizes the risk profile, conditions, problems, and probable effect of problems on operations and financial condition; and
 - Documents the plan for handling severe or persistent problems clearly and provides information to officials concerning consequences of inadequate action if management does not correct noted problems by the next contact;
- The Document of Resolution:
 - Contains reasonable, effective, and timely corrective action plans.

Continuing Supervision/ Examination Plans Regional analysts will determine whether the Scope Workbook focuses on continuing supervision and/or monitoring the financial condition of the credit union and existing and potential material risks.

Comments Regional office staff will use the Comments section of the DOS Review for items that do not fall under the other criteria as explained above.

SE Evaluation The SE Evaluation will address the following:

1. Risk Identification;
2. Scope Development/Resource Allocation;
3. Proper Solutions;
4. Form;
5. Continuing Supervision/Examination Plans; and
6. Comments.

Appendix 22A contains a sample form for an SE Evaluation. This form contains the minimum elements supervisory examiners must include in their evaluations. Each regional director has the discretion to add to these standard criteria and use whatever format best fulfills regional needs.

Risk Identification Risk identification involves comparing the scope to the examiner's analysis in the narrative sections of the report. The supervisory examiner determines whether the examiner:

- Properly identified, assessed, and rated risks (low, moderate, or high) from the seven major risk areas (strategic, interest rate, credit, liquidity, transaction, compliance, and reputation) and reasonably determined the direction of the risks (increasing, decreasing, or unchanged) using appropriate workpapers;
- Used the Total Analysis Process (TAP) to consider both quantitative and qualitative data, weigh relative importance of data, check accuracy, and reach and support valid conclusions;

- Adequately discussed major areas of risk (moderate or high risk rating) including (1) the underlying cause; (2) the problem's severity, duration, and effect on the credit union's financial condition; and (3) material deficiencies in policies, processes, personnel, and control systems (refer to the Risk-Focused Program and Report Writing chapters);
- Stated that credit union officials acknowledge or refuse to acknowledge the existence of risks, problems, and weaknesses;
- Assigned CAMEL ratings consistent with risk ratings and in accordance with current NCUA guidance.

**Scope
Development and
Resource
Allocation**

The SE Evaluation will address the appropriateness of the scope and assess the examination process for the efficient use of resources. When evaluating scope development, the supervisory examiner considers whether the examiner:

- Performed and documented a preliminary risk assessment using historical examination information, current financial data, 5300 data (risk management reports and Financial Performance Reports [FPRs]), and local economic factors;
- Documented modifications to the preliminary scope based on examination analysis, unforeseen issues, and emerging problems; and
- Documented sufficient examination procedures used to evaluate the risk areas using *process* (e.g., review of policies and procedures) and *transactional* procedures to ensure high-risk areas received in-depth review and low-risk areas only a limited review.

When evaluating resource allocation, the supervisory examiner considers whether the examiner:

- Allocated resources appropriate to the risk posed by the credit union and consistent with the report's findings and recommendations;

- Used subject matter examiners (SMEs) to review complex areas with a significant degree of risk; and
- Documented material changes to the anticipated examination and supervision hours.

Proper Solutions

The examination's effectiveness depends on the development and communication of proper solutions for the risks and problems identified during the examination. The supervisory examiner will evaluate the timeliness and effectiveness of the solutions. The supervisory examiner will determine whether the report:

- Is clearly written for the credit union officials;
- Contains reasonable, effective corrective action plans;
- Assigns responsibility and deadlines for action and defines benchmarks, as necessary, to attain agreed-upon goals;
- Provides a realistic plan that will assist officials in resolving the problems, if followed; and
- Includes other information such as agreements reached during discussions with officials and other items as required by regional management.

The supervisory examiner will evaluate the examiner's interaction with management and officials at the joint conference or other exit meeting, if attended by the supervisory examiner.

Report Form

Form includes the clear and professional presentation of facts and solutions to credit union officials. The supervisory examiner determines whether the report exhibits the following:

- Complete, concise, and well-organized discussion and conclusions;
- Correct grammar, spelling, and punctuation; and
- Appropriate enhancements such as bolding, underlining, white space, graphics, and lists for presenting information.

Continuing Supervision/ Examination Plans

The supervisory examiner's evaluation will assess the examiner's recommendations for ongoing supervision and future examination plans. Plans should provide for timely and appropriate supervision to ensure prompt resolution of problems and implementation of adequate measures to control risk. The supervisory examiner will evaluate continuing supervision and examination plans to ensure they:

- Focus on material risk-related areas;
- Monitor the condition of the credit union efficiently and effectively (may include informal discussions with management and onsite contacts targeting specific areas of risk);
- Address future plans regarding any outstanding administrative action (Discretionary Supervisory Actions, Letters of Understanding and Agreement, Preliminary Warning Letters, Cease and Desist Orders, Net Worth Restoration Plans, etc.);
- Project resources needs for future contacts (hours and examiners needed, including a specialist or subject matter examiner (SME)) consistent with the report's findings and recommendations.

Comments

The supervisory examiner will use the Comments section of the SE Evaluation form for items that do not fall under the other criteria, as explained above.

SE Evaluation Summary

Narrative comments clearly document the supervisory examiner's evaluation of an examination report. Supervisory examiners will not rate a report using the terminology "exceeds standards," "meets standards," "minimally meets standards," or "does not meet standards." These terms have specific meanings for the year-end appraisal process; supervisory examiners should limit the use of these terms to that purpose only.

If a supervisory examiner notes material deficiencies with an examination report, the supervisory examiner discusses these with the examiner, who then signs the evaluation form and returns it to the supervisory examiner.

EXAMINATION EVALUATION AND REVIEW POLICY

If the supervisory examiner notes no material deficiencies, discussion of the report occurs at the option of the supervisory examiner or examiner. The examiner's signature on the evaluation form is optional at the supervisory examiner's discretion.

The supervisory examiner will submit evaluations to the regional office in accordance with regional policy.

DOS REVIEW AND SE EVALUATION FORMS - APPENDIX 22A

DOS Review

Sample DOS Review Form

Examiner:		SE:	
CU #:		CU Name:	
CAMEL:		Assets:	
Effective Date:		Reviewer:	
Date Completed:		Hours to Complete Exam:	
Date Received:			
Date Reviewed:		Contact Type:	

CATEGORIES OF RISK:

Risk Category	Examiner Assessment	Risk Category	Examiner Assessment
Credit		Interest Rate	
Liquidity		Transaction	
Compliance		Strategic	
Reputation			

RISK IDENTIFICATION

SCOPE DEVELOPMENT

PROPER SOLUTIONS

CONTINUING SUPERVISION/EXAMINATION PLANS

COMMENTS

SE Evaluation

Sample SE Evaluation Form

CU Name:		Examiner:	
CU#:		SE:	
Assets:		Date Exam Completed:	
CAMEL Comp:		Date Report Received:	
Days Exam Open:		Date Report Appraised:	
Effective Date:		Budget Hrs:	
Hours Charged:		Contact Type:	

CATEGORIES OF RISK:

Risk Category	Examiner Assessment	Risk Category	Examiner Assessment
Credit		Interest Rate	
Liquidity		Transaction	
Compliance		Strategic	
Reputation			

RISK IDENTIFICATION:

SCOPE DEVELOPMENT/RESOURCE ALLOCATION:

PROPER SOLUTIONS:

FORM:

CONTINUING SUPERVISION/EXAMINATION PLANS:

COMMENTS:

Supervisory Examiner: _____ Date: _____

I have reviewed this evaluation and discussed its contents with my Supervisor.

Examiner's Signature: _____ Date: _____

(Optional at the SE's discretion unless the evaluation noted material deficiencies.)

Examiner's Comments: (Affix additional pages if necessary)

STATE CREDIT UNION REPORT REVIEWS - APPENDIX 22B

State Credit Union Report Reviews

NCUA examiners review state examination reports to determine the risk state-chartered credit unions pose to the National Credit Union Share Insurance Fund (NCUSIF.) Because economic conditions or circumstances may vary from one region to another, the regional directors (at their discretion) may require that examiners expand the procedures outlined in this appendix and provide additional documentation.

At a minimum, the NCUA examiner-reviewer (reviewers), after analyzing the state supervisory authority's (SSA's) examination report and any other pertinent information, assesses the operational and financial condition of the credit union. In addition, the reviewer determines if the SSA followed up on problems from the prior examination, accurately identified problems existing at the current examination, and reached agreement with the officials to resolve these problems.

Examiners and regional staff must treat information obtained from the state examination report reviews as confidential. The region may distribute the information to the SSA according to the agreements between the regional director and each SSA.

Assigning FISCUs to Examiner Districts

Supervisory examiners normally assign district responsibility, including state examination report reviews for federally insured state-chartered credit unions (FISCUs), to examiners based on factors such as their experience level, technical ability, and areas of expertise. The supervisory examiner also considers the credit union's asset size, complexity, quality of operations, and geographical location.

Supervisory examiners monitor the state examination report reviews to ensure that reviewers promptly complete high-quality state examination report reviews that are both accurate in content and appropriate in their recommendations.

In order for reviewers to keep abreast of the credit union's economic and political environments and the overall quality of the SSA's supervision and examination programs, supervisory examiners should communicate significant changes affecting the state's examination program to their district examiners.

While it is the mission of NCUA, as the insurer, to ascertain the safe and sound operation of FISCUs, examiners must remember that primary responsibility for the supervision of state-chartered credit unions rests with the SSA. As in all situations, NCUA examiners should demonstrate a courteous, professional, business-like, and cooperative attitude in all communications and contacts with the SSAs and their staff members.

**Processing and
Reviewing State
Examination
Reports**

The Division of Supervision (DOS) processes state examination reports, distributes them to field examiners, and monitors the process for compliance. To ensure compliance with regional and national policy, DOS maintains and provides to management staff, at least monthly, statistics regarding the receipt of state examination reports and the completion of the report reviews. As a minimum, DOS will maintain the following statistics:

- Supervisory examiner, district, insurance certificate number, NCUA reviewer's (examiner's) name;
- Date examination report was received from the state;
- Date examination report was mailed to the field;
- Date examination report was received in the regional office; and
- Number of days required for completing the review.

District examiners review state examination reports on a flow basis. To ensure information contained in the report does not become dated and that any risk exposure to the NCUSIF is promptly disclosed, examiners will complete the review within 30 days from the date the regional office receives the state's report. If examiners cannot review the report within the 30-day time period, they should request an extended

turnaround time from the supervisory examiner and note the reasons for the extension in the Examiner Comments section of the Examiner Contact Information. Outstanding state examination report reviews, however, should not exceed 60 days. Supervisory examiners should reassign report reviews if they expect extended delays.

Upon receipt of the report, reviewers will:

- Review the state examination report, financial performance, and any other information pertinent to the credit union;
- Complete the Examiner Contact Information and upload it to the host system within three days of completing the review;
- Complete a State Examination Report Review Summary and any other work papers required by the regional director; and
- Forward the State Examination Report Review package to the regional office and supervisory examiner within three days from the last date the examiner charged time.

Generally, NCUA examiners will not perform a formal review for joint examination reports (NCUA participates on the contact), or insurance reviews with an effective date within 30 days before or after the state's examination, if the reviewer was also the examiner-in-charge of the examination. Since the NCUA examiner was recently onsite and familiar with the credit union, completing a formal review would duplicate work. However, the examiner will:

- Scrutinize the state examination report to ensure it contains and conveys to the credit union the joint findings and recommendations agreed upon by the NCUA and SSA staff;
- Complete and upload the Examiner Contact Information;
- Note in the Examiner Comments section of the Examiner Contact Information that this was a joint examination or insurance review completed 30 days before or after the state examination, and specify whether or not the joint report conveyed the joint findings and recommendations; and

- Forward copies of the Examiner Contact Information to the regional office and supervisory examiner.

**State
Examination
Review Summary**

Examiners will use the review summary (see Attachment 22.1, State Examination Report Review Summary) to document their analysis of state examination reports during the review process.

The summary contains the narrative detail of (1) the reviewer's analysis of the credit union's financial condition (key trends and ratios), (2) quality of management, (3) recommendations for future supervision, and (4) any other related and pertinent information. This section also contains the reviewer's conclusions substantiating the assignment of the CAMEL components and composite ratings.

When reviewing state examination reports, the reviewer should ensure that the report:

- Included all required work papers or equivalent documents;
- Adequately addressed major areas of concern noted at the prior examination and noted implementation of appropriate SSA action;
- Provided sufficient information to assess the credit union's financial condition;
- Adequately disclosed and discussed negative key trends and ratios;
- Proposed appropriate solutions to correct the noted major areas of concern;
- Developed supervision plans in line with the conditions found;
- Addressed the quality of lending policies and procedures, loan documentation, and underwriting practices;
- Documented that the credit union properly funded the Allowance for Loan and Lease Losses account (see the Allowance for Loan and Lease Losses Account chapter of this Guide for additional information);

- Discussed conformance to Part 723 of *NCUA Rules and Regulations* (when business loans exist);
- Discussed the adequacy of investment policies, practices, and controls including compliance with SFAS 115;
- Documented establishment of an investment valuation reserve for non-conforming investments in accordance with the share insurance agreement;
- Indicated adequacy of asset-liability management policies, procedures, and practices based on a review of the financial reports and information noted in the examination report;
- Discussed completion of an acceptable supervisory committee audit and verification of member accounts that meet the requirements of Part 715 of the *NCUA Rules and Regulations*;
- Discussed the existence of accurate, reliable, and current accounting records and operational data;
- Completed appropriate questionnaires and addressed deficiencies noted;
- Indicated substantial compliance with the applicable sections of the *NCUA Rules and Regulations*; and
- Documented the accuracy of the 5300 call report data.

The State Examination Report Summary should discuss material exceptions, including failure to adequately address material exceptions to one or more of these guidelines.

If the NCUA and state CAMEL composite ratings differ, the reviewer must present the specific facts, ratios, and justifications to support the basis for the NCUA examiner's position. The reviewer, while supporting the NCUA CAMEL rating, should avoid subjective comments critical of, or antagonistic to, the state examination program, the state regulator, or the state examiner. Examiners will consult their supervisory examiners before assigning a composite

CAMEL rating different from the state's rating when the variance in the composite ratings will necessitate an onsite contact. NCUA may use the support presented by the reviewer to enhance NCUA's position to the SSA in those instances where the supervisory examiner finds it necessary to schedule a joint contact.

Regional Office Review

DOS performs an informal cursory review of all state examination report reviews when the composite ratings of the state and NCUA differ. DOS also selects a sample of state examination reports to formally review in accordance with the regional office's quality control process.

The regional office review simultaneously assesses the quality of the SSA's report and the NCUA examiner's review of that report. The DOS reviewer should critique:

- The analysis of the condition of the credit union;
- The presentation of pertinent facts, circumstances, problem identification, and proposed resolution as disclosed in the SSA's report; and
- The NCUA examiner's review of the report.

The DOS review ensures consistent identification of risk factors that FISCUs pose to the NCUSIF.

Regional office staff use the comments section at the bottom of the review summary (see Attachment 22.1, State Examination Report Review Summary) to document findings, including any deficiencies noted, of quality assurance reviews performed on the selected sample of state examination reports. DOS maintains a log of reports that regional staff reviews and retains for future audits and quality control reviews.

In addition to the areas that the NCUA examiner reviews, DOS will, at a minimum, assess the following during its quality control review:

- Timely receipt of SSA's report - comparison of the effective date, completion date, and the date the regional office received the SSA's report;
- SSA and NCUA supervision plans - appropriateness and adequacy of the follow-up plans in the SSA's report and NCUA examiner's review. DOS will note if the credit union's condition requires, but the report does not provide supervision plans;
- Quality of the NCUA examiner's review - adequacy of the narrative, with supporting ratios, to substantiate the ratings assigned for Capital Adequacy, Asset Quality, Earnings, and Asset/Liability Management, and an overview of Management; and
- Other comments and observations concerning the SSA's report, credit union, or examination process, including (1) identification of all major areas of concern in the SSA's report and NCUA examiner's review, (2) assessment of the SSA's solutions to correct the problems, (3) assessment of the credit union's compliance with Section 741 of *NCUA Rules and Regulations*, and (4) completion of the required or agreed-upon SSA consumer compliance questionnaires.

State Examination Report Review Summary

Ins. #:	CU Name:
State:	Exam Effective Date:
State Examiner (EIC):	Exam Assets:
Date SSA Report Received from RO:	NCUA Ex.-Reviewer:
Date NCUA Review Mailed to RO:	Exam Contact Type:

Through the review of the state examination report, the examiner should determine the credit union's financial and operational condition and provide sufficient quantitative and qualitative data to substantiate the analysis and assignment of the CAMEL component and composite ratings. Current and past trends, effectiveness of problem resolution from prior examinations, agreements with officials to correct problems, and results of previous supervision contacts should be addressed in this review. Examiners should base the extent of the narrative on the risk, size and complexity of the credit union and severity of the problems noted.

COMPOSITE CODE: **NCUA CODE** _____ **STATE CODE** _____

CAPITAL ADEQUACY: **NCUA CODE** _____ **STATE CODE** _____
 (Discussion should include past, future, and current aspects of capital.)

ASSET QUALITY: **NCUA CODE** _____ **STATE CODE** _____
 (Discussion should include loan programs, quality of lending, appropriateness of investments, fixed assets, etc.)

MANAGEMENT: **NCUA CODE** _____ **STATE CODE** _____
 (Discussion should include supervisory committee audit and verification, policies and procedures, record keeping, problem resolution, etc.)

EARNINGS: **NCUA CODE** _____ **STATE CODE** _____
 (Discussion should include the various components of the income statement (e.g., gross income, operating expenses, and the cost of funds.)

LIQUIDITY MANAGEMENT: **NCUA CODE** _____ **STATE CODE** _____
 (Discussion should address the adequacy of liquidity and appropriateness of the ALM policy.)

Attachment 22.1

EXAMINER'S GUIDE

INSURABILITY REQUIREMENTS: (Does the report provide adequate information to assess compliance with part 741 of the NCUA Rules and Regulations, including the Requirement for Insurance, and with applicable federal consumer regulations?)

APPROPRIATENESS OF SSA PROBLEM RESOLUTIONS AND FOLLOW-UP PLANS: (Does the report provide documents of resolution and examiner's findings and are they appropriate and adequate? List any supervision plans the SSA has provided in the report. (Please indicate if none are provided.))

NCUA EXAMINER RECOMMENDATIONS: (Are offsite supervision and monitoring plans or formal onsite supervision plans appropriate given the condition of the FISCU?)

OTHER ITEMS:

REGIONAL OFFICE COMMENTS:

The information contained on this form is based on our review of the state examination report.

Attachment 22.1

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