

## Agency SEQ

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Account: Training Agency

SEQ Type: Bank, Mortgage, Credit Union, MSB

Agency POC:

Record Number: #75

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# Agency SEQ

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## 1. Agency Administration and Finance

Purpose - This section evaluates the administration of the state regulatory agency and the financing of the agency's operations. Questions begin with the broad issues of agency mission and goals and then address specific areas, such as communication with other regulators, communication with industry, and adequacy of support personnel. Questions on financing address the funding mechanism for the agency and the adequacy of the budget with respect to the agency's ability to: (1) meet its supervisory requirements including chartering, licensing, examinations, and investigations; (2) provide adequate and up-to-date computer equipment; (3) monitor the agency budget; and (4) influence its budget allocation

Narrative - This section does not require or endorse a standard management style or funding mechanism. As demonstrated by the various standards, administrative organization must be documented by way of an organizational chart, mission statement, and strategic plan. However, no specific organization structure or mission statement is prescribed. Likewise, the agency may use a variety of means to fund itself, so long as the funding is sufficient for it to meet its responsibilities (and various accreditation standards).

| <i>Section Title</i>                 | <i>Max Score</i> | <i>Agency Score</i>                   |
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## 1-A-1. Mission Statement and Strategic Plan

Strategic planning is an important tool for the agency as it provides organizational direction. The agency's day-to-day decisions can be better guided and the agency's progress can be better measured through the strategic planning process. In this topic, the agency will provide information about its mission statement and strategic planning process.

Question 1: The agency has a strategic plan.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency has a mission statement.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If yes, please include mission statement below.

Answer:

Question 3: The strategic plan has been reviewed in the past 12 months.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If yes, date the strategic plan was updated:

Answer:

Question 4: The following are involved in developing the agency's strategic plan:

Options: Senior Management; Banking Board or Council; Field Managers; Field Examiners; Other

Answer:

Question 4.1: If other, please specify.

Answer:

Question 5: The final strategic plan is communicated to the agency's employees via:

Options: Email; Website; Staff meeting; Plan is not formally communicated; Other

Answer:

Question 5.1: If other, please specify.

Answer:

Question 6: Assignments are made for completion of strategic actions.

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Options: Yes; No; Other; N/A

Answer:

Question 7: Timeframes are established for completion of the strategic actions.

Options: Yes; No; Other; N/A

Answer:

Question 8: The goals of the strategic plan have been met in the timeframes anticipated.

Options: Yes; No; Other; N/A

Answer:

Question 8.1: If goals of the strategic plan have not been met in timeframes anticipated, please explain why and provide outlook for accomplishment of strategic plan goals.

Answer:

Question 9: Please explain how progress on the strategic plan is monitored

Answer:

Question 10: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 1-A-1: The agency must have a mission statement and a strategic plan. The strategic plan should include long term strategies, be reviewed annually, and include measurable goals with assigned accountability. The agency must meet or be in process of meeting the desired goals stated in the plan.

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### 1-A-2. Succession Planning and Organizational Chart

Agencies should be prepared for the unexpected and ensure the continuity of operations if there is a loss of key personnel. This topic will assess your agency's succession plan and ensure there is a well-defined organizational chart. It should be noted that job descriptions will be discussed in Section 2.

Question 1: A succession plan has been adopted.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If no, please explain.

Answer:

Question 2: If the commissioner were to become incapacitated, his/her duties would be assumed by:

Answer:

Question 3: The agency has an up-to-date organizational chart showing direct lines of responsibility.

Options: Yes; No; Other; N/A

Answer:

Question 4: The agency reports to a board, advisory council, or similar.

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If yes, please provide the make-up of the board and its authority.

Answer:

Question 5: Current job descriptions correspond to the employee positions shown on the organizational chart.

Options: Yes; No; Other; N/A

Answer:

Question 6: Briefly describe the operational units of the agency (i.e. banking, mortgage, credit union, securities) and their primary responsibilities.

Answer:

Question 7: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

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STANDARD 1-A-2: A succession plan for key employees, either formal or informal, should be developed for the agency. Cross training should be completed across the agency to prepare staff to advance into roles within the agency in the event of retirement or unexpected loss of staff.

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## 1-B. Internal Communication

This topic seeks information on the agency's system and frequency of holding periodic staff meetings either state-wide, by region, or through systematic visitation, to keep professional staff informed of administrative matters, provide legislative and regulatory updates, and provide a forum for the exchange of ideas.

Question 1: The agency holds a training/information conference(s) with all examiners in attendance at least annually. If yes, please provide copies of the last 3 staff meeting agendas.

Options: Yes; No; Other; N/A

Answer:

Question 2: Does the agency hold district meetings or quarterly conference calls with examiners in addition to an annual meeting?

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If yes, please identify whether quarterly calls, quarterly meetings, or both, were held.

Answer:

Question 3: Field examiners provide input into the agenda for the all-staff conference.

Options: Yes; No; Other; N/A

Answer:

Question 4: Examination staff is informed of policy changes, job-related local and national news, and other critical information via staff meetings held :

Options: Weekly; Monthly; Quarterly; Semi-annually; Annually; Not held; Other

Answer:

Question 4.1: If other, please specify.

Answer:

Question 5: Senior staff meetings are held at least monthly

Options: Yes; No; Other; N/A

Answer:

Question 5.1: If no, indicate how frequently they are held.

Answer:

Question 6: Please provide any other comments, and/or upload any additional documents you wish to include.

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Answer:

**STANDARD 1-B:** The agency must have regular and timely communication to keep all staff informed of policy and procedure changes, job-related local and national news, and other critical information.

Internal communication should include at least annual meetings in which management can communicate relevant topics, such as: The strategic plan of the agency, staff initiatives, trends in the industry, and other issues that are important to staff.

The agency should use an effective process to give staff the ability to communicate important topics and input to senior staff.

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## 1-C. Communication with Other Regulatory Agencies

This topic evaluates the agency's communication with applicable federal regulators and fellow state regulators. Effective communication between the agency and federal and state regulatory peers is essential for the efficient scheduling of examinations and sharing of supervisory information.

Question 1: The agency participates in regular meetings with other state bank/mortgage regulatory agencies to discuss regulatory issues and share best practices in state regulation (e.g. CSBS District meetings).

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If yes, please provide a list of meetings attended in past year.

Answer:

Question 2: The agency participates in regular meetings with federal bank/mortgage regulatory agencies to discuss the coordinated regulation of your regulated entities.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If yes, please provide a list of meetings attended in past year.

Answer:

Question 3: The agency is involved in multi-state or federal committees (e.g. the MMC, SSPC, SCC).

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If yes, please list them.

Answer:

Question 4: The agency participates in regularly scheduled conference calls with other states (e.g. CSBS all-state calls and working groups).

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If yes, please list them.

Answer:

Question 5: For CU only: The agency has signed MOUs/information sharing/ or other agreements with federal regulators, federal agencies, and other state agencies?

Options: Yes; No; Other; N/A

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Answer:

Question 6: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

Note: this standard is different for credit union.

### STANDARD 1-C

**Bank/Mortgage:** The agency should demonstrate they have relationships with other states and federal regulators to promote cooperation on areas of common interest in financial regulation. This may include meetings with federal regulators, district meetings with other states, involvement on multi-state committees, or other similar activities.

**Credit Union:** The agency should meet with NCUA at least annually, and other relevant federal regulators as necessary. The agency should meet periodically with other state regulators. The agency should have Memorandum of Understanding (MOUs) and/or Information Sharing Agreements with federal regulators such as NCUA and FinCEN and CFPB as applicable. The agency should have agreements with other states if there is interstate branching activity of a state credit union. Overall, the agency must have an established mechanism (and practice of) sharing important supervisory information and ideas with its fellow state and federal regulatory peers. **NOTE:** Compliance with signed agreements with federal regulators is covered under the Examination Section of the Questionnaire.

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## 1-D. Communication with Industry

It is often difficult to accomplish your agency's goals without the support of the banking industry. In this topic, we will evaluate the nature, purpose and effectiveness of the agency's communication with the industry trade associations.

Question 1: List examples of association meetings agency personnel have attended during the past 12 months.

Answer:

Question 2: The agency discusses proposed legislation with relevant state trade associations to clarify issues.

Options: Yes; No; Other; N/A

Answer:

Question 3: Rate the effectiveness of the agency's communication with state trade associations:

Options: Excellent; Adequate; Needs Improvement

Answer:

Question 4: Provide support for your answer to question 3 above:

Answer:

Question 5: The agency uses the following methods to communicate to their regulated entities changes in policy or legislation:

Options: Newsletter; Written communications such as memos letters etc.; Website; Conferences; Trade association communiques; Other

Answer:

Question 5.1: If other, please specify.

Answer:

Question 6: Does your Agency communicate through a board or commission?

Options: Yes; No; Other; N/A

Answer:

Question 7: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 1-D:** The agency's senior personnel should attend meetings of all relevant associations in their state. Proposed legislation should be discussed with trade associations in the state to clarify issues.

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The agency should have appropriate communications to their regulated entities to keep them informed of changes in policy or legislation.

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## 1-E. Consumer Education / Financial Literacy

Many Americans continue to be burdened by heavy debt loads and do not have a good understanding of basic financial concepts. This section evaluates how the agency provides or participates in relevant financial literacy training for consumers. Relevant training should be considered financial literacy training related to daily financial management, such as budgeting, credit reports, investing 101, scams & fraud prevention.

Question 1: The agency provides (or participates in) consumer education/financial literacy training to consumers.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If yes, list examples of consumer education/financial literacy training provided:

Answer:

Question 2: Information about consumer education/financial literacy is referenced on agency website.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If yes, provide URL of website(s) with consumer education/financial literacy information:

Answer:

Question 3: Does the Agency promote financial literacy?

Options: Yes; No; Other; N/A

Answer:

Question 4: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 1-E: The agency or its larger agency should provide (or participate in) consumer education/financial literacy training to consumers and have financial literacy information available to consumers on their website.

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## 1-F. Access to Legal Assistance

In today's regulatory and business environment, it is important that an agency have access to an individual to oversee or manage legal issues that may arise. This section evaluates the agency's direct and/or indirect access to legal assistance, advice and support.

Question 1: The agency has an attorney(s) on staff.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If yes, please list them.

Answer:

Question 2: The agency has specifically assigned attorneys from the Attorney General's office to represent the agency that spend at least 50% of their time on agency issues.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If attorneys spend less than 50% of their time on agency issues, but agency believes they should still meet this standard, please explain.

Answer:

Question 3: The agency has authority to hire outside counsel when necessary.

Options: Yes; No; Other; N/A

Answer:

Question 4: Agency legal staff participate in proposed legislative changes before and during legislative sessions.

Options: Yes; No; Other; N/A

Answer:

Question 5: Agency legal staff participate in drafting and/or review of formal corrective actions.

Options: Yes; No; Other; N/A

Answer:

Question 6: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 1-F: The agency must have an attorney on staff or a consistently assigned attorney, with**

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appropriate expertise, from the Attorney General's Office to represent the agency if required by state law. The department should also have the ability to hire outside counsel when necessary.

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## 1-G. Agency Physical Facilities

In this section we will look at the adequacy of your facilities and the physical security of your office spaces.

Question 1: The agency has either keyed or coded entry on all office entrances, including field offices.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency maintains field offices.

Options: Yes; No; Other; N/A

Answer:

Question 3: Confidential files are maintained in a locked area with limited access.

Options: Yes; No; Other; N/A

Answer:

Question 4: Describe your agency's policies or procedures for maintaining confidential files, including files maintained at an off-site location.

Answer:

Question 5: Office space is adequate to accommodate all examiners as needed.

Options: Yes; No; Other; N/A

Answer:

Question 6: Examiners are permitted to work remotely when not working at an onsite examination.

Options: Yes; No; Other; N/A

Answer:

Question 6.1: If yes, please explain how the agency ensures work remote employees comply with data retention and security policies.

Answer:

Question 7: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 1-G:** All agency offices must have either keyed or coded entry and meet the following qualifications:

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1. Confidential files must be locked and access controlled.
2. There must be a procedure for maintaining control of confidential files and security when not in locked area, including files maintained at an off-site location.
3. Space should be adequate to accommodate examiners, as needed.
4. Agency ensures remote employees are aware of data retention and security policies.

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## 1-H. Business Continuity Plan

It is important to prepare for the worst-case scenario: fire, natural disaster, or other emergencies that can impact your agency's operation. This topic will look at the adequacy of your business continuity plan.

Question 1: The agency has a business continuity plan.

Options: Yes; No; Other; N/A

Answer:

Question 2: The plan is reviewed and updated as needed.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If yes, the plan was last updated:

Answer:

Question 3: The business continuity plan is successfully tested at least annually (either point-in-time annual test or rolling component tests).

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If yes, please explain and include dates of the most recent tests.

Answer:

Question 4: Data systems are backed up to an off-site location.

Options: Yes; No; Other; N/A

Answer:

Question 5: Data back-up site is located how many miles from primary server location:

Answer:

Question 5.1: If distance from primary server location is unknown, can it be proven that the data is backed up in multiple locations (Cloud usage)?

Options: Yes; No; Other; N/A

Answer:

Question 6: Data backup is located at a third-party provider.

Options: Yes; No; Other; N/A

Answer:

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Question 7: The agency has a procedure for recovery of data systems.

Options: Yes; No; Other; N/A

Answer:

Question 7.1: If yes, describe the procedure or upload a copy of written procedure.

Answer:

Question 8: Data recovery has been tested within the past 12 months.

Options: Yes; No; Other; N/A

Answer:

Question 8.1: If yes, it was last tested:

Answer:

Question 9: Fire safety and evacuation procedures are adequate for main office and all field offices.

Options: Yes; No; Other; N/A

Answer:

Question 10: Evacuation Drills are conducted:

Options: Monthly; Quarterly; Annually; As Needed; Other

Answer:

Question 10.1: If other, please specify.

Answer:

Question 11: Agency maintains a notification system or calling tree that works both up and down to alert employees and staff in the event of an emergency.

Options: Yes; No; Other; N/A

Answer:

Question 12: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 1-H:** The agency must have an up-to-date Business Continuity Plan that should be tested at least annually and address how the agency will resume operations in the event of a disaster to its offices or its data systems.

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## 1-I. Technology Infrastructure and Cybersecurity

Increasingly, agencies are dependent upon information technology to perform their core mission. This section evaluates the adequacy of the agency's information technology and cyber security program. Questions focus on the agency's computer system, including central office computers (i.e., LAN system, E-mail, etc.), number of computers for field examination staff, anticipated replacement and/or upgrade of computers, backup and disaster recovery plans (including those for field computers).

Question 1: The agency's computer system has up-to-date firewalls.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If yes, what is the date of last update.

Answer:

Question 2: The agency's computers have up-to-date virus protection which includes regular patching

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency conducts intrusion detection on an ongoing basis.

Options: Yes; No; Other; N/A

Answer:

Question 4: The agency's system allows for the secure retention, transmission and receipt of data (data encryption).

Options: Yes; No; Other; N/A

Answer:

Question 5: The agency's system is compatible with programs necessary to perform examinations.

Options: Yes; No; Other; N/A

Answer:

Question 6: The agency has adopted a written information technology policy (If yes, upload a copy of IT policy).

Options: Yes; No; Other; N/A

Answer:

Question 7: Examination staff computers are replaced at least every three years.

Options: Yes; No; Other; N/A

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Answer:

Question 7.1: If no, why not and how often are computers replaced?

Answer:

Question 8: The agency has adequate policies and procedures to protect its data, and detect intrusions, breaches, and unauthorized access of data in transit or data at rest.

Options: Yes; No; Other; N/A

Answer:

Question 9: The agency has written policies on reporting, responding to and recovering from a cybersecurity breach.

Options: Yes; No; Other; N/A

Answer:

Question 10: The agency provides cybersecurity training to all staff.

Options: Yes; No; Other; N/A

Answer:

Question 10.1: If yes, provide how often training is conducted.

Answer:

Question 11: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 1-I:** The agency's computer system must be adequate to provide the necessary tools for regulation of financial institutions and must be compatible with the programs necessary to perform examinations. Written policies on information technology (IT) must be adopted and include the following:

1. Computers should be replaced at least every three years unless justified for longer period.
2. Computer systems must have adequate firewalls, virus protection, and intrusion detection.
3. Secure transmission and receipt of data.
4. Adequate procedures for monitoring, detecting, and responding to cybersecurity threats.
5. Annual cybersecurity training and reporting procedures, including periodic phishing tests for agency employees.

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## 1-J. Budget Revenue Source / Contingency Plan

This topic evaluates the agency's revenue source(s) and seeks to provide the Accreditation Program with a better understanding of the agency's funding.

Question 7: The entire agency is self-supporting and does not rely on funds from the general fund to operate.

Options: Yes; No; Other; N/A

Answer:

Question 8: The agency has a contingency funding plan to cover at least three months' worth of expenses.

Options: Yes; No; Other; N/A

Answer:

Question 8.1: If yes, select the source of funds:

Options: Separate fund; Cash balance; Proven ability to increase revenue; Other

Answer:

Question 8.2: If other, please specify.

Answer:

Question 9: The percentage of the agency's total revenue derived by banks (and/or credit unions) over \$10B is:

Answer:

Question 10: The agency has a contingency plan, should it lose its revenue source from its largest regulated entities.

Options: Yes; No; Other; N/A

Answer:

Question 10.1: If yes, please explain.

Answer:

Question 11: Is the organizational unit responsible for credit union regulation self-supporting?

Options: Yes; No; Other; N/A

Answer:

Question 12: Is the organizational unit responsible for bank regulation self-supporting?

Options: Yes; No; Other; N/A

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Answer:

Question 13: Is the organizational unit responsible for mortgage regulation self-supporting?

Options: Yes; No; Other; N/A

Answer:

Question 14: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

| <i>Source of Agency Revenue</i>            | <i>\$ Amount</i> | <i>% of total revenue</i> |
|--|------------------|---------------------------|
| Assessments on the assets of banks         |                  |                           |
| Assessments on the assets of credit unions |                  |                           |
| Fees for examinations                      |                  |                           |
| State general funds                        |                  |                           |
| Application/licensing fees                 |                  |                           |
| Other Sources                              |                  |                           |

STANDARD 1-J: The regulatory agency must be self-supporting with income generated from the regulatory program and not reliant on outside revenue sources. Agency must have a contingency plan (separate fund, cash balance or proven ability to increase revenue) to cover at least three months' worth of expenses.

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## 1-K. Budget Expenses / Supplemental Budgets

Preparing the agency's budget is never an easy task. The questions in this section will provide an understanding of how you approach your budgeting process. This section seeks information on the process of preparing the agency budget, including the procedure for reviewing monthly or periodic budget reports and making appropriate changes.

Note: The adequacy of salaries and benefits and adequacy of training funds is covered elsewhere in the questionnaire.

Question 1: All agency's staff responsible for monetary controls on portions of the budget are included in the budgeting process.

Options: Yes; No; Other; N/A

Answer:

Question 2: Budget versus actual expenses are reviewed monthly by senior management.

Options: Yes; No; Other; N/A

Answer:

| <i>The agency's budget is adequate to:</i>   | <i>Yes / No</i> |
|--|-----------------|
| Examine and supervise all state regulated entities in accordance with frequency guidelines in good economic times. |                 |
| Examine and supervise all state regulated entities in accordance with frequency guidelines in poor economic times. |                 |
| Operate the regulatory agency.   |                 |

Question 6: The agency has the ability to hire additional examiners if necessary.

Options: Yes; No; Other; N/A

Answer:

Question 6.1: If no, please explain.

Answer:

Question 7: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 1-K:** Input into budget process must include all individuals who will be responsible for monetary controls of portions of the budget. Budget versus actual expenses must be reviewed monthly and reported to senior management. The agency must have sufficient funds to operate and to examine all regulated entities in poor economic times, as well as during times of good economy, including the ability

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to hire additional examiners, if necessary.

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## 2. Personnel and Training

Purpose - This section evaluates various aspects of the people side of the agency. The criteria assume that a superior agency provides a clear, adequate and consistent set of rules for the treatment of employees. Some of the criteria address the documents related to personnel policy, e.g., policy manuals and job descriptions. Other criteria address retention of professional staff. This section also evaluates the effectiveness of an agency's chosen method to train its staff. On-the-job training, formal classroom instruction and seminars can singly or jointly comprise an adequate training program. Whatever the mix, the program should maintain a high quality of instruction and be carried out on a routine basis.

Narrative - Agencies may wish to describe special efforts in the training and education areas, especially where local conditions require specific areas of expertise (e.g., agricultural lending, business loans). Quantitative measures of formal education completed by staff can be included, even though the number of classroom hours or courses completed may not, by themselves, identify an effective training program.

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## 2-A. Personnel Policies

A Personnel Manual can set the tone for an agency and help staff understand what is expected of them. This topic seeks to evaluate the agency's Personnel Manual in terms of completeness, relevancy of material, and maintenance procedures.

Question 1: The agency has a state or agency approved and up-to-date personnel manual.

Options: Yes; No; Other; N/A

Answer:

Question 2: The personnel manual includes:

Options: Personnel guidelines; Policies and procedures such as bargaining unit protocols if applicable; Processing of personnel actions; Establishing and filling vacant positions; Leaves of absence; Grievances; Disciplinary actions

Answer:

Question 3: The personnel manual has been reviewed by the agency in the past 12 months.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If yes, who reviewed the personnel manual and were any revisions made?

Answer:

Question 4: The manual is provided to all employees:

Options: In hard copy; On the agency's internal website; Emailed to them; Other

Answer:

Question 4.1: If other, please specify.

Answer:

Question 5: The Personnel website is available online at:

Answer:

Question 6: Updates are made to the manual promptly after revisions are made with personnel notified of material changes.

Options: Yes; No; Other; N/A

Answer:

Question 7: The manual includes agency's specific procedures regarding:

Options: Hours; Travel; Per diem; Benefits; Confidentiality; Cell phone or wireless communication

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devices; Telecommuting

Answer:

Question 8: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 2-A: The agency must have approved personnel policies. The policies should be reviewed at least annually and should include department specific procedures regarding hours, travel, per diem, etc. The policies must be available to all employees either in hard copy or electronically in a central location and should be reviewed with employees periodically, as needed. Smoke Testing

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## 2-B. Job Descriptions

Good job descriptions are a valuable tool for proper employee recruiting and selection. Up-to-date and accurate descriptions allow your agency to match the right candidates with available positions by documenting the specific responsibilities of each position. In this topic, we will review job descriptions for key positions within your agency.

Question 1: All agency positions have job descriptions which describe current duties performed.

Options: Yes; No; Other; N/A

Answer:

Question 2: The job descriptions are reviewed at least annually.

Options: Yes; No; Other; N/A

Answer:

Question 3: The following positions are unionized:

Options: Field examiners; Field supervisors; Administrative support staff; Other; None

Answer:

Question 3.1: If other, please specify.

Answer:

Question 4: The agency has civil service positions.

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If yes, please list them.

Answer:

Question 5: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 2-B: All positions must have job descriptions which describe current duties performed and should be reviewed at least annually or upon posting for a vacancy.

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## 2-C. Hiring Policies

This topic evaluates the agency's personnel hiring policies and recruiting procedures that allow for the employment of the type and number of personnel needed for examination, regulation and supervision.

Question 1: The agency's recruiting efforts include:

Options: Newspaper ads; Social media; Agency website; College career fairs; Internships; Employee referrals with bonus paid; On-campus interviews; Employment agencies; E-recruitment/Online recruitment (e.g. Brass Ring Career Builder etc.); Other

Answer:

Question 1.1: If other, please specify.

Answer:

Question 2: Preferential consideration is given to military veterans, individuals with disabilities, or internal state employees.

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency has complete authority over the hiring of agency personnel.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If no, please explain.

Answer:

Question 4: Agency supervisors are included in the new employee selection process.

Options: Yes; No; Other; N/A

Answer:

Question 5: Immediate supervisors participate in the hiring interview for individuals they will directly supervise.

Options: Yes; No; Other; N/A

Answer:

Question 6: Human resource personnel participate in hiring interviews.

Options: Yes; No; Other; N/A

Answer:

Question 7: Supervisors are given training specific to conducting hiring interviews.

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Options: Yes; No; Other; N/A

Answer:

Question 7.1: If yes, please describe the training provided to supervisors on conducting interviews.

Answer:

Question 7.2: If no, please explain.

Answer:

Question 8: Does the agency have a Diversity Equity and Inclusion (DEI) plan or program?

Options: Yes; No; Other; N/A

Answer:

Question 8.1: If yes, please describe how it is applied to the hiring and recruitment process. Please include a copy of the plan if applicable.

Answer:

Question 9: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 2-C:** Although most states have an agency which provides hiring and recruiting duties for the entire state government, supervisors from the agency must be included in the selection process. An immediate supervisor must participate in the hiring interview for individuals whom they will directly supervise and have acceptable training in conducting hiring interviews. The hiring agency should have the ability to recruit through optional sources, such as college job fairs and online sources.

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### 2-D. Promotional Opportunities / Pay for Performance

This topic evaluates the agency's ability to provide an adequate career path and advancement opportunities for examiners. Such an ability, combined with funding sufficient to provide merit based compensation, may help the department hire and retain qualified personnel.

Question 1: The agency has at least four levels of field bank examination staff.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If yes, three of the four levels are not limited in the number of positions.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency has at least four levels of field credit union examination staff.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If yes, three of the four levels are not limited in the number of positions.

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency has at least three levels of field mortgage examination staff.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If yes, three of the four levels are not limited in the number of positions.

Options: Yes; No; Other; N/A

Answer:

Question 4: Describe the various examiner level positions in the organizational structure.

Answer:

Question 5: The agency awards merit increases for above average performance by examiners.

Options: Yes; No; Other; N/A

Answer:

Question 5.1: If yes, please explain.

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Answer:

Question 5.2: If no, please explain.

Answer:

Question 6: The agency has a non-monetary incentive award program.

Options: Yes; No; Other; N/A

Answer:

Question 7: Does the state allow for pay for performance?

Options: Yes; No; Other; N/A

Answer:

Question 7.1: If yes, does the state have to negotiate terms of pay for performance through a union?

Options: Yes; No; Other; N/A

Answer:

Question 8: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 2-D: In order to provide an examiner career path with adequate advancement opportunity, the agency must have at least three levels of field mortgage examination staff and at least four levels of field bank and/or credit union examination staff with three of those levels not limited in the number of positions. In agencies where incentive compensation is available, funds should be sufficient to pay increases to examiners. In agencies where the career path is limited because of the size of staff, efforts should be made to develop specialized experts, thereby expanding the career path professionally if not vertically.

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## 2-E. Performance Appraisal Process

This topic evaluates the performance appraisal and review process used by the agency, including the process for new hires, trainees in new positions, and experienced staff. Where relevant, please provide documentation that includes sample forms/checklists used in the evaluation process, if available.

Question 1: All supervisors have received performance evaluation training.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If yes, please describe the training.

Answer:

Question 2: All employees receive timely performance reviews at least annually.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If no, please explain.

Answer:

Question 3: Newly hired employees or persons recently promoted receive more frequent reviews.

Options: Yes; No; Other; N/A

Answer:

Question 4: Annually each employee receives performance goals for the upcoming review period.

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If yes, the goals are measurable.

Options: Yes; No; Other; N/A

Answer:

Question 4.2: If yes, the goals are agreed to by both the employee and the supervisor.

Options: Yes; No; Other; N/A

Answer:

Question 5: Training checklists are used for new employees.

Options: Yes; No; Other; N/A

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Answer:

Question 6: All performance reviews are conducted either in-person or via video conference.

Options: Yes; No; Other; N/A

Answer:

Question 7: All performance reviews are signed by both the employee and the supervisor.

Options: Yes; No; Other; N/A

Answer:

Question 8: Performance evaluations allow for identifying individual strengths and weaknesses, with recommendations on what training/professional development is needed.

Options: Yes; No; Other; N/A

Answer:

Question 9: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 2-E: Performance appraisals must be conducted and communicated to the employee at least annually. Goals should be set each year in coordination between employees and their supervisors.

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### 2-F. Adequacy of Salaries and Benefits

In this topic, the adequacy of the agency's salaries and benefits, particularly as it affects the agency's ability to hire and retain well-qualified employees, will be reviewed and evaluated. Support responses with documentation demonstrating salary ranges and comparisons with contiguous states' examiners and comparable federal examiners.

Question 1: The agency offers adequate salary and benefits to hire and retain well-qualified employees.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency conducts or utilizes periodic studies to document competitor compensation structures.

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency conducts their own compensation study.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If yes, provide the date of the most recent compensation study.

Answer:

Question 4: The agency utilizes the following compensation studies:

Options: CSBS; Another state agency; Independent third party hired by the agency; None of the above; Other

Answer:

Question 4.1: If other, please specify.

Answer:

Question 5: The study considers compensation paid by similar agencies in contiguous states.

Options: Yes; No; Other; N/A

Answer:

Question 6: The study considers compensation paid by federal agencies operating in the employee market.

Options: Yes; No; Other; N/A

Answer:

Question 7: Compared to similar agencies in contiguous states, your agency's compensation was shown to

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be generally:

Options: Lower than the competition; Comparable to the competition; Higher than the competition;  
Salaries in contiguous states were not considered

Answer:

Question 8: Compared to federal agencies operating in the employee market, your agency's compensation was shown to be:

Options: Lower than the competition; Comparable to the competition; Higher than the competition;  
Salaries paid to federal agencies in the employee market were not considered

Answer:

| <i>Please complete the table below</i>  | <i>CY 2023</i> | <i>CY 2022</i> | <i>CY 2021</i> |
|---|----------------|----------------|----------------|
| Number of staff (or FTE equivalent) in bank supervision area (e.g. examiners, supervisors, review staff)        |                |                |                |
| Percentage of turnover in bank supervision area   |                |                |                |
| Number of staff (or FTE equivalent) in mortgage supervision area (e.g. examiners, supervisors, licensing staff) |                |                |                |
| Percentage of turnover in mortgage supervision area   |                |                |                |
| Number of staff (or FTE equivalent) in credit union area (e.g. examiners, supervisors, review staff)            |                |                |                |
| Percentage of turnover in credit union supervision area   |                |                |                |
| Number of staff (or FTE equivalent) in MSB area (e.g. examiners, supervisors, review staff)                     |                |                |                |
| Percentage of turnover in MSB supervision area  |                |                |                |

Question 10: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 2-F: The agency's salary and benefits for supervision & examination staff must be adequate to hire and retain well-qualified employees. Periodic compensation studies should be conducted to ensure that employee compensation remains competitive with other states and federal regulators.

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### 2-G. Training Coordination/Evaluation

This topic evaluates how the Agency assigns overall formal training responsibility (whether it is assigned to a selected individual or individuals) and the effectiveness of the management and recordkeeping of the training program.

Note: On-the-job training is addressed in another section.

Question 1: The agency assigns oversight of its formal training program(s) to one or more individual.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If yes, provide the names and titles of the individuals assigned.

Answer:

Question 2: A database is maintained reflecting the training each examiner completes.

Options: Yes; No; Other; N/A

Answer:

Question 3: Following attendance at a training course, the employee is required to complete a course evaluation.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: The evaluation covers:

Options: Name of course; Date attended; Quality of the speakers; Relevance of course content to the attended; Strengths/weaknesses of the course; Recommendation for future participation in the course by others in the department

Answer:

Question 4: The agency requires the evaluation be completed within a set timeframe as designated by the agency.

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If yes, please explain the timeframe.

Answer:

Question 4.2: If no, please explain.

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Answer:

Question 5: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 2-G: The responsibility for oversight of formal training should be assigned to a designated individual or group of individuals who maintains a database or records of training per examiner. The effectiveness of formal training should be documented by the participant within a set timeframe following attendance at non-core or new classes for internal use within the agency.

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## 2-H. Policy on Examiner Training

This topic evaluates the agency's Examiner Training Policy. The section requests uploads of the written training policy and a list of the core and advanced schools used (i.e., CSBS, NASCUS, AARMR, state, federal or other schools and seminars).

Question 1: The agency has a written policy on examiner training.

Options: Yes; No; Other; N/A

Answer:

Question 2: The training policy includes a list of core and advanced schools used for each level and type of examiner.

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency participates in the following training programs:

Options: State sponsored training programs; CSBS; AARMR; FDIC; FRB; CFPB; Graduate School of Banking; Industry sponsored training programs; NCUA; NASCUS; MTRA; FFIEC; None of the above; Other

Answer:

Question 3.1: If other, please specify.

Answer:

Question 4: The agency examiners receive training on emerging issues.

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If yes, please explain.

Answer:

Question 5: The agency examiners have the ability to request training subject to supervisor approval and budgetary constraints.

Options: Yes; No; Other; N/A

Answer:

Question 6: The agency's training policy requires examiners to obtain a certain number of hours of job-related classroom or online instruction annually.

Options: Yes; No; Other; N/A

Answer:

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Question 6.1: If no, please explain.

Answer:

Question 6.2: If yes, how many hours does the policy require each year?

Answer:

Question 7: The agency's training policy provides clear support for examiners to achieve and maintain a defined career path.

Options: Yes; No; Other; N/A

Answer:

Question 8: The agency's training policy has been reviewed in the last 12 months.

Options: Yes; No; Other; N/A

Answer:

Question 9: The agency's training policy was last reviewed on:

Answer:

Question 10: Please explain how the policy's effectiveness is evaluated.

Answer:

Question 11: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 2-H: The agency must have a written training policy as follows:

1. The policy must include a listing of core classes for each level and type of examiner.
2. The policy must include support for an examiner to achieve and maintain a defined career path.
3. The policy must be reviewed annually.
4. The policy must allow examiners the ability to request training that will be subject to a supervisor's approval, budgetary constraints and course availability.
5. The training goal must be for each examiner to have a minimum of 21 hours of industry-specific continuing education hours for CSBS (bank, mortgage, MSB) and 28 hours of industry-specific continuing education annually for NASCUS (credit union).

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### 2-I. Training Procedures and On-the-Job Training

This topic evaluates the agency's training manual(s) in terms of completeness, relevance and maintenance procedures, as well as the agency's administration of On-The-Job-Training. Be prepared to provide documentation that includes the forms or checklists used in evaluating the completeness and effectiveness of the training, training manuals, and other supporting documentation as appropriate.

Question 1: The agency has an approved training manual.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency's training manual includes a list of duties to be performed by the trainee within specified timeframes.

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency's training manual contains a listing of reference material for each area by topic.

Options: Yes; No; Other; N/A

Answer:

Question 4: The agency's training manual for bank supervision addresses the following areas:

Options: Operations - balance sheet - earnings - securities - liquidity - sensitivity to market risk - capital and operations manager duties; Credit - various types (should include loan types commonly found in agency institutions and Credit Manager duties); Examiner in Charge - pre-planning - PEP memos - job assignments - assigning ratings and holding exit meetings; Specialty areas - BSA - IT - Trust - etc; Not Applicable

Answer:

Question 5: The agency's training manual for mortgage supervision addresses the following areas:

Options: Financial condition; Management; Compliance; Consumer protection; Not Applicable

Answer:

Question 6: The agency's training manual for credit union examiners addresses the following areas (select all that apply):

Options: Lending; Investments; Assets and Liability; Management; Liquidity; Financial Analysis; Off-Balance Sheet; Market Sensitivity; IT and Cybersecurity; Consumer Compliance; Not Applicable; Other (if other, please specify)

Answer:

Question 7: The agency's training manual for MSB examiners addresses the following areas (select all that apply):

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Options: Financial condition; Management; Federal Compliance; State-Specific Compliance; Agent Supervision; Prepaid Access; Information Technology / Information Security; Virtual Currency; Foreign Currency; Not Applicable; Other (if other, please specify)

Answer:

Question 8: The agency's on-the-job training procedures provide for a coach/mentor for all new training assignments.

Options: Yes; No; Other; N/A

Answer:

Question 9: The agency's on-the-job training procedures include a training checklist that:

Options: Identifies each training assignment.; Dates of each assignment; Number of times each type of assignment was completed to reflect competency; A breakout of specific loan categories

Answer:

Question 10: The checklist/summary spreadsheet is maintained by both the training coordinator and the trainee.

Options: Yes; No; Other; N/A

Answer:

Question 10.1: If no, please explain.

Answer:

Question 11: A written evaluation of the trainee(s) performance is provided at the conclusion of each assignment while in training status.

Options: Yes; No; Other; N/A

Answer:

Question 12: The trainee receives a copy of the written feedback.

Options: Yes; No; Other; N/A

Answer:

Question 13: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 2-I:** The agency must have an approved training manual(s) and/or procedures for bank, credit union, and mortgage, and MSB supervision, including On-The-Job training procedures. Federal manuals may be used; however, the agency must have 'state specific' examination procedures, as applicable.

**1. The manual(s) or procedures should include a listing of duties to be performed by the trainee with**

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## Agency SEQ

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recommended timeframes and a listing of reading material for reference by topic.

2. The banking and credit union manual(s) or procedures must address the following areas: operations, credit, and EIC along with specialty areas as applicable.

3. The mortgage and MSB manual or procedures must include the following areas: financial condition, management, compliance, consumer protection.

4. OJT procedures should include the use of a coach(es) for examiners as they are assigned to new areas of training.

5. Written evaluation of a trainee should be performed at the conclusion of each job while in training status. Use of a training checklist ensures that the trainee has become proficient in all areas and provides consistency in training new hires and newly promoted examiners.

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## 2-J. Exit Meeting Training

This topic evaluates the methods used by the Agency to train examiners to conduct examination exit meetings.

Question 1: The agency provides training for conducting examination exit meetings by utilizing the following sources:

Options: Internal audio and/or visual practice presentations; CSBS schools; Federal regulator schools; Shadowing an examiner presenting findings; Presentation of a portion of the examination findings at an exit meeting; NCUA training

Answer:

Question 2: Evaluation of the examiner-in-training's presentation skills is provided to the examiner and the supervisor.

Options: Yes; No; Other; N/A

Answer:

Question 3: The evaluation of the exit interview training is in writing.

Options: Yes; No; Other; N/A

Answer:

Question 4: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 2-J: The agency must provide training for conducting exit and board meetings with management. This may take the form of outside schools or internal training including audio and/or visual presentations. Training should also include attendance at such meetings and presentation of various portions of the examination findings prior to taking the lead in conducting the exit or board meeting.

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### 2-K. Support of External Academic Training

This topic evaluates the agency's policy for external academic training programs (i.e., tuition reimbursement and/or leave policies). Include documentation as appropriate.

Question 1: The agency has a tuition reimbursement policy for advanced/academic training.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency allows flexibility of time to attend classes.

Options: Yes; No; Other; N/A

Answer:

Question 3: The Agency has examiners that have attended in the last five years and tuition was reimbursed.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If yes, provide examples of examiners that received tuition reimbursement.

Answer:

Question 4: The agency employees are encouraged to attend graduate banking, graduate trust schools, or Advanced Mortgage Training.

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If yes, please list employees who have attended GSB, Trust School, or Advanced Mortgage Trainings.

Answer:

Question 5: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 2-K: The agency must have a policy on advanced/academic training which reimburses tuition and/or allows flexibility of time to attend job-related classes. Such training includes full-time college classes, graduate banking/trust schools, and/or advanced mortgage training.

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## 2-L. Adequacy of Training Funds

This topic will evaluate the agency's training budget and expenditures. What percentage of the total budget is allocated to or expensed for training? Is the training budget adequate to satisfy the training needs of the agency?

Question 1: The agency's training budget is adequate to satisfy the training needs of the agency.

Options: Yes; No; Other; N/A

Answer:

Question 2: The percentage of the agency's total budget (including travel) expensed to training is at least 2% of total agency expenses for the last three years.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If no, please provide the actual percentages by year.

Answer:

Question 3: All agency bank examiners received at least 21 hours of continuing education each of the past three years.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If no, please list any exceptions and reason for exception.

Answer:

Question 4: All agency mortgage examiners received at least 21 hours of continuing education each of the past three years.

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If no, please list any exceptions and reason for exception.

Answer:

Question 5: All agency MSB examiners received at least 21 hours of continuing education each of the past three years.

Options: Yes; No; Other; N/A

Answer:

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Question 5.1: If no, please list any exceptions and reason for exception.

Answer:

Question 6: All agency credit union examiners received at least 28 hours of continuing education each of the past three years.

Options: Yes; No; Other; N/A

Answer:

Question 6.1: If no, please list any exceptions and reason for exception.

Answer:

Question 7: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 2-L: All examiners must receive 21 hours of industry-specific continuing education per year for CSBS and 28 hours of industry-specific continuing education per year for NASCUS, or training expenditures should be at least 2% of total program or agency expenditures.

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### 3. Bank Examination Policies and Procedures

Purpose - This section covers the written policies and procedures the agency puts in place to ensure a consistent and balanced approach to regulating its banks and trust companies.

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|---|------------------|---------------------------------------|
| 3. Bank Examination Policies and Procedures | 330              | - Bank<br>- Mortgage<br>- CU<br>- MSB |

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### 3-A. Examination Frequency Policy/Ability to Meet Policy

In this topic, we will review the written policies regarding the agency's examination frequency, and its ability to meet the policy. For the on-site review, please provide a list of all your state-chartered banks, with their latest CAMELS rating and the date of their last safety and soundness examination.

Question 1: The agency has a statutory requirement or a written policy on examination frequency of their state-chartered banks.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency written policy states that each state-chartered bank is to be examined.

Options: At least every 18 mons for 1& 2 composite rated bank; A min of 12 months for 3 4 &5 composite rated ranks; A minimum of 12 months for large banks (over \$10B); Visitations as necessary for safety&soundness; Visits necessary; Other frequency requirements

Answer:

Question 2.1: If other, please specify.

Answer:

Question 3: The agency frequency policy has been met.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If no, please explain.

Answer:

Question 4: The agency policy is to examine de novo banks at least annually for the first:

Options: No policy adopted; 3 years; 5 years; 7 years; Other

Answer:

Question 4.1: If other, please specify.

Answer:

Question 5: The agency has a written policy which requires exit meetings at each examination.

Options: Yes; No; Other; N/A

Answer:

Question 5.1: If no, please explain.

Answer:

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Question 6: The agency has a written policy which requires board meetings at each '3' '4' and '5' composite rated institution.

Options: Yes; No; Other; N/A

Answer:

Question 7: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 3-A: The agency written policy on examinations must state that each state-chartered bank should be examined at least every 18 months for '1' and '2' composite rated banks and minimum of 12 months for all others with visits as necessary for both safety and soundness and specialty examinations. The agency must conduct some form of exit meeting at each examination and require a Board meeting for all '3', '4', and '5' rated institutions.

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### 3-B. Agreements with Federal Regulators

Coordination and communication with your federal counterparts helps ensure more seamless oversight of the entities you regulate. In this topic, tell us more about how your agency provides coordinated regulation.

Question 1: The agency has signed cooperative/alternating or information sharing examination agreements with the FDIC.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency has signed cooperative/alternating or information sharing examination agreements with the Federal Reserve.

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency has signed information sharing examination agreements with other federal agencies.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If yes, please select all that apply:

Options: Federal Home Loan Bank; FinCEN; OCC; CFPB; Other

Answer:

Question 3.2: If other, please specify.

Answer:

Question 4: The agency is operating in compliance with all the signed agreements.

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If no, please explain.

Answer:

Question 5: The agency examiners alternate the lead examiner role or processor on joint examinations with federal regulators

Options: Yes; No; Other; N/A

Answer:

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Question 5.1: If no, please explain.

Answer:

| <i>Number of examinations conducted in last three years</i> | <i>2023</i> | <i>2022</i> | <i>2021</i> |
|---|-------------|-------------|-------------|
| Independent   |             |             |             |
| Joint with Fed  |             |             |             |
| Joint with FDIC   |             |             |             |
| Concurrent with Fed   |             |             |             |
| Concurrent with FDIC  |             |             |             |
| Total Number of Examinations                                | 0           | 0           | 0           |

Question 7: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 3-B:** The agency must have signed examination agreements with their Federal counterparts and comply with said agreements. The agency examiners must be the alternating Lead examiner and processor on joint examinations with Federal agencies. Any exceptions to the agreement should be documented and assessed on a case-by-case basis.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 10           |                      |

## Agency SEQ

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### 3-C. Interstate Banking Policy/Procedures

States have strived to make it easier for banks operating across state lines to be state chartered. In this topic, we will learn how your agency coordinates its interstate banking activities.

Question 1: The agency has signed the Nationwide Cooperative Agreement.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency has signed the State/Federal Supervisory Agreement.

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency has signed the Foreign Banking Organization Supervision and Examination Coordination Agreement.

Options: Yes; No; Other; N/A

Answer:

Question 4: The agency has signed the Nationwide State/Federal Foreign Banking Organization Supervision and Examination Coordination Agreement.

Options: Yes; No; Other; N/A

Answer:

Question 5: The agency has signed the Nationwide Agreement for Supervision and Examination of Multi-State Trust Operations.

Options: Yes; No; Other; N/A

Answer:

Question 6: The agency has signed the Memorandum of Understanding with the Consumer Financial Protection Bureau.

Options: Yes; No; Other; N/A

Answer:

Question 7: The agency has signed the FinCEN Agreement.

Options: Yes; No; Other; N/A

Answer:

Question 8: List any other state agreements (regional or with individual states) in effect or in process.

Answer:

## Agency SEQ

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Question 9: The agency is in compliance with all signed policies.

Options: Yes; No; Other; N/A

Answer:

Question 10: The agency has a written policy on interstate examinations covering:

Options: Compliance issues; Use of host state examiners; Billing assessment procedures; Internal communication with other state agencies; Other

Answer:

Question 10.1: If other, please specify.

Answer:

Question 11: The agency has the authority to contract with other state agencies to perform examinations on its behalf.

Options: Yes; No; Other; N/A

Answer:

Question 12: The agency has the authority to travel out of state to perform examinations.

Options: Yes; No; Other; N/A

Answer:

Question 13: The agency has a designated person responsible for oversight of agency's interstate policy.

Options: Yes; No; Other; N/A

Answer:

Question 13.1: If yes, please provide name and title of responsible person.

Answer:

Question 14: The agency maintains a current list of interstate contacts.

Options: Yes; No; Other; N/A

Answer:

Question 15: The agency monitors (as home state regulator) compliance with host state consumer laws and regulations.

Options: Yes; No; Other; N/A

Answer:

Question 16: Please provide any other comments, and/or upload any additional documents you wish to include.

## Agency SEQ

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Answer:

STANDARD 3-C: The agency must have signed all applicable agreements and developed written procedures for compliance with the agreements. The agency must have a written policy on interstate examination covering state compliance issues, use of host state examiners, billing/assessment procedures, and internal communication with other state agencies including a current listing of interstate contacts. Additionally, the agency must have the authority to travel out-of-state and/or contract with other agencies to examine home state banks.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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|                     | 10           |                      |

# Agency SEQ

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## 3-D. Examination Manuals

The agency must have examination manuals that are reviewed at least annually addressing policies and procedures for safety and soundness examinations and specialty examinations as applicable. These manuals may be a duplicate of training manuals but must also address state specific areas.

Question 1: The agency has a safety and soundness examination manual.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If yes, when was it last reviewed?

Options: Within the past 12 months; Within the past 24 months; Greater than 24 months; Has not been updated

Answer:

Question 2: The agency's safety and soundness examination manual addresses, at a minimum, the following topics:

Options: Procedures for planning the examination; Core examination procedures to be performed; Core documentation requirements; Guidance on the evaluation of CAMELS components; Evaluating common asset types; Evaluating internal routines and controls; Report preparation; Large bank examinations

Answer:

Question 3: The agency has adopted a state consumer compliance examination manual.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If yes, when was it last reviewed?

Options: Within the past 12 months; Within the past 24 months; Greater than 24 Months; Has not been updated

Answer:

Question 4: The agency has a trust examination manual.

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If yes, when was it last reviewed?

Options: Within the past 12 months; Within the past 24 months; Greater than 24 months; Has not been updated

Answer:

## Agency SEQ

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Question 5: The agency has an information technology/cybersecurity examination manual.

Options: Yes; No; Other; N/A

Answer:

Question 5.1: If yes, when was it last reviewed?

Options: Within the past 12 months; Within the past 24 months; Greater than 24 months; Has not been updated

Answer:

Question 6: The agency has a bank holding company examination manual.

Options: Yes; No; Other; N/A

Answer:

Question 6.1: If yes, when was it last reviewed?

Options: Within the past 12 months; Within the past 24 months; Greater than 24 months; Has not been updated

Answer:

Question 7: The agency has an international banking examination manual.

Options: Yes; No; Other; N/A

Answer:

Question 7.1: If yes, when was it last reviewed?

Options: Within the past 12 months; Within the past 24 months; Greater than 24 months; Has not been updated

Answer:

Question 8: The agency has a large bank (> \$10B) examination manual.

Options: Yes; No; Other; N/A

Answer:

Question 8.1: If yes, when was it last reviewed?

Options: Within the past 12 months; Within the past 24 months; Greater than 24 months; Has not been updated

Answer:

Question 9: The agency provides a copy of the examination manuals using the following methods:

Options: Hard copy; Agency website; Email; Other

## Agency SEQ

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Answer:

Question 9.1: If other, please specify.

Options: Hard copy; Agency website; Email; Other

Answer:

Question 10: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 3-D: The agency must have examination manuals that are reviewed at least annually addressing policies and procedures for safety and soundness examinations and specialty examinations as applicable. These manuals may be a duplicate of proprietary or federal training manuals but must also address state specific areas.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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|                     | 20           |                      |

# Agency SEQ

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## 3-E. Examination Procedures/Preplanning

Having adequate procedures and preplanning helps ensure examination efficiency and reduces the chance of missing important issues during the examination. In this topic, we will learn more about how your agency prepares for and conducts its examinations.

Question 1: The agency has a written policy and established procedures for organizing and planning examinations.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency coordinates with federal agencies on.

Options: Examination scheduling; Visitation schedules; Exit and board meetings; Enforcement actions; Other

Answer:

Question 2.1: If other, please specify.

Answer:

Question 3: The agency provides at least one-month scheduling notice to the assigned examiner-in-charge.

Options: Yes; No; Other; N/A

Answer:

Question 4: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 3-E: The agency must have established procedures for organizing safety and soundness and specialty examinations including coordination with Federal agencies as necessary. Internal procedures must provide at least one-month notice to the assigned examiner-in-charge for scheduling purposes in order to provide lead time to do pre-planning and scoping memos.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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|                     | 10           |                      |

## Agency SEQ

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### 3-F. Review and Transmittal of Report

Your agency's review process ensures the report has been prepared consistently with agency guidelines and policies. The transmittal letter, which accompanies the final report, serves to introduce the report to the regulated entity. In this topic, you will be asked to share information about your agency's ability to process the report efficiently and effectively.

| <i>Provide average independent examination report turnaround time times in calendar days.</i> | <i>CY 2023</i> | <i>CY 2022</i> | <i>CY 2021</i> |
|---|----------------|----------------|----------------|
| Independent exam report turnaround time   |                |                |                |
| State-led joint exam report turnaround time   |                |                |                |

Question 2: Provide the same calculation as above for year to date.

Answer:

Question 3: The agency has specific procedures for report of examination review.

Options: Yes; No; Other; N/A

Answer:

Question 4: The agency's report of examination transmittal letter for 1 and 2 composite rated institutions is drafted by:

Answer:

Question 5: The agency's report of examination transmittal letter for complex or problem institutions is drafted by:

Answer:

Question 6: Independent state examinations on 1 or 2 rated institutions are transmitted to the financial institution within 30 calendar days from the date of the exit meeting with bank management.

Options: Yes; No; Other; N/A

Answer:

Question 7: Independent state examinations on 3, 4, or 5 rated institutions are transmitted to the financial institution within 60 calendar days from the date of the exit meeting with bank management.

Options: Yes; No; Other; N/A

Answer:

Question 8: State-led joint examination reports are transmitted to the federal regulator within 30 days of the exit meeting with management.

Options: Yes; No; Other; N/A

## Agency SEQ

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Answer:

Question 9: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 3-F: Report turnaround time on safety and soundness and specialty independent examinations for 1 or 2 rated institutions should average no more than 30 calendar days from the time that the EIC holds the exit meeting with management until the report transmittal date. The report turnaround time should be no more than 60 calendar days on independent examinations of 3, 4, or 5 rated institutions.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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|                     | 10           |                      |

## Agency SEQ

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### 3-G. Working Paper Preparation and Review

Working paper reviews allow the agency to assess the consistency of your examination-related documents. In this topic, we will look at your process for reviewing your working papers. To aid in the review, please have a sample of working papers available for the on-site review.

Question 1: The agency has a policy and procedures for the preparation of report of examination working papers.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency policy addresses the following document management topics.

Options: Document creation; Document collection; Document retention; Document destruction; Other

Answer:

Question 2.1: If other, please specify.

Answer:

Question 3: The agency maintains its working papers in an electronic format.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If yes, what format?

Answer:

Question 4: The agency report of examination working papers are prepared in a standardized format across the agency offices and in a format acceptable to all regulatory agencies.

Options: Yes; No; Other; N/A

Answer:

Question 5: The agency conducts a periodic and documented review of working papers.

Options: Yes; No; Other; N/A

Answer:

Question 5.1: If yes, person conducting the review is independent of the exam being reviewed.

Options: Yes; No; Other; N/A

Answer:

Question 5.2: If yes, percent of examination working papers reviewed.

## Agency SEQ

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Answer:

Question 5.3: If yes, frequency of the review.

Answer:

Question 5.4: If yes, please provide the title(s) of the person(s) performing the review.

Answer:

Question 6: The working paper review includes a completeness check to ensure all pertinent supporting documents are included.

Options: Yes; No; Other; N/A

Answer:

Question 7: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 3-G:** Working papers should be prepared in a format acceptable to all regulatory agencies in order to facilitate the sharing of information. An acceptable written procedure for review of working papers should be adopted and adhered to following each examination and interim visitation. A periodic and documented independent review of a sampling of working papers must be performed by someone independent of each examination. The working paper review should be performed on at least an annual basis by qualified staff, and include a minimum of 10% of examinations conducted during the year.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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|                     | 10           |                      |

## Agency SEQ

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### 4. Bank Examination Capabilities

Purpose - This section addresses the adequacy of the agency's examiners to perform the various types of examinations that are applicable to the agency. From CAMELS ratings to IT examinations, this section is designed to determine if the agency is adequately staffing the examinations and effectively training their examiners to perform specialty examinations.

| <i>Section Title</i>             | <i>Max Score</i> | <i>Agency Score</i>                   |
|----------------------------------|------------------|---------------------------------------|
| 4. Bank Examination Capabilities | 525              | - Bank<br>- Mortgage<br>- CU<br>- MSB |

## Agency SEQ

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### 4-A. Ability to Examine and Rate CAMELS

Question 1: The agency performs independent examinations of its banks.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If yes, percentage of independent bank examinations in each of the last three calendar years.

Answer:

Question 1.2: If no, provide the reason

Answer:

Question 2: The agency is maintaining its examination schedule in accordance with its statutory obligations and agreements with the federal regulators.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If no, provide the reason

Answer:

Question 3: The agency has a sufficient number of trained examiners to rate a bank's risk in each of the individual CAMELS components and to assign an appropriate composite rating based on the institutions overall condition.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If no, what is the plan to train or acquire a sufficient number?

Answer:

Question 4: The agency provides sufficient number of trained examiners on a majority of state-led joint and concurrent examinations.

Options: Yes; No; Other; N/A

Answer:

Question 4.1: Please provide a reason for your answer

Answer:

Question 5: The agency alternates as lead examiner on joint examinations.

## Agency SEQ

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Options: Yes; No; Other; N/A

Answer:

Question 5.1: If no, please provide reason for answer and plan to address.

Answer:

Question 6: The Agency uses a work program to risk-focus and evaluate the institution's compliance with applicable Federal and state laws and regulations

Options: Yes; No; Other; N/A

Answer:

Question 7: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 4-A (effective 7/1/24): The agency must have adequate examination procedures and a sufficient number of trained examiners to rate the banks' risk in Capital, Assets, Management, Earnings, Liquidity and Sensitivity to Market Rates and to assign an appropriate composite rating based on the institutions' overall condition.

The agency must demonstrate the ability to perform independent examinations or alternating the lead on joint examinations based on acceptable examination frequency policy (acceptable frequency policy is defined in Standard 3-A). To demonstrate the ability to be the lead agency, the agency should provide sufficient number of trained staff on joint and concurrent examinations.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 40           |                      |

## Agency SEQ

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### 4-B. Supervision of Trust Departments and Companies

Question 1: The agency conducts depository trust examinations:

Options: Concurrently with safety and soundness examinations but independent of federal regulators; Concurrently with safety and soundness examinations but jointly with federal regulators; Separate from safety and soundness examinations but independent of federal regulators; Separate from safety and soundness examinations but jointly with federal regulators; Other

Answer:

Question 1.1: If other, please specify.

Answer:

Question 2: The agency has a policy to conduct non-depository trust examinations:

Options: Annually; Every 18 months; Every 24 months; Every 36 months; Not applicable; Other

Answer:

Question 2.1: If other, please specify.

Answer:

Question 3: The agency has enough trained staff to lead and/or participate in risk-focused examinations of all trust departments/companies under supervision, regardless of size, complexity, or risk profile.

Options: Yes; No; Other; N/A

Answer:

Question 3.2: If no, please provide reason for answer and plan to address.

Answer:

Question 3.1: Please provide the type of training your trust examiners obtain

Answer:

Question 4: The Agency has written trust examination procedures that are reviewed and updated regularly

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If no, please provide reason for your answer.

Answer:

Question 5: The Agency uses the Uniform Interagency Trust Rating System for assigning component and composite ratings.

## Agency SEQ

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Options: Yes; No; Other; N/A

Answer:

Question 5.1: If no, please provide the reason

Answer:

Question 6: The agency requires non-depository trust companies to file call reports.

Options: Yes; No; Other; N/A

Answer:

Question 7: The agency provides offsite monitoring to its non-depository trust companies with the following frequency:

Options: Quarterly; Semi-annually; Annually; No offsite monitoring conducted; Other

Answer:

Question 7.1: If other, please specify.

Answer:

Question 8: How does the agency monitor trust departments/companies rated 3 or worse, or those under a trust related enforcement action?

Answer:

Question 9: Does the agency inform internal state agency management of trust examination and regulatory activities through regular meeting or reports?

Options: Yes; No; Other; N/A

Answer:

Question 9.1: Please explain

Answer:

Question 10: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 4-B (effective 7/1/24): The Agency must conduct all of the following activities related to examining and rating trust departments and independent trust companies:**

- Have enough trained staff to lead and/or participate in risk-focused examinations of all trust departments/companies under supervision, regardless of size, complexity, or risk profile.
  - Adopt written trust examination procedures that are reviewed and updated regularly.
  - Utilize the Uniform Interagency Trust Rating System for assigning component and composite ratings.
-

## Agency SEQ

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- Have a written policy on trust examination frequency and the ability to meet its own examination frequency policy, with a minimum of 24 months.

In addition, the following activities should be conducted to enhance the Agency's trust examination program:

- Include applicable specialty areas on each trust company examination, including BSA/CFT and IT/Cyber.
- Participate in ongoing trust related training.
- Maintain processes to monitor current trust issues and trends, keep examination staff adequately informed, and adjust examination procedures or focus accordingly.
- Inform internal state agency management of trust examination and regulatory activities through regular meetings or reports.
- Sufficiently monitor trust departments/companies rated 3 or worse or under any trust related enforcement action.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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|                     | 20           |                      |

## Agency SEQ

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### 4-C. IT and Cybersecurity Examination

Question 1: The agency conducts IT examinations of its banks and non-depository trust companies.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency conducts IT examinations:

Options: Independent of safety and soundness examinations; Concurrently with safety and soundness examinations; Other

Answer:

Question 2.1: If other, please specify.

Answer:

Question 3: The agency currently uses the following IT examination procedures:

Options: InTreX with component and composite ratings assigned; InTreX with only composite ratings assigned; In-house developed IT examination program; Do not conduct IT examinations; Other

Answer:

Question 3.1: If other, please specify.

Answer:

Question 4: The agency has an adequate number of examiners trained to rate risks associated with Information Technology, including Cybersecurity.

Options: Yes; No; Other; N/A

Answer:

Question 4.2: If no, please provide reason for answer and plan to address.

Answer:

Question 4.1: If yes, what type of training do your IT examiners obtain.

Answer:

Question 5: The agency has designated specialist(s) for IT examination.

Options: Yes; No; Other; N/A

Answer:

Question 6: Percentage of IT examinations being conducted by IT specialists:

## Agency SEQ

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Answer:

Question 7: The agency's IT program assigns a composite rating based on the Uniform Rating System for Information Technology

Options: Yes; No; Other; N/A

Answer:

Question 7.1: If yes, which of the following component ratings are assigned

Options: Support and Delivery; Management; Audit; Development and Acquisition; Other

Answer:

Question 8: The agency's IT examination incorporates a review of cybersecurity preparedness.

Options: Yes; No; Other; N/A

Answer:

Question 9: The agency monitors current cybersecurity threats and trends, informs staff, and adjusts examination procedures, if necessary

Options: Yes; No; Other; N/A

Answer:

Question 9.1: If yes, describe the process for monitoring threats, informing staff, and adjusting exam procedures.

Answer:

Question 10: Agency issues and monitors IT departments rated 3 or worse or under any IT-related enforcement action

Options: Yes; No; Other; N/A

Answer:

Question 11: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 4-C (effective 7/1/24): The Agency must conduct all of the following activities related to examining and rating IT and cybersecurity:

- Have enough trained staff to lead and/or participate in risk-focused IT examinations of all institutions under supervision, regardless of size, complexity, or risk profile.
- IT examiners use an InTREX, FFIEC IT Handbook, or similar work program to evaluate IT activities.
- Utilize the Uniform Rating System for Information Technology for assigning composite ratings.

## Agency SEQ

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In addition, the following activities should be conducted to enhance the Agency's IT and cybersecurity program:

- Participate in ongoing cybersecurity and information technology related training.
- Have a process to monitor current cybersecurity threats and trends, keep examination staff adequately informed, and adjust examination procedures or focus accordingly.
- Be able to monitor IT departments rated 3 or worse or under any IT related enforcement action.
- Determine an IT complexity score and assign work programs and staff expertise to evaluate various levels of risk and complexity.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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|                     | 20           |                      |

# Agency SEQ

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## 4-D. Large Bank Supervision

Question 1: The agency conducts large bank (banks > \$10B) examinations:

Options: Independent of federal regulators; Jointly with federal regulators; Currently not conducted; Other

Answer:

Question 2: The agency has an adequate number of examiners to oversee and examine each large bank.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If no, please provide reason for answer and plan to address.

Answer:

Question 3: The agency has assigned a dedicated EIC/Team Lead for each bank in the large bank program

Options: Yes; No; Other; N/A

Answer:

Question 4: The agency has a process for rotating the dedicated EIC/Team Lead at established intervals

Options: Yes; No; Other; N/A

Answer:

Question 5: The agency participates in ongoing meetings with management including Target Review exit meetings, annual Board meeting, and ongoing update meetings

Options: Yes; No; Other; N/A

Answer:

Question 6: The agency participates in target reviews

Options: Yes; No; Other; N/A

Answer:

Question 7: The agency participates in the annual roll-up examination

Options: Yes; No; Other; N/A

Answer:

Question 8: Large Bank examiner(s) informs internal state agency management of large bank examination and regulatory activities throughout the year

Options: Yes; No; Other; N/A

## Agency SEQ

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Answer:

Question 9: Agency has a written policy or procedures for examining large banks

Options: Yes; No; Other; N/A

Answer:

Question 10: Describe the type of large bank training is provided to examiners conducting large bank examination activities over the past two years

Answer:

Question 11: Does the Agency anticipate any additional state-chartered banks to become subject to the large bank supervision program?

Options: Yes; No; Other; N/A

Answer:

Question 11.1: If yes, explain what steps the agency is taking to prepare

Answer:

Question 12: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 4-D (effective 7/1/24): The Agency must conduct all of the following activities related to the supervision of banks that are identified in the large bank supervision program:

- Participate in Target Reviews and Annual Roll Up Examination.
- Assign dedicated EIC/Team Lead for each bank in the Large Bank program.
- Participate in meetings with bank management including Target Review exit meetings, annual Board meeting, and ongoing update meetings.
- Conduct ongoing monitoring activities outside of target and roll up examination.

In addition, the following activities should be conducted to enhance the Agency's large bank oversight

- Participate in developing the annual supervisory plan.
- Participate in large bank-focused training.
- Inform internal state agency management of large bank examination and regulatory activities through regular meetings or reports.
- Track outstanding SR/MRAs and MRBA/MRIAs.

## Agency SEQ

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| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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|                     | 25           |                      |

# Agency SEQ

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## 4-E. International Banking

Question 1: The agency has an adequate number of examiners trained to rate risks associated in the area of international banking.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If no, please provide reason for answer and plan to address.

Answer:

Question 2: The agency has a dedicated examination program for its institutions conducting international banking.

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency conducts independent or serves as the lead on examinations of international banking branches and registered offices.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If yes, state the number of such examinations during each of the past three years.

Answer:

Question 4: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 4-E: The agency must have adequate examination procedures and a sufficient number of examiners to examine the international departments or Foreign Banking Organizations (FBOs) under their purview. (This area may be rated not applicable.)

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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|                     | 15           |                      |

# Agency SEQ

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## 4-F. Capital Markets Expertise

Question 1: The agency has large, complex institutions that require the oversight by a capital markets specialist.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency has an adequate number of examiners trained in capital markets.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If no, please provide reason for answer and plan to address.

Answer:

Question 3: Number of examiners trained in capital markets.

Answer:

Question 4: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 4-F: The agency must have adequate examination procedures and a sufficient number of trained examiners to rate the risks associated with capital markets in relation to the number of banks with complex sophisticated capital markets activity.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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|                     | 10           |                      |

## Agency SEQ

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### 4-G. Supervision of Bank Holding Companies

Question 1: The agency conducts or participates in bank holding company reviews/inspections.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: Please explain

Answer:

Question 2: The Agency has the statutory authority to review/inspect bank and financial holding companies

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency reviews holding company reports prepared by the Federal Reserve.

Options: Yes; No; Other; N/A

Answer:

Question 4: The agency has an adequate number of examiners trained to assess and identify risks associated in the area of bank holding companies and affiliates

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If no, please provide reason for answer and plan to address.

Answer:

Question 5: The Agency has written policies/procedures in place to address the review/inspection of bank and financial holding companies

Options: Yes; No; Other; N/A

Answer:

Question 6: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 4-G (effective 7/1/24): The Agency must conduct all of the following activities related to the review/inspection of bank and financial holding companies:

- Have policies/procedures in place to address the review/inspection of bank and financial holding

## Agency SEQ

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companies.

- Have enough trained staff to review Federal Reserve Bank inspection reports of bank and financial holding companies and identify any issues that may impact the bank.
- Participate in the oversight and comment opportunities with the FRB on bank holding company inspections and applications.

The Agency should do the following to enhance its bank and financial holding company oversight:

- Have the statutory authority to review/inspect bank and financial holding companies.
- Conduct and/or participate in reviews/inspections of bank and financial holding companies.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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|                     | 10           |                      |

## Agency SEQ

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### 4-H. Oversight of Technology Service Providers (TSPs)

Question 1: The agency has the authority to examine TSPs.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If no, agency is seeking to obtain authority.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency participates with other regulators on TSP examinations.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If yes, does the Agency participate in the Significant Service Provider examination program?

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency reviews reports prepared by other regulators on TSPs doing business with its banks and non-depository trust companies.

Options: Yes; No; Other; N/A

Answer:

Question 4: The agency identifies and/or tracks service providers being used by its banks and non-depository trust companies

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If yes, please explain the process

Answer:

Question 5: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 4-H (effective 7/1/24): The Agency must do the following activities regarding the oversight of Technology Service Providers (TSPs):**

## Agency SEQ

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- Have a process for identifying and/or tracking service providers being used by its banks and non-depository trust companies.
- Receive and review the examination reports prepared by other regulators on TSPs doing business with its banks and trust companies.

The Agency should do the following to enhance its oversight of TSPs:

- Have the statutory authority to examine TSPs.
- Participate with other regulators on TSP examinations.
- Participate in Significant Service Provider examination program.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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|                     | 10           |                      |

# Agency SEQ

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## 4-I. BSA/CFT Examinations

Question 1: The agency has an adequate number of trained staff to lead and/or participate in examinations regarding compliance with BSA/CFT

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If no, please provide reason for answer and plan to address.

Answer:

Question 2: The Agency used the most current version of the FFIEC BSA/CFT Examination Manual or similar work program to evaluate the institution's BSA/CFT program

Options: Yes; No; Other; N/A

Answer:

Question 3: The Agency is able to access FinCEN downloads for use in BSA/CFT examinations

Options: Yes; No; Other; N/A

Answer:

Question 4: The Agency's examiners performing BSA/CFT examinations participate in ongoing BSA/CFT-specific training

Options: Yes; No; Other; N/A

Answer:

Question 4.1: Please explain

Answer:

Question 5: The Agency has a system for determining new BSA/CFT laws and changes in existing laws keeping examination staff informed of these changes and updating work programs, as necessary.

Options: Yes; No; Other; N/A

Answer:

Question 6: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 4-I (effective 7/1/24): The agency must do all of the following regarding BSA/CFT examinations:

## Agency SEQ

- 
- Have enough trained staff to lead and/or participate in examinations regarding compliance with BSA/CFT.
  - Use the most current version of the FFIEC BSA/CFT Examination Manual or similar work program to evaluate the institution's BSA/CFT program.
  - Be able to access FinCEN downloads for use in BSA examinations.

The Agency should do the following to enhance examination and oversight of BSA/CFT:

- Participate in ongoing BSA/CFT training.
- Establish a system for determining new BSA/CFT laws and changes in existing laws and keeping examination staff informed of these changes and updating work programs, as necessary.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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|                     | 10           |                      |

## Agency SEQ

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### 4-J. Consumer Compliance Examinations

Question 1: The agency performs consumer compliance examinations.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If no, do you have plans to begin performing compliance exams and, if so, please include the timeline.

Answer:

Question 2: The agency has an adequate number of examiners trained to identify risk to an institution while conducting a consumer compliance examination or reviewing reports from other regulators

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency receives and reviews consumer compliance reports from other regulators.

Options: Yes; No; Other; N/A

Answer:

Question 4: The agency examiners follow-up on consumer compliance violations previously identified either by state or federal examiners during subsequent examinations

Options: Yes; No; Other; N/A

Answer:

Question 5: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 4-J (effective 7/1/24): The Agency must do the following activities with regard to consumer compliance:

- Receive and review consumer compliance examination reports from other regulatory agencies.

The Agency should do the following to enhance its involvement in consumer compliance:

- Follow up on issues documented in the consumer compliance examinations performed by other regulatory agencies.
- Perform its own consumer compliance examinations.

## Agency SEQ

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| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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## Agency SEQ

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### 4-L. Follow-up/Correction of Problems

Question 1: How does the Agency communicate to the institution that responses are required to findings in an examination report? And do you provide a deadline for those responses?

Answer:

Question 2: The agency requires a written response from financial institutions of the report of examination and transmittal letter

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency has assigned responsibility for tracking and following-up on late responses.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If yes, fill in the box with the title of the responsible party.

Answer:

Question 4: The agency has procedures that assign specific person(s) to review report of examination responses and provide any additional follow-up needed to the institution.

Options: Yes; No; Other; N/A

Answer:

Question 5: The institution's responses and notations are retained for future reference in the individual bank files or the agency's database.

Options: Yes; No; Other; N/A

Answer:

Question 6: The agency's most recent EIC is made aware of responses from problem institutions.

Options: Yes; No; Other; N/A

Answer:

Question 7: The agency review staff monitor progress on formal and informal enforcement action plans/provisions.

Options: Yes; No; Other; N/A

Answer:

Question 8: The agency has a process to communicate updates on the status of problem institutions to Agency management

## Agency SEQ

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Options: Yes; No; Other; N/A

Answer:

Question 9: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 4-L (effective 7/1/24): The Agency must have adequate corrective action procedures for financial institutions. These procedures must include appropriate use of items which require responses by the financial institution (e.g. MRBAs, MRAs, MRIAs).

Individuals should be assigned to track and review responses from the financial institution. Notation of reviews should be made and retained in files. The EIC should be made aware of the response from the problem institution. The Agency should have a process to communicate updates on the status of problem institutions to Agency management.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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|                     | 20           |                      |

## Agency SEQ

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### 5. Bank Supervision and Legislation

Purpose - This section evaluates the bank surveillance systems, application procedures and enforcement authority. The section also covers a series of banking code and legislative issues important to maintaining a regulatory program that meets current and future regulatory needs.

| <i>Section Title</i>                | <i>Max Score</i> | <i>Agency Score</i>                   |
|-------------------------------------|------------------|---------------------------------------|
| 5. Bank Supervision and Legislation | 300              | - Bank<br>- Mortgage<br>- CU<br>- MSB |

# Agency SEQ

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## 5-A. Surveillance System

In this topic, we will look at the effectiveness of the agency's off-site surveillance system and how the surveillance system is utilized to recognize issues in non-problem institutions that might eventually affect the safety and soundness of the institution.

Question 1: The agency has a written surveillance policy.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency's written surveillance system program includes:

Options: Externally generated key ratio and outlier reports-e.g. UBPR Call Reports; Internally generated key ratio and outlier reports-with established warning parameters to identify variances and exceptions; CAMELS migration report; Use of computer generated reports; Use of broad information sources such as board minutes reports of examination; The frequency for conducting analysis; Specific guidance to ensure timeframes are met; Telephonic and written contact with institution management; Discussions with the federal regulator; Discussions with other state regulators; Steps for documenting any follow-up conducted; The agency has no written surveillance system program; Specifies who is responsible; Follow-up guidelines/procedures; Other

Answer:

Question 2.1: If other, please specify.

Answer:

Question 3: The agency's surveillance program regularly monitors changes in:

Options: Capital; Asset Quality; Management; Earnings; Liquidity; Sensitivity; Market Share; CRE; OREO; Loan growth; Deposit growth; Capital growth; Other

Answer:

Question 3.1: If other, please specify.

Answer:

Question 4: The agency's written surveillance program monitors all banks and non-depository trust companies.

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If no, please explain.

Answer:

Question 5: The agency reviews state specific parameters in its surveillance program for needed updates:

Options: Quarterly; Semi-annually; Annually; Other

## Agency SEQ

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Answer:

Question 5.1: If other, please specify.

Answer:

Question 6: The agency requires quarterly analysis and written reviews of variances and exceptions.

Options: Yes; No; Other; N/A

Answer:

Question 7: The agency's surveillance analysis is normally conducted by:

Answer:

Question 8: The agency's surveillance program is incorporated into the training of junior examiners.

Options: Yes; No; Other; N/A

Answer:

Question 9: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 5-A:** The agency must have a written surveillance program to monitor all banks and non-depository trust companies under the purview of the agency, with approved parameters set internally for variance and exceptions. Reviews should be performed on all institutions at least quarterly. Off-site surveillance should be utilized to recognize issues on non-problem institutions before they become major problems that might affect the safety and soundness of the institution.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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|                     | 20           |                      |

## Agency SEQ

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### 5-B. Communication of Findings of Surveillance System

Next, tell us how your agency communicates the findings of the surveillance system with internal and external stakeholders.

NOTE: Please have available onsite the last four quarters of surveillance reports as well as samples of written reviews on variances and exceptions for the review team's assessment.

Question 1: The agency maintains documentation of all surveillance variances and exceptions in bank files or the agency's database.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If no, please explain.

Answer:

Question 2: The agency has established specific procedures for written/oral communication of surveillance findings with:

Options: Agency management; The financial institution; Other regulators; Other agency office and field personnel; Other

Answer:

Question 2.1: If other, please specify.

Answer:

Question 3: The agency off-site monitoring documentation is available for review by appropriate office and field staff including the assigned EIC.

Options: Yes; No; Other; N/A

Answer:

Question 4: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 5-B:** Computer generated reports and documentation of surveillance reviews on all financial institutions should be maintained. When problems are noted, procedures should be established for assigned responsibility of written and/or oral communication with the financial institution, other regulators, and office/field personnel with appropriate documentation. This information should be available for review by the appropriate office and field personnel including the assigned Examiner-in-Charge.

## Agency SEQ

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| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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# Agency SEQ

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## 5-C. Applications

In this topic we will evaluate the effectiveness of the application process

Question 1: The agency has written procedures for processing new bank charter applications.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If yes, briefly describe your process including any expedited procedures used.

Answer:

Question 2: The agency has written procedures for processing new non-depository trust company charter applications.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If yes, briefly describe your process including any expedited procedures used.

Answer:

Question 3: The agency has written procedures for processing branch applications.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If yes, briefly describe your process including any expedited procedures used.

Answer:

Question 4: The agency has written procedures for processing merger applications.

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If yes, briefly describe your process including any expedited procedures used.

Answer:

Question 5: The agency has written procedures for processing acquisition applications.

Options: Yes; No; Other; N/A

Answer:

Question 5.1: If yes, briefly describe your process including any expedited procedures used.

Answer:

## Agency SEQ

Question 6: The agency has written procedures for processing applications for change of control or capital structure.

Options: Yes; No; Other; N/A

Answer:

Question 6.1: If yes, briefly describe your process including any expedited procedures used.

Answer:

Question 7: The agency has written procedures for processing conversion applications.

Options: Yes; No; Other; N/A

Answer:

Question 7.1: If yes, briefly describe your process including any expedited procedures used.

Answer:

Question 8: The agency has written procedures for processing other types of applications:

Options: Yes; No; Other; N/A

Answer:

Question 8.1: If yes, briefly describe your process including any expedited procedures used.

Answer:

| <i>Type of application</i>              | <i>Does agency have specific timeframes?</i> | <i>How many days are specified?</i> |
|---|--|-------------------------------------|
| New bank charters                       |  |                                     |
| New non-depository trust charters       |  |                                     |
| Branch                                  |  |                                     |
| Mergers                                 |  |                                     |
| Acquisitions                            |  |                                     |
| Changes of control or capital structure |  |                                     |
| Conversions                             |  |                                     |

Question 16: The agency is in compliance with the established time frames.

Options: Yes; No; Other; N/A

Answer:

## Agency SEQ

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Question 16.1: If no, please explain.

Answer:

Question 17: The agency has a process to approve any exceptions to the written timeframes.

Options: Yes; No; Other; N/A

Answer:

Question 17.1: If yes, state who grants the approval

Answer:

Question 18: The agency has primary or statutory decision-making authority for the following applications.

Options: New bank charters; New non-depository trust company charters; Branches; Mergers; Acquisitions; Change of control or capital structure; Conversions; None of the above; Other

Answer:

Question 18.1: If other, please specify.

Answer:

Question 19: If the agency does NOT have primary or statutory decision-making authority on applications, they do have delegated authority on the following applications.

Options: New bank charters; New non-depository trust company charters; Branches; Mergers; Acquisitions; Change of control or capital structure; Conversions; None of the above; Other

Answer:

Question 19.1: If other, please specify.

Answer:

Question 20: The agency has an application tracking report.

Options: Yes; No; Other; N/A

Answer:

Question 21: The agency has written procedures for tracking applications.

Options: Yes; No; Other; N/A

Answer:

Question 22: The agency utilizes interagency application forms where appropriate.

Options: Yes; No; Other; N/A

Answer:

## Agency SEQ

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Question 23: The agency participates in electronic application programs offered by the federal regulators.

Options: Yes; No; Other; N/A

Answer:

Question 23.1: If yes, briefly describe the programs used.

Answer:

Question 24: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 5-C: If not prescribed by state law, the agency should establish written timeframes and procedures for processing and tracking applications. The agency should meet the timeframes established with any exceptions noted and approved by the appropriate persons or committees. State must have expedited procedures for appropriate activities and utilize interagency applications where applicable. State must have decision making powers for all applications listed above.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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|                     | 15           |                      |

## Agency SEQ

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### 5-D. Adequacy of Statutory Enforcement Authority

We will assess the adequacy of your agency's enforcement authority. For the on-site review, please provide copies of law for the agency's authority to take enforcement actions against banks, holding companies and/or affiliates.

Question 1: The agency has statutory enforcement powers over banks.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If yes, please provide Code citation granting authority.

Answer:

Question 2: The agency has statutory enforcement powers over holding companies.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If yes, please provide Code citation granting authority.

Answer:

Question 2.2: If yes, are the powers the same as for banks.

Options: Yes; No; Other; N/A

Answer:

Question 2.3: If no, explain any differences.

Answer:

Question 3: The agency has the ability to issue Cease and Desist Orders against banks.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If yes, please provide Code citation granting authority.

Answer:

Question 4: The agency has the ability to issue emergency Cease and Desist Orders against banks.

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If yes, please provide Code citation granting authority.

## Agency SEQ

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Answer:

Question 5: The agency has the authority to suspend or remove bank officers, directors and employees.

Options: Yes; No; Other; N/A

Answer:

Question 5.1: If yes, please provide Code citation granting authority.

Answer:

Question 6: The agency has the authority to suspend or remove bank affiliate officers, directors and employees.

Options: Yes; No; Other; N/A

Answer:

Question 6.1: If yes, please provide Code citation granting authority.

Answer:

Question 7: The agency has the authority to prohibit individuals from serving in any capacity in any other trust company, bank or affiliate the agency regulates.

Options: Yes; No; Other; N/A

Answer:

Question 7.1: If yes, please provide Code citation granting authority.

Answer:

Question 8: The agency has the ability to assess civil money penalties.

Options: Yes; No; Other; N/A

Answer:

Question 8.1: If yes, please provide Code citation granting authority.

Answer:

Question 9: Agency issued Civil Money Penalties are per violation per day.

Options: Yes; No; Other; N/A

Answer:

Question 9.1: If yes, please state specific parameters for civil money penalties.

Answer:

Question 10: The agency's enforcement powers over non-depository trust companies mirrors statutory bank enforcement powers.

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## Agency SEQ

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Options: Yes; No; Other; N/A

Answer:

Question 10.1: If no, please explain.

Answer:

Question 10.2: If yes, please provide Code citation granting authority.

Answer:

Question 11: The agency deems its current enforcement authority to be adequate and effective.

Options: Yes; No; Other; N/A

Answer:

Question 11.1: If yes or no, please provide support to your answer.

Answer:

Question 12: The agency has statutory authority to automatically appoint the FDIC receiver in the event of a bank closure.

Options: Yes; No; Other; N/A

Answer:

Question 13: The agency has authority to revoke a bank charter.

Options: Yes; No; Other; N/A

Answer:

Question 14: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 5-D:** The agency must have the following statutory enforcement powers over both banks and holding companies:

1. The agency must have the ability to issue Cease and Desist Orders including emergency C&D's.
2. The agency must have the authority to remove officers, directors and employees; and to prohibit such individuals from serving in any capacity in any other trust company, bank, or bank affiliate that the agency regulates.
3. The agency must have the ability to assess civil money penalties (CMP's) sufficient to deter violations of laws and regulations and violations of orders or agreements. CMP's should be per violation per day.

## Agency SEQ

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| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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|                     | 15           |                      |

## Agency SEQ

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### 5-E. Policy for and Use of Enforcement Authority

Now we will look at the agency's actual use of its enforcement authority and evaluate its effectiveness.

Question 1: The agency has a written policy or written procedures that require specific corrective action for problem financial institutions.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency's normal practice for a bank that is rated a CAMELS composite 3 is to issue:

Options: No enforcement action; Board resolution; MOU; C&D/Consent Order (nonmember); Written Agreement (member); Other

Answer:

Question 2.1: If other, please specify.

Answer:

Question 3: The agency's normal practice for a bank that is rated a CAMELS composite 4 or 5 is to issue:

Options: No enforcement action; Board resolution; MOU; C&D/Consent Order (nonmember); Written Agreement (member); Other

Answer:

Question 3.1: If other, please specify.

Answer:

Question 4: The agency procedures require a written explanation of any policy exceptions and approval by senior management.

Options: Yes; No; Other; N/A

Answer:

Question 5: The agency maintains a record of exceptions in the individual bank files.

Options: Yes; No; Other; N/A

Answer:

Question 6: Please provide a recap of the number and type of enforcement actions issued for the past 3 years.

Answer:

Question 7: Please provide any other comments, and/or upload any additional documents you wish to include.

## Agency SEQ

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Answer:

STANDARD 5-E: The agency should have a written policy or written procedures that require some type of action for problem institutions. If a '3', '4', or '5' composite rated institution does not have a written enforcement action in compliance with the policy, the file should contain written reasons for the exception approved by senior management.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 15           |                      |

## Agency SEQ

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### 5-F. Frequency of Banking Code Review/Revision

This topic will assess the adequacy of the agency's review and revision of the banking code.

Question 1: Please provide the date of the last significant revisions of the state banking code.

Answer:

Question 2: The agency has a process in place to ensure the statutes governing bank regulation remains up to date and sufficient to address current regulatory concerns.

Options: Yes; No; Other; N/A

Answer:

Question 3: Provide an explanation of the agency's process to ensure statutes remain up to date and sufficient.

Answer:

Question 4: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 5-F: The agency must have a process in place to ensure the statutes governing bank regulation remain up to date and sufficient to address current regulatory concerns. If the agency determines an update is necessary, it should have the capability to seek and obtain necessary changes via the legislative process.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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|                     | 5            |                      |

## Agency SEQ

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### 5-G. Involvement in State Legislative Process

This topic evaluates the agency's involvement in the State legislative process, including the ability to initiate legislation, review legislation, and otherwise have an impact on legislation affecting the institutions under its purview.

Question 1: The agency's staff periodically meet with state legislators.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency has input into proposed legislation regarding areas under its purview.

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency defends its position regarding pending banking proposals before the legislature.

Options: Yes; No; Other; N/A

Answer:

Question 4: The agency has the ability to draft amendments to the Code.

Options: Yes; No; Other; N/A

Answer:

Question 5: The agency receives copies of new legislation on a regular basis during the legislative session.

Options: Yes; No; Other; N/A

Answer:

Question 6: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 5-G: The agency should have input into any proposed legislation regarding areas under their purview with adequate opportunity to defend the proposals before the legislature.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 10           |                      |

## Agency SEQ

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### 5-H. Involvement in Federal Legislative Process

This topic addresses the agency's involvement in the Federal legislative process including Agency employees service on legislative/regulatory committees, testifying before Congress or communication or visits with your Federal Congressmen.

Question 1: Agency staff periodically meet with their federal congress members.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency participates in the CSBS annual fly-in to Washington, D.C.

Options: Yes; No; Other; N/A

Answer:

Question 3: Agency staff serve on legislative or regulatory committees.

Options: Yes; No; Other; N/A

Answer:

Question 4: Agency staff have testified before Congress on banking matters.

Options: Yes; No; Other; N/A

Answer:

Question 5: Agency staff have participated in one of the above on an annual basis.

Options: Yes; No; Other; N/A

Answer:

Question 6: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 5-H: The agency must have participated in at least one of the following areas on an annual basis:

Legislative/regulatory committees

Testifying before congress

Communication/visits with Federal congress/senate members

## Agency SEQ

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| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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|                     | 5            |                      |

# Agency SEQ

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## 5-I. Promulgation of Rules and Regulations

This topic will address the agency's formal procedures for promulgating rules and regulations including time frames and emergency procedures.

Question 1: The agency's procedures for the promulgation of the agency rules and regulation follow the administrative procedures act prescribed by state law.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If no, is your agency specifically exempted from such act?

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency has the ability to promulgate 'emergency procedures'.

Options: Yes; No; Other; N/A

Answer:

Question 3: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 5-I: Procedures for promulgation of agency rules and regulations must follow the administrative procedures act as prescribed by state law unless the agency is specifically exempt from such an act. 'Emergency procedures' must be provided.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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|                     | 5            |                      |

## Agency SEQ

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### 5-J. Complaint Resolution System

Question 1: On average, how many complaints regarding banks and trust companies are processed by your Agency in a given year?

Answer:

Question 2: The agency has written policies and procedures for processing consumer complaints.

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency has sufficient staff for processing consumer complaints in a timely and efficient manner

Options: Yes; No; Other; N/A

Answer:

Question 4: The agency has a procedure to triage complaints to prioritize and ensure matters requiring immediate attention are expedited

Options: Yes; No; Other; N/A

Answer:

Question 5: The agency has the ability to refer complaints to another agency, if applicable.

Options: Yes; No; Other; N/A

Answer:

Question 6: The agency has a process for reviewing complaints during bank and trust examinations.

Options: Yes; No; Other; N/A

Answer:

Question 7: Please provide any other comments related to the questions above

Answer:

**STANDARD 5-J (effective 7/1/24):** The agency must have written policies and procedures in place to process consumer complaints. Sufficient staff must be trained in the correct procedures for handling complaints to meet the timeframes within the policy. The agency must have a procedure to triage the complaints to prioritize or risk rate the complaints to ensure serious issues are handled within a shorter period of time.

## Agency SEQ

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| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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|                     | 5            |                      |

## Agency SEQ

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### 6. Mortgage Examination Program

Purpose - This section evaluates the agency's mortgage examination program. An effective examination program identifies and responds to companies or individuals that pose the greatest risk to consumers as well as provides for a regular examination which covers all licensees on a regular basis. The agency's mortgage examination program must include participation in nationwide agreements that allow for a more streamlined oversight of the mortgage industry.

| <i>Section Title</i>            | <i>Max Score</i> | <i>Agency Score</i>                   |
|---------------------------------|------------------|---------------------------------------|
| 6. Mortgage Examination Program | 810              | - Bank<br>- Mortgage<br>- CU<br>- MSB |

# Agency SEQ

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## 6-A. Entrance Examination Policy

This topic assesses the agency's policy on conducting an initial entrance examination of a mortgage licensee within a given timeframe. The review team will confirm if licensees receive an initial examination within 24 months of licensure or the start of business activity in the state.

Question 1: The agency has a policy to conduct an entrance examination on all its licensees within 24 months of licensure or the start of business activity in the state.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If no, please explain.

Answer:

Question 2: The agency has examined all its new licensees within 24 months of licensure or the start of business within the state.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If no, what percentage of new licensees have gone beyond 18 months without being examined?

Answer:

Question 3: Describe the process for scheduling these entrance examinations.

Answer:

Question 4: The agency has accepted other agency's reports of examination in lieu of conducting its own entrance examinations.

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If yes, indicate the number of other agency's reports of examination accepted in the past three years.

Answer:

Question 7: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 6-A (as of Jan 1, 2023):** The agency must have a written policy to conduct an examination of mortgage licensees within 24 months of being granted a license or beginning business in the state pursuant to the license. In addition, the agency's policy should allow for accepting another state's report

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of examination in lieu of conducting its own examination.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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## 6-B. Examination Scheduling

It is important for a mortgage regulatory agency to have a policy and the ability to conduct an examination on all its licensees within an adequate timeframe. This topic evaluates the statutory requirement, agency policy and frequency of examinations of state licensed mortgage entities, and the agency's ability to meet the policies on examination frequency.

Question 1: The agency has an internal policy which requires mortgage licensees to be examined at least every 60 months.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If no, please explain.

Answer:

Question 2: The agency has a statutory requirement that dictates its examination frequency.

Options: Yes; No; Other; N/A

Answer:

Question 2.2: If yes, the frequency requirement is:

Answer:

| <i>Examination Target Information</i>    | <i>2021</i> | <i>2023</i> | <i>2022</i> |
|--|-------------|-------------|-------------|
| Target number of examinations each year: |             |             |             |
| Target % of examinations each year:      |             |             |             |

Question 3: Approximately how many examinations must be conducted each year for the agency to meet its examination frequency requirement?

Answer:

Question 4: The agency has examined all its licensees conducting business in the state within the last five years.

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If no, please explain.

Answer:

Question 5: The agency has examined at least 20% of its mortgage licensees conducting business in the state in each of the last three years.

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Options: Yes; No; Other; N/A

Answer:

Question 5.1: If no, please explain.

Answer:

Question 6: The agency bases its examination frequency on off-site monitoring.

Options: Yes; No; Other; N/A

Answer:

Question 6.1: If yes, explain the off-site monitoring and how it determines the schedule.

Answer:

Question 7: The agency has a rating system that identifies the licensees risk and is a factor in exam scheduling.

Options: Yes; No; Other; N/A

Answer:

Question 7.1: If yes, please explain.

Answer:

Question 7.2: If no, please explain.

Answer:

Question 8: The agency has accepted examination reports from other agencies to meet its examination frequency policy.

Options: Yes; No; Other; N/A

Answer:

Question 8.1: If yes, please indicate how many reports from other agencies have been used in each of the past three years.

Answer:

Question 9: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 6-B (as of Jan 1, 2023):** The agency must have a written policy on examination frequency which requires each mortgage licensee conducting business in that state to be examined at least every 60 months or on a more frequent risk basis. The agency must have the ability to meet their examination frequency policy with the use of its own examinations or acceptance of other examination reports.

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The agency should consider the risk of the licensee when scheduling its examinations. The examination frequency policy should also include a rating system that identifies the level of risk associated with each licensee and allows for better prioritization of examinations.

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## 6-C. Examination Policy on Risk Scoping

This topic will evaluate the agency's policy on scoping its examinations based on the risks of the entities.

Question 1: Agency has a policy/procedure for scoping its examinations based on the risk of the licensee.

Options: Yes; No; Other; N/A

Answer:

| <i>Number of Examinations by Type</i>               | <i>2023</i> | <i>2022</i> | <i>2021</i> |
|---|-------------|-------------|-------------|
| Full scope on-site examination                      |             |             |             |
| Limited scope on-site examination                   |             |             |             |
| Full scope off-site desk reviews                    |             |             |             |
| Limited scope off-site desk reviews                 |             |             |             |
| Examinations based on analytical software           |             |             |             |
| Examinations based on MCR data                      |             |             |             |
| Acceptance of out-of-state origination examinations |             |             |             |
| Acceptance of multi-state origination examinations  |             |             |             |
| Acceptance of CFPB origination examinations         |             |             |             |
| Acceptance of out-of-state servicing examinations   |             |             |             |
| Acceptance of multi-state servicing examinations    |             |             |             |
| Acceptance of CFPB servicing examinations           |             |             |             |
| Other types of examinations                         |             |             |             |
| Totals  | 0           | 0           | 0           |

Question 2: The agency's procedures include an analysis of the following data when determining the scope of examinations:

Options: MCR data; Complaints data; Date of last exam; Exam ratings; Prior enforcement actions; Other

Answer:

Question 3: Describe the process used in determining the scope of the examination

Answer:

Question 4: Agency has a policy on performing formal reviews of licensees that have no or low volume.

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Options: Yes; No; Other; N/A

Answer:

Question 4.1: If yes, state what information is reviewed for these licensees.

Answer:

Question 7: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 6-C (as of Jan 1, 2023): The agency must have written procedures to ensure examinations include an appropriate scope based on risk of the licensee (e.g. limited scope, full scope, accepted, leveraged).

The procedures should include an analysis of complaint data, prior enforcement actions, exam ratings, data from the Mortgage Call Report or other analytics available to the agency.

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## Agency SEQ

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### 6-D. Accepting and Leveraging Other Examinations

This topic assesses the agency's use of examinations conducted by other regulatory agencies having jurisdiction over the mortgage industry.

Question 1: The agency has written procedures for accepting or leveraging examinations from other states, the CFPB or multi-state examinations.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If no, please explain.

Answer:

Question 2: The agency has accepted examinations from other states or federal regulators.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If yes, the percentage of the number of examinations accepted from other states or federal regulators:

Answer:

Question 3: The agency has leveraged other states or federal regulators by using the information provided by the examination to limit the scope of its own examination.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If yes, the number of examinations leveraged from other states or federal regulators:

Answer:

Question 8: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 6-D (as of Jan 1, 2023): The agency must have written procedures for how it accepts or leverages examinations from other states, the CFPB or multi-state examinations.

The agency should have a demonstrated ability to accept another state or multi-state examination in lieu of conducting its own examination.

The agency should have a demonstrated ability to leverage another state or multi-state examination by using the information provided by another examination to limit the scope of its own examination.

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## Agency SEQ

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### 6-E. Ability to Participate in Multi-State Examinations

Mortgage companies are becoming licensed in more and more states, and the state's ability to coordinate its examinations with other states has a large impact in supporting the state system of supervision, and helps reduce regulatory burden on the licensee. This topic determines if the agency has the ability to participate in multi-state examinations.

Question 1: The agency has the ability to participate in MMC examinations and accept those exams in lieu of an independent state examination.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If no, please explain.

Answer:

Question 2: The agency has participated in MMC examinations.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If yes, number of examinations participated in the last three years.

Answer:

Question 3: The agency has the ability to travel out of state and participate as the Examiner-In-Charge (EIC) on MMC examinations and accept those exams in lieu of an independent state examination.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If no, please explain.

Answer:

Question 4: The agency has participated as an EIC on MMC examinations.

Options: Yes; No; Other; N/A

Answer:

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| <i>Number of MMC Examinations</i>                            | <i>2022</i> | <i>2021</i> | <i>2023</i> |
|--|-------------|-------------|-------------|
| Number of MMC Origination Exams the agency participated in   |             |             |             |
| Number of MMC Servicing Exams the agency participated in     |             |             |             |
| Number of MMC Origination Exams where agency's staff was EIC |             |             |             |
| Number of MMC Servicing Exams where agency's staff was EIC   |             |             |             |

Question 9: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 6-E: The agency must have the ability to participate in the Multi-State Mortgage Committee examinations and accept those reports of examination in lieu of an independent agency report. Additionally, the agency should have the ability to travel out-of-state and participate as the EIC in multi-state examinations.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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## 6-F. Examination Manuals

Procedures manuals provide a guide to help ensure your staff is meeting agency objectives and delivering a quality product in a consistent manner. In this topic, you will be asked to tell us more about the manuals used by your agency. For the on-site visit, please have the entire examination manual available for review.

Question 1: The agency has an examination manual that addresses all types of examinations.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If no, please explain.

Answer:

Question 2: The examination manuals include the following topics:

Options: Procedures for pre-planning; Exam scoping procedures; Communication with licensees; Loan review sampling; Exam rating procedures; Exit meetings with management; Report writing procedures; Procedures for recommending/forwarding to enforcement; Compliance with applicable state laws; Other

Answer:

Question 2.1: If other, please specify.

Answer:

Question 3: Please upload the Table of Contents of your examination manual and provide any comments if necessary.

Answer:

Question 4: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 6-F:** The agency must have examination manuals addressing policies and procedures for all types of examinations. These manuals may incorporate or be a duplicate of written training procedures, and should include (but not limited to):

- Procedures for pre-planning
- Exam scoping procedures
- Communication with licensees
- Loan review sampling
- Exam rating procedures
- Exit meetings with management

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- Report writing procedures
  - Procedures for recommending/forwarding to enforcement
  - Compliance with applicable state laws

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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## Agency SEQ

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### 6-G. Review and Transmittal of Report

Your agency's review process ensures the report has been prepared consistently with agency guidelines and policies. In this topic, you will be asked to share information about your agency's ability to process the report efficiently and effectively.

| <i>Report Turnaround Time</i>   | <i>2022</i> | <i>2021</i> | <i>2023</i> |
|---|-------------|-------------|-------------|
| Report turnaround time for your state only problem examinations (from date of exit meeting to issuance of report) |             |             |             |
| Report turnaround time for your state only non-problem exams (from date of exit meeting to issuance of report)    |             |             |             |

Question 3: Agency has a policy to conduct an exit meeting after every examination.

Options: Yes; No; Other; N/A

Answer:

Question 4: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 6-G:** Report turnaround time on examinations of non-problem licensees must average no more than 30 calendar days from the time that the EIC holds the exit meeting with management until the report is transmitted to the mortgage licensee. On problem providers, the average report turnaround time must be no more than 60 calendar days.

The agency must have a policy to conduct exit meetings with management at the conclusion of every examination. Exit meetings can be conducted remotely or in-person.

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## 6-H. Working Paper Preparation and Retention

This topic evaluates the policy and procedures for preparation and retention of working papers.

Question 1: The agency has a written procedure for examiners to manage and retain working papers which include the following:

Options: Overview of files reviewed; Documentation supporting violations and concerns; Sample of disclosure documents; Review of licensee's written policies and procedures; Checklist used for the loan file review; Other; Completed work program

Answer:

Question 1.1: If other, please specify.

Answer:

Question 3: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 6-H (as of Jan 1, 2023): The agency must have written procedures for managing and retaining working papers. Working papers should include any completed work program and supporting documentation of violations.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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## Agency SEQ

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### 6-I. Ability to Examine Mortgage Licensees

The purpose of this topic is to determine if the agency has adequately trained examination staff to examine its mortgage licensees.

| <i>Mortgage Examiners by Position</i>                 | <i>2023</i> | <i>2022</i> | <i>2021</i> |
|---|-------------|-------------|-------------|
| Number of Level 1 Examiners                           |             |             |             |
| Number of Level 2 Examiners                           |             |             |             |
| Number of Level 3 Examiners                           |             |             |             |
| Number of Level 4 Examiners                           |             |             |             |
| Number of Supervisory Examiners (if not listed above) |             |             |             |
| Number of Funded Examiner Vacancies                   |             |             |             |
| Total   | 0           | 0           | 0           |

Question 7: Number of mortgage examiners less than 2 years.

Answer:

Question 8: Number of mortgage examiners 2 to 5 years.

Answer:

Question 9: Number of mortgage examiners 5 to 15 years.

Answer:

Question 10: Number of mortgage examiners between 15 to 25 years.

Answer:

Question 11: Number of mortgage examiners over 25 years.

Answer:

Question 12: Mortgage examiners are expected to conduct a certain number of examinations per year.

Options: Yes; No; Other; N/A

Answer:

Question 12.1: If yes, how many examinations are each examiner expected to complete each year?

Answer:

Question 13: Mortgage examiners are cross-trained across multiple disciplines (bank, credit union, MSB, etc.)

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Options: Yes; No; Other; N/A

Answer:

Question 13.1: If yes, please explain.

Answer:

Question 14: The agency has adequate staff to effectively examine its mortgage licensees.

Options: Yes; No; Other; N/A

Answer:

Question 14.1: If no, state the plan to address this:

Answer:

Question 15: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 6-I: The agency must have adequate staff that has the capability and training to effectively examine mortgage lenders, brokers, and servicers consistent with the agency's policies, procedures, and work programs.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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## Agency SEQ

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### 6-J-1. Origination Examination Program - Financial Condition

This topic will evaluate the adequacy of the agency's examination work program for residential mortgage lenders and brokers. This topic area addresses the scope of the examinations, and which aspects of the licensee are examined.

Question 1: The work program for mortgage lenders/brokers includes a financial analysis of the licensee.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If yes, select all areas that are reviewed:

Options: Compliance with statutory bond or capital requirements; Asset quality; Earnings; Liquidity; Audit procedures; Affiliated business arrangements

Answer:

Question 2: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 6-J-1: The agency must have adequate examination procedures to evaluate the Financial Condition of its residential mortgage lenders and brokers.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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## Agency SEQ

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### 6-J-2. Origination Examination Program - Board Oversight and Management

This topic will evaluate the adequacy of the agency's examination work program for residential mortgage lenders and brokers. This topic area addresses the scope of the examinations, and which aspects of the licensee are examined.

Question 1: The work program for mortgage lenders/brokers includes a review of the licensee's management.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If yes, select all areas that are reviewed:

Options: Hiring and dismissal policies; Training policies and manuals; Personnel manuals and policies; Performance evaluations; Compensation structure; Knowledge of laws; Number of violations; Internal controls; Quality control procedures; Vendor oversight; Business Plan

Answer:

Question 2: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 6-J-2: The agency must have adequate examination procedures to evaluate the Board Oversight and Management of its residential mortgage lenders and brokers.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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## Agency SEQ

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### 6-J-3. Origination Examination Program - Compliance Program

This topic will evaluate the adequacy of the agency's examination work program for residential mortgage lenders and brokers. This topic area addresses the scope of the examinations, and which aspects of the licensee are examined.

Question 1: The work program for mortgage lenders/brokers includes a review of the licensee's compliance with applicable state and federal laws and regulations.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If yes, select all areas that are reviewed:

Options: Sample of loan files; Disclosure documentation; Compliance officer policies and procedures

Answer:

Question 2: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 6-J-3: The agency must have adequate examination procedures to evaluate the Compliance Program of its residential mortgage lenders and brokers.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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## Agency SEQ

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### 6-J-4. Origination Examination Program - Violations of Law and Consumer Harm

This topic will evaluate the adequacy of the agency's examination work program for residential mortgage lenders and brokers. This topic area addresses the scope of the examinations, and which aspects of the licensee are examined.

Question 1: The work program for mortgage lenders/brokers includes a review of the licensee's resolution of consumer complaints.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If yes, does the review include a review of the complaints received by the company?

Options: Yes; No; Other; N/A

Answer:

Question 2: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 6-J-4: The agency must have adequate examination procedures to identify Violations of Law and Consumer Harm in its residential mortgage lenders and brokers.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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## Agency SEQ

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### 6-K-1. Servicing Examination Program - Financial Condition

This topic will evaluate the mortgage servicer examination work program, if the agency has the statutory authority to examine mortgage servicers.

Question 1: The agency has statutory authority to examine mortgage servicers.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If no, describe if the agency is pursuing obtaining this authority.

Answer:

Question 2: The work program for mortgage servicers includes a financial analysis of the licensee

Options: Yes; No; Other; N/A

Answer:

Question 3: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 6-K-1: The agency must have adequate examination procedures to evaluate the Financial Condition of its mortgage servicers.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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## Agency SEQ

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### 6-K-2. Servicing Examination Program - Board Oversight and Management

This topic will evaluate the mortgage servicer examination work program, if the agency has the statutory authority to examine mortgage servicers.

Question 1: The work program for mortgage servicers includes a review of the licensee's management?

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If yes, select all areas that are reviewed:

Options: Hiring and dismissal policies; Training policies and manuals; Personnel manuals and policies; Compensation structure; Knowledge of laws; Number of violations; Internal controls; Quality control procedures; Vendor oversight; Business Plan

Answer:

Question 2: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 6-K-2: The agency must have adequate examination procedures to evaluate the Board Oversight and Management of its mortgage servicers.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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## Agency SEQ

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### 6-K-3. Servicing Examination Program - Compliance Program

This topic will evaluate the mortgage servicer examination work program, if the agency has the statutory authority to examine mortgage servicers.

Question 1: The work program for mortgage servicers includes a review of:

Options: Sample loans serviced by the licensee; Disclosures and notices; Payment histories; Data/system integrity; Foreclosure prevention; Payoff requests; Fair and reasonable fees; Record retention; Compliance with state and federal laws; Other

Answer:

Question 1.1: If other, please specify.

Answer:

Question 2: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 6-K-3: The agency must have adequate examination procedures to evaluate the Compliance Program of its mortgage servicers.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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## Agency SEQ

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### 6-K-4. Servicing Examination Program - Violations of Law and Consumer Harm

This topic will evaluate the mortgage servicer examination work program, if the agency has the statutory authority to examine mortgage servicers.

Question 1: The work program for mortgage servicers includes a review of the licensee's resolution of consumer complaints.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If yes, does the review include a review of the complaints received by the company?

Options: Yes; No; Other; N/A

Answer:

Question 2: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 6-K-4: The agency must have adequate examination procedures to identify Violations of Law and Consumer Harm in its mortgage servicers.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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## 6-L. Report of Examination

This topic will assess the adequacy of the agency's mortgage examination report. The formatting and contents of the examination report should remain consistent throughout the agency and clearly indicate the violations and the actions required by the licensee. For the on-site review, please provide a sample of examination reports for each type of mortgage examinations.

Question 1: The agency uses a standard template for its mortgage examination reports.

Options: Yes; No; Other; N/A

Answer:

Question 2: The report of examination adequately identifies the scope of the examination.

Options: Yes; No; Other; N/A

Answer:

Question 3: The report of examination clearly lists the violations and the deficiencies found during the examination.

Options: Yes; No; Other; N/A

Answer:

Question 4: The report of examination clearly provides the licensee steps to resolve the violations and/or deficiencies.

Options: Yes; No; Other; N/A

Answer:

Question 5: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 6-L (as of Jan 1, 2023): The agency must issue consistent reports of examination to its mortgage licensees, which must adequately address the scope of the examination, the violations and deficiencies of the licensee, and the action items required of the licensee.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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### 6-M. Follow-up/Correction of Problems

This section will evaluate the agency's procedures for following up on problems discovered during an examination.

Question 1: The agency report of examination informs the licensee of major problem areas.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency requires a written response from licensees within 45 days of receipt of the report of examination.

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency has assigned responsibility for tracking and following-up on late responses.

Options: Yes; No; Other; N/A

Answer:

Question 4: The agency has assigned specific person(s) to review report of examination responses.

Options: Yes; No; Other; N/A

Answer:

Question 5: The licensee's response is retained for future reference in the agency's database.

Options: Yes; No; Other; N/A

Answer:

Question 6: The agency's staff monitor progress on formal and informal enforcement action plans/provisions.

Options: Yes; No; Other; N/A

Answer:

Question 8: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 6-M (as of Jan 1, 2023):** The agency must have written procedures to track, review, and document examination responses when a response is required. The agency should require the response within 45 calendar days after the licensee receives the report of examination. The agency should follow-up with the licensee if the licensee is unresponsive or if the response is inadequate.

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| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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### 6-N. Information Technology and Cybersecurity Examinations

Question 1: The agency has written examination procedures to evaluate the risk associated with Information Technology and Cybersecurity within its licensees.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency has a work program that is used to document the results of IT/Cybersecurity examinations.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If yes, what work program does the agency use (e.g. Baseline Nonbank Cybersecurity Exam Program, Enhanced Nonbank Cybersecurity Exam Program)?

Answer:

Question 3: How are licensees informed of the results of IT/Cybersecurity examinations?

Answer:

Question 4: The agency has examiners specific to conducting IT/Cybersecurity examinations?

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If Yes, are these examiners exclusive to mortgage examinations or shared with other areas of the agency (bank, Credit Union, Money Transmission)?

Answer:

Question 5: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 6-N: The agency must have adequate examination procedures to evaluate the risk associated with Information Technology and Cybersecurity within its licensees.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
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### 7. Mortgage Supervision and Legislation

Purpose - This section evaluates the agency's ability to directly assist consumers through response to consumer complaints. The section further evaluates the agency's ability to properly evaluate a company or individual at the time of application and renewal to determine if they are qualified to be a licensee. The agency must have the ability to properly recognize companies with strong internal controls and good management practices to protect consumers from financial abuse.

| <i>Section Title</i>                    | <i>Max Score</i> | <i>Agency Score</i>                   |
|---|------------------|---------------------------------------|
| 7. Mortgage Supervision and Legislation | 240              | - Bank<br>- Mortgage<br>- CU<br>- MSB |

# Agency SEQ

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## 7-A. Complaint Resolution System

This topic will assess the agency's ability to recognize and respond to complaints filed against licensees.

| <i>Mortgage Supervision / Enforcement Metrics</i>    | <i>2021</i> | <i>2023</i> | <i>2022</i> |
|--|-------------|-------------|-------------|
| Number of mortgage licensee complaints processed     |             |             |             |
| Number of mortgage licensee investigations processed |             |             |             |
| Number of Mortgage Complaint Processing Staff        |             |             |             |
| Total  | 0           | 0           | 0           |

Question 4: The agency has written policies and procedures for processing consumer complaints.

Options: Yes; No; Other; N/A

Answer:

Question 5: The agency has sufficient staff for processing consumer complaints in a timely and efficient manner.

Options: Yes; No; Other; N/A

Answer:

Question 6: The agency has a procedure to triage complaints and prioritize and ensure matters requiring immediate attention are expedited.

Options: Yes; No; Other; N/A

Answer:

Question 7: The agency has the ability to refer complaints to another agency, as needed.

Options: Yes; No; Other; N/A

Answer:

Question 8: The agency has a tracking system that includes the following:

Options: Contacts with the licensee; Types of complaints; Notes on investigation of complaints; Notes on how complaint was resolved; Agency does not have a tracking system; Other

Answer:

Question 8.1: If other, please specify.

Answer:

Question 9: Initial action on consumer complaints is taken within 15 days or referred to another agency within 20 days.

## Agency SEQ

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Options: Yes; No; Other; N/A

Answer:

Question 9.1: If no, explain any exceptions

Answer:

Question 10: The agency has a process in place for referring issues to examination or enforcement, if needed.

Options: Yes; No; Other; N/A

Answer:

Question 11: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 7-A:** The agency must have written policies and procedures in place to process consumer complaints. Sufficient staff must be trained in the correct procedures for handling of complaints to meet the timeframes within the policy. The agency must have a mechanism to triage the complaints in order to prioritize or risk rate the complaints to ensure serious issues, e.g. foreclosures, are handled within a shorter period of time.

The policy must address the following items at a minimum:

1. A tracking system for contacts with the licensee, types of complaints, investigation of complaints and response to the complainant or referral to the appropriate agency if not within this agency's jurisdiction.
2. Initial action on consumer complaints within 15 days or referral to another agency within 20 days if necessary. Exceptions should be justified.
3. Procedures for internal sharing of information within the agency to ascertain if an examination should be scheduled based on the number and severity of the complaints against an individual licensee.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 20           |                      |

# Agency SEQ

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## 7-B. Licensing/Renewal Process

We will evaluate the agency's licensing and renewal procedures for its mortgage licensees

| <i>Mortgage Supervision / Enforcement Metrics</i>               | <i>2023</i> | <i>2022</i> | <i>2021</i> |
|---|-------------|-------------|-------------|
| Number of new MLO applicants                                    |             |             |             |
| Number of new mortgage company applicants                       |             |             |             |
| Number of mortgage license denials                              |             |             |             |
| Number of voluntary terminations/surrender of mortgage licenses |             |             |             |
| Number of mortgage license revocations                          |             |             |             |
| Number of mortgage licensing staff                              |             |             |             |
| Total   | 0           | 0           | 0           |

Question 7: The agency has sufficient staff for processing all applications and renewals in a timely and efficient manner.

Options: Yes; No; Other; N/A

Answer:

Question 8: On average, the agency makes a licensing decision on company applications according to statute OR within 60 days.

Options: Yes; No; Other; N/A

Answer:

Question 9: On average, the agency makes a licensing decision on individual applications according to statute OR within 30 days.

Options: Yes; No; Other; N/A

Answer:

Question 10: The application requirements adhere to the SAFE Act and NMLS policy requirements, as applicable.

Options: Yes; No; Other; N/A

Answer:

Question 11: Applications and renewals are tracked to ensure timely processing.

Options: Yes; No; Other; N/A

Answer:

## Agency SEQ

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Question 12: Mortgage company applications address the following:

Options: Criminal records history on controlling individuals; Regulatory action disclosure; Business plans; Financial performance; Business Entity Structure; Bond requirement; Other

Answer:

Question 12.1: If other, please specify.

Answer:

Question 13: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 7-B:** The agency must have adequate, trained staff dedicated to processing all applications and renewals. Applications should be turned around and decisions made according to statute or within 60 days. Written procedures should be adopted to address adequate processing of applications and renewals. All application requirements should at a minimum adhere to the SAFE Act requirements, as applicable. The agency must also track applications and renewals for timely processing. The applications, at a minimum, should address the following:

- Criminal records history on controlling individuals
- Regulatory action disclosure
- Business plans
- Financial performance
- Business Entity Structure

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 15           |                      |

# Agency SEQ

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## 7-D. Enforcement Authority

In this topic, we will evaluate if the agency has adequate enforcement authority.

Question 1: The agency has statutory authority and a written policy addressing its use of enforcement authority on licensees.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If yes, the authority includes:

Options: The ability to issue Cease and Desist Orders including emergency or temporary C&D's; The ability to condition suspend and revoke licenses; The ability to issue other forms of agreement and consent orders; The ability to issue fines sufficient to deter violations of laws and regulations and and or violations of orders or agreements; The ability to issue investigative subpoenas; The ability to issue intent to deny licenses; The ability to deny a license or renewal of a license

Answer:

Question 2: The agency has a written policy addressing the use of enforcement authority on licensees.

Options: Yes; No; Other; N/A

Answer:

Question 3: The policy provides timelines for finalizing enforcement actions.

Options: Yes; No; Other; N/A

Answer:

Question 4: The agency posts enforcement actions to the NMLS.

Options: Yes; No; Other; N/A

Answer:

Question 5: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 7-D:** The agency must have a statutory authority and an Enforcement Policy that addresses the following statutory enforcement powers over mortgage entities:

1. The ability to issue Cease and Desist Orders including emergency/temporary C&D's,
2. The ability to condition, suspend and revoke licenses,
3. The ability to issue other forms of agreement and consent orders,

## Agency SEQ

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4. The ability to issue fines sufficient to deter violations of laws and regulations and/or violations of orders or agreements,
5. The ability to issue investigative subpoenas,
6. The ability to issue intent to deny licenses, and
7. The ability to deny a license or renewal of a license.

The policy should also address timeframes for finalizing enforcement actions with approved exceptions for noncompliance. The agency should, at a minimum, post all public enforcement actions to NMLS.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 15           |                      |

## Agency SEQ

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### 7-E. Use of Enforcement Authority

Let's look at the agency's actual use of its enforcement authority and evaluate the effectiveness of disciplinary and enforcement actions.

| <i>Enforcement Action Data</i>                                | <i>2021</i> | <i>2023</i> | <i>2022</i> |
|---|-------------|-------------|-------------|
| Number of administrative actions issued to mortgage licensees |             |             |             |
| Number of fines issued to mortgage licensees                  |             |             |             |
| Dollar amount of fines issued to mortgage licensees           |             |             |             |
| Number of refunds issued to mortgage consumers                |             |             |             |
| Dollar amount of refunds issued to mortgage consumers         |             |             |             |

Question 6: The agency has a written policy that requires enforcement or corrective action to be taken against a problem licensee.

Options: Yes; No; Other; N/A

Answer:

Question 7: If action is not taken against a problem licensee, the agency documents the reasons for the exception.

Options: Yes; No; Other; N/A

Answer:

Question 8: Decisions regarding enforcement actions are signed by senior management.

Options: Yes; No; Other; N/A

Answer:

Question 9: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 7-E: The agency takes appropriate action for problem licensees based on their statutory authority and written policy. If a problem licensee does not have a written action in compliance with the policy, the file should contain written reasons for exception approved by senior management.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 15           |                      |

## Agency SEQ

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### 7-F. Ability to Investigate Financial Abuse and Fraud

This topic addresses the agency's ability to investigate financial abuse, fraud and violations of law in the mortgage industry

Question 1: The agency has sufficient staff for investigating financial abuse, fraud and violations of law in the mortgage industry.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency has the proper legal authority to investigate reports of fraud in the industry.

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency has staff adequately trained in investigative techniques and detection of fraud.

Options: Yes; No; Other; N/A

Answer:

Question 4: The agency has sufficient resources to provide legal support for staff investigating financial abuse and fraud in the mortgage industry.

Options: Yes; No; Other; N/A

Answer:

Question 5: The agency has regular contact with state, local, and federal law enforcement in handling fraud cases.

Options: Yes; No; Other; N/A

Answer:

Question 6: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 7-F: The agency must have sufficient staff to conduct investigations. The agency should have sufficient resources to provide legal support to staff, as necessary

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 10           |                      |

## Agency SEQ

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### 7-G. Adequacy of Mortgage Code Review/Revision

This topic will assess the adequacy of the agency's review and revision of the state's mortgage law.

Question 1: Please provide the date of the last significant revisions of the state mortgage law.

Answer:

Question 2: The agency has a process in place to ensure the statutes governing mortgage regulation remains up to date and sufficient to address current regulatory concerns.

Options: Yes; No; Other; N/A

Answer:

Question 3: Provide an explanation of the agency's process to ensure statutes remain up to date and sufficient.

Answer:

Question 4: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 7-G: The agency must have a process in place to ensure the statutes governing mortgage regulation remain up to date and sufficient to address current regulatory concerns. If the Agency determines an update is necessary, it should have the capability to seek and obtain necessary changes via the legislative process.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 5            |                      |

## Agency SEQ

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### 7-H. Involvement in State Legislative Process

This topic evaluates the agency's involvement in the State legislative process, including the ability to initiate legislation, review legislation, and otherwise have an impact on legislation affecting the institutions under its purview.

Question 1: The agency's staff periodically meet with state legislators.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency has input into proposed legislation regarding areas under its purview.

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency testifies about pending mortgage proposals before the legislature.

Options: Yes; No; Other; N/A

Answer:

Question 4: The agency has the ability to draft amendments to the law.

Options: Yes; No; Other; N/A

Answer:

Question 5: The agency receives copies of new legislation on a regular basis during the legislative session.

Options: Yes; No; Other; N/A

Answer:

Question 6: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 7-H: The agency should have input into any proposed legislation regarding areas under their purview with adequate opportunity to testify regarding the proposals before the legislature.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 10           |                      |

## Agency SEQ

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### 7-I. Involvement in Federal Legislative Process

This topic addresses the agency's involvement in the Federal legislative process including agency employees service on legislative/regulatory committees, testifying before Congress or communication or visits with your Federal Congressmen.

Question 1: Agency staff periodically meet with their federal congress members.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency participates in the CSBS annual fly-in to Washington, D.C.

Options: Yes; No; Other; N/A

Answer:

Question 3: Agency staff serve on legislative or regulatory committees.

Options: Yes; No; Other; N/A

Answer:

Question 4: Agency staff have testified before congress on mortgage matters

Options: Yes; No; Other; N/A

Answer:

Question 5: Agency staff have participated in one of the above on an annual basis.

Options: Yes; No; Other; N/A

Answer:

Question 6: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 7-I: The agency must have participated in at least one of the following areas on an annual basis:

Legislative/regulatory committees

Testifying before Congress

Communication/visits with Federal Congress/Senate members

## Agency SEQ

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| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 5            |                      |

# Agency SEQ

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## 7-J. Promulgation of Rules and Regulations

This topic will address the agency's formal procedures for promulgating rules and regulations including time frames and emergency procedures.

Question 1: The agency's procedures for promulgation of the agency rules and regulation follow the administrative procedures act prescribed by state law.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If no, is your agency specifically exempted from such act?

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency has the ability to promulgate 'emergency procedures'.

Options: Yes; No; Other; N/A

Answer:

Question 3: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 7-J: Procedures for promulgation of agency rules and regulations must follow the administrative procedures act as prescribed by state law unless the agency is specifically exempt from such an act. 'Emergency procedures' must be provided.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 5            |                      |

## Agency SEQ

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### 12. MSB Examination Program

| <i>Section Title</i>        | <i>Max Score</i> | <i>Agency Score</i>                   |
|-----------------------------|------------------|---------------------------------------|
| 12. MSB Examination Program |                  | - Bank<br>- Mortgage<br>- CU<br>- MSB |

# Agency SEQ

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## 12-A. Examination Frequency Policy

Question 1: The agency has an internal policy to examine MSB licensees at least every 60 months.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If no, please explain.

Answer:

Question 2: The agency has a statutory requirement for its MSB examination frequency.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If yes, the frequency requirement is:

Answer:

| <i>Examination Target Information</i>        | <i>2021</i> | <i>2023</i> | <i>2022</i> |
|--|-------------|-------------|-------------|
| Target number of MSB examinations each year: |             |             |             |
| Target % of MSB examinations each year:      |             |             |             |

Question 4: The agency has examined all MSB licensees conducting business in the state within the last five years.

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If no, please explain.

Answer:

Question 5: The agency schedules its examinations using off-site monitoring.

Options: Yes; No; Other; N/A

Answer:

Question 5.1: If yes, explain the off-site monitoring and how it determines the schedule

Answer:

Question 6: The agency has a rating system that identifies the licensee's risk and is a factor in exam scheduling.

## Agency SEQ

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Options: Yes; No; Other; N/A

Answer:

Question 6.1: If yes, please explain.

Answer:

Question 7: The Agency has a policy to conduct an on-site or off-site examination of MSB licensees within 24 months of licensure or beginning business activity in the state. Alternatively, the agency can accept another state's report of examination that is no older than 24 months old.

Options: Yes; No; Other; N/A

Answer:

Question 8: Describe the process for scheduling the initial on- or off-site examination of new licensees.

Answer:

Question 9: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 12-A:** The agency's written policy on examination frequency must state that each MSB licensee conducting business in that state be examined at least every 60 months. The agency must have the ability to meet their examination frequency policy with the use of their own examinations or acceptance of other examination reports. The examination frequency policy should also include a rating system that identifies the level of risk associated with each licensee and allows for better prioritization of examinations.

Agencies should have a policy to conduct an on-site or off-site examination of licensees within 24 months of being granted a license or beginning business in the state. Alternatively, the agency can accept another state's report of examination that is no older than 24 months old. Thereafter, the agency should consider the risk of the licensee when scheduling the next examination.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 40           |                      |

# Agency SEQ

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## 12-B. Risk Scoping Policy

Question 1: The agency has a policy for scoping its examinations based on the licensee's risk.

Options: Yes; No; Other; N/A

Answer:

Question 2: Describe the process used to determine the scope of the examination

Answer:

Question 3: The agency has a policy for performing formal reviews of licensees that have no or low volume.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If yes, state what information is reviewed for these licensees.

Answer:

Question 4: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 12-B: The agency must have a written policy and procedures to ensure examinations include an appropriate scope based on the licensee's risk or volume of activity.

This policy should include how the agency determines:

-on-site vs. off-site examinations

-limited-scope vs. full-scope examinations

The policy should include performing risk-based reviews of licensees that have low or no volume. This review should include an analysis of data from the MSB Call Report or other analytics or information available to the agency.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 25           |                      |

## Agency SEQ

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### 12-C. Sharing and Accepting Reports

Question 1: The agency has signed all information sharing agreements with other regulatory agencies having jurisdiction over the MSB industry.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If no, please explain.

Answer:

Question 2: The agency has complied with all applicable information sharing agreements.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If no, please explain.

Answer:

Question 3: The agency has a policy on accepting examination reports from other states.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If no, please explain.

Answer:

Question 4: The agency has accepted examination reports from other states.

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If yes, provide the percentage of examinations accepted from other states.

Answer:

Question 5: When accepting examination reports from other states, the agency conducts a review for compliance with its state-specific laws and regulations.

Options: Yes; No; Other; N/A

Answer:

Question 5.1: If no, please explain.

Answer:

## Agency SEQ

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Question 6: When accepting other states' examination reports, the agency has a practice of notifying the licensee that the examination has been accepted.

Options: Yes; No; Other; N/A

Answer:

Question 7: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 12-C: The agency must have signed all applicable multi-state examination agreements and have developed a means for ensuring compliance with the protocols in the agreements.

The agency must have a written policy and demonstrated ability to request from, and provide to, examination reports from and to other states. In reviewing other state's examinations, the policy should address how the accepting agency will ensure the licensee's compliance with their (accepting) state-specific statutes and regulations.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 35           |                      |

## Agency SEQ

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### 12-D. Participation in Multi-State Exams

Question 1: The agency has the ability to participate in multi-state examinations.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If no, please explain.

Answer:

Question 2: The agency has the ability to accept multi-state exams in lieu of performing independent examinations.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If no, please explain.

Answer:

Question 3: The agency has participated in MMET examinations.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If no, please explain.

Answer:

Question 4: The agency has the ability to travel out of state to participate on multi-state examinations.

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If no, please explain.

Answer:

Question 5: The agency has the ability to complete components of the MTRA work program during a multi-state examination.

Options: Yes; No; Other; N/A

Answer:

Question 5.1: If no, please explain.

Answer:

## Agency SEQ

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Question 6: The agency is able to participate as the EIC on MMET examinations.

Options: Yes; No; Other; N/A

Answer:

Question 6.1: If no, please explain.

Answer:

| <i>Number of Multi-state Examinations</i>               | <i>2021</i> | <i>2023</i> | <i>2022</i> |
|---|-------------|-------------|-------------|
| Number of Multi-state Exams the agency participated in  |             |             |             |
| Number of Multi-state Exams where agency staff were EIC |             |             |             |

Question 8: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 12-D: The agency must have the ability to travel out-of-state, demonstrate the ability to participate in multi-state MSB examinations, and perform most of the components of the MTRA exam work program. Additionally, the agency should have the ability to lead multi-state examinations as an Examiner-in-Charge (EIC).

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 35           |                      |

## Agency SEQ

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### 12-E. Examination Manuals

Question 1: The agency has an examination manual that addresses all types of examinations.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If no, please explain.

Answer:

Question 2: The examination manual includes the following topics:

Options: Procedures for pre-planning; Exam scoping procedures; Communication with licensees; Transaction analysis; Exam rating procedures; Exit meetings with management; Report writing procedures; Procedures for recommending/forwarding to enforcement; Compliance with applicable state laws; Other (if other, please specify)

Answer:

Question 3: The agency uses the MTRA Exam Manual.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If no, please explain.

Answer:

Question 4: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 12-E: The agency must have examination manuals addressing policies and procedures for all types of examinations (i.e., full scope, limited scope, on-site, off-site). These procedures for an examination may be a duplicate of written training procedures, but should include (and not be limited to):

- Procedures for pre-planning
- Exam scoping procedures
- Communication with licensees
- Transaction analysis
- Exam rating procedures
- Exit meetings with management

## Agency SEQ

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- Report writing procedures
- Procedures for recommending/forwarding to enforcement
- Compliance with applicable state laws

Note: Use the MTRA Examination Manual as an alternative to creating these procedures in-house.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 20           |                      |

## Agency SEQ

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### 12-F. Review and Transmittal of Report

| <i>Report Turnaround Time</i>                                      | <i>2021</i> | <i>2023</i> | <i>2022</i> |
|--|-------------|-------------|-------------|
| Report turnaround times for your state - only problem examinations |             |             |             |
| Report turnaround times for your state - only non-problem exams    |             |             |             |
| Report turnaround time for multi-state exams led by your agency    |             |             |             |

Question 4: The agency has a policy to conduct an exit meeting after every examination.

Options: Yes; No; Other; N/A

Answer:

Question 4.1: If no, please explain.

Answer:

Question 5: The agency has a process for documenting examinations that have taken longer than the accepted turnaround time.

Options: Yes; No; Other; N/A

Answer:

Question 5.1: If no, please explain.

Answer:

Question 6: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 12-F:** Report turnaround times on independent or single-state examinations of non-problem licensees should average no more than 30 calendar days from the time that the EIC holds the exit meeting with management until the report is transmitted to the MSB licensee. On problem licensees or multi-state examinations when acting as the lead state, the average report turnaround time should be no more than 60 calendar days.

The agency's examination policy must include procedures to conduct exit meetings with management at the conclusion of every examination. Exit meetings can be conducted remotely or in-person.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 15           |                      |

# Agency SEQ

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## 12-G. Working Paper Retention

Question 1: The Agency retains the completed examination work program and supporting documentation of violations.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If no, please explain.

Answer:

Question 2: The agency has a procedure for maintaining and retaining working papers.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If no, please explain.

Answer:

Question 3: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 12-G: The agency must have a policy for managing and retaining working papers. Working papers should include the completed work program and supporting documentation of violations.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 15           |                      |

## Agency SEQ

### 12-H. Staffing Capabilities

| <i>MSB Examiners by Position</i>                      | <i>2021</i> | <i>2023</i> | <i>2022</i> |
|---|-------------|-------------|-------------|
| Number of Level 1 Examiners                           |             |             |             |
| Number of Level 2 Examiners                           |             |             |             |
| Number of Level 3 Examiners                           |             |             |             |
| Number of Level 4 Examiners                           |             |             |             |
| Number of Supervisory Examiners (if not listed above) |             |             |             |
| Number of Funded Examiner Vacancies                   |             |             |             |
| <b>Total</b>  | <b>0</b>    | <b>0</b>    | <b>0</b>    |

| <i>MSB Examiners by Tenure</i>                 | <i>2023</i> |
|--|-------------|
| Number of MSB examiners less than 2 years      |             |
| Number of MSB examiners 2 to 5 year            |             |
| Number of MSB examiners 5 to 15 years          |             |
| Number of MSB examiners between 15 to 25 years |             |
| Number of MSB examiners over 25 years          |             |
| <b>Total Number of MSB Examiners</b>           | <b>0</b>    |

Question 3: The agency regularly monitors its staffing needs to determine the number of examiners that are needed to effectively examine MSB licensees.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: Please explain your answer

Answer:

Question 4: The agency has adequate staff to effectively examine its MSB licensees.

Options: Yes; No; Other; N/A

Answer:

## Agency SEQ

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Question 4.1: Please explain your answer

Answer:

Question 5: MSB examiners are cross-trained across multiple disciplines (bank, credit union, mortgage, etc.).

Options: Yes; No; Other; N/A

Answer:

Question 5.1: Please explain your answer

Answer:

Question 6: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 12-H: The agency must have adequate staff with the training and capability to effectively examine MSBs consistent with the agency's policies, procedures, and work programs.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 30           |                      |

## Agency SEQ

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### 12-I. MSB Examination Work Program

Question 1: The agency uses the MTRA examination work program

Options: Yes; No; Other; N/A

Answer:

Question 2: If the agency uses a comparable work program, the following components are included:

Options: Financial condition; Management; Federal Compliance; State-Specific Compliance; Agent Supervision; Prepaid Access; Information Technology / Information Security; Virtual Currency; Foreign Currency; Other (if other, please specify)

Answer:

Question 2.1: If other, please specify.

Answer:

Question 3: Describe any additional procedures the agency has developed to examine MSBs for state-specific compliance

Answer:

Question 4: The examiner(s) have the ability to tailor the examination based on the size and complexity of the licensee being examined.

Options: Yes; No; Other; N/A

Answer:

Question 5: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 12-I:** The agency must use the MTRA examination work program and develop a module for state-specific compliance, if needed. Alternatively, the agency may develop a comparable work program.

At a minimum, the comparable work program must include the following components:

- Financial condition
- Management
- Federal Compliance
- State-Specific Compliance

The following additional components must be included in a comparable work program, as applicable, based on the licensee's risk profile:

## Agency SEQ

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- Agent Supervision
- Prepaid Access
- Information Technology / Information Security
- Virtual Currency
- Foreign Currency

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 40           |                      |

# Agency SEQ

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## 12-J. Report of Examination

Question 1: The agency uses the Uniform Joint MT Examination Report Template.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If no, the agency uses its own standard template for its MSB examination reports.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency's report of examination for MSBs includes the following sections:

Options: Examination Scope and Procedures; Company Profile; Management Controls and Operations; Financial Condition; Regulatory Compliance; Federal Examination Findings; State Examination Findings; Other Findings / Other Matters; Examination Rating; Exit Meeting with Management; List of Enforcement Actions Taken During the Review Period; Other (if other, please specify)

Answer:

Question 2.1: If other, please specify.

Answer:

Question 3: The Agency has provided reports of examinations to other states in a timely manner.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If yes, please provide examples or a list of these instances.

Answer:

Question 4: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 12-J: The agency must produce a consistent report of examination. The report of examination should include the following sections:

- Examination Scope and Procedures
- Company Profile
- Management Controls and Operations
- Financial Condition

## Agency SEQ

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- Regulatory Compliance
- Federal Examination Findings
- State Examination Findings
- Other Findings / Other Matters
- Examination Rating
- Exit Meeting with Management
- List of Enforcement Actions Taken During the Review Period

When requested, the agency should provide their report of examination to other states in a timely manner, consistent with any multi-state agreement.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 35           |                      |

## Agency SEQ

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### 12-K. Follow-up Correction of Problems

Question 1: The agency report of examination informs the licensee of major problem areas.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency requires a written response from licensees within 45 days of the licensee's receipt of the report of examination.

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency has assigned responsibility to tracks responses, follow-up on late responses to an agency staff position.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If yes, fill in the box with the title of the responsible party.

Answer:

Question 4: The agency has assigned specific person(s) to review report of examination responses.

Options: Yes; No; Other; N/A

Answer:

Question 5: The licensee's response is retained for future reference in the agency's database.

Options: Yes; No; Other; N/A

Answer:

Question 6: The agency's most recent EIC is made aware of responses from problem licensees.

Options: Yes; No; Other; N/A

Answer:

Question 7: The agency staff monitor progress on formal and informal enforcement action plans.

Options: Yes; No; Other; N/A

Answer:

Question 8: Please provide any other comments, and/or upload any additional documents you wish to include.

## Agency SEQ

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Answer:

STANDARD 12-K: When a report of examination requires a response from the licensee, the agency should require a response within 45 calendar days after the licensee receives the report of examination or transmittal letter. The agency should have a procedure to track, review, and document responses. The agency should follow-up with the licensee if the licensee is unresponsive. The EIC for the examination should be notified of the licensee's response, as necessary.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 20           |                      |

## Agency SEQ

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### 13. MSB Supervision and Legislation

| <i>Section Title</i>                | <i>Max Score</i> | <i>Agency Score</i>                   |
|-------------------------------------|------------------|---------------------------------------|
| 13. MSB Supervision and Legislation |                  | - Bank<br>- Mortgage<br>- CU<br>- MSB |

## Agency SEQ

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### 13-A. Complaint Resolution System

| <i>MSB Supervision / Enforcement Metrics</i>    | <i>2023</i> | <i>2022</i> | <i>2021</i> |
|---|-------------|-------------|-------------|
| Number of MSB licensee complaints processed     |             |             |             |
| Number of MSB licensee investigations processed |             |             |             |
| Number of MSB Complaint Processing Staff        |             |             |             |
| Total   | 0           | 0           | 0           |

Question 2: The agency has written policies and procedures for processing consumer complaints.

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency has sufficient staff for processing consumer complaints in a timely and efficient manner.

Options: Yes; No; Other; N/A

Answer:

Question 4: The agency has a procedure to triage complaints to prioritize and ensure matters requiring immediate attention are expedited.

Options: Yes; No; Other; N/A

Answer:

Question 5: The agency has the ability to refer complaints to another agency, if applicable.

Options: Yes; No; Other; N/A

Answer:

Question 6: The agency has a complaint tracking system that includes the following:

Options: Contacts with the licensee; Types of complaints; Notes on investigation of complaints; Notes on how complaints are resolved; Do not have a complaint tracking system; Other (please specify)

Answer:

Question 6.1: If the agency does not have a complaint tracking system, please explain why.

Answer:

Question 6.2: If other, please specify.

Answer:

## Agency SEQ

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Question 7: The agency takes initial action on consumer complaints within 15 days, and complaints are referred to another agency within 20 days, if applicable.

Options: Yes; No; Other; N/A

Answer:

Question 7.1: If no, explain any exceptions

Answer:

Question 8: The agency has a process in place for referring issues to examination or enforcement, if needed.

Options: Yes; No; Other; N/A

Answer:

Question 9: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 13-A:** The agency must have written policies and procedures in place to process consumer complaints. Sufficient staff must be trained in the correct procedures for handling complaints to meet the timeframes within the policy. The agency must have a procedure to triage the complaints to prioritize or risk rate the complaints to ensure serious issues, i.e., non-delivery of funds, are handled within a shorter period of time.

The policy or its procedures must address, at a minimum, the following:

- A tracking system for contacts with the licensee, types of complaints, investigation of complaints, and response to the complainant or referral to the appropriate agency if not within the agency's jurisdiction.
- Initial action on consumer complaints within 15 days of receipt of the complaint. Exceptions should be justified.
  - Referral to another agency, if applicable, within 20 days. Exceptions should be justified.
- Internal communications to share information to ascertain if an examination should be scheduled based on the number and severity of complaints against a licensee.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 25           |                      |

## Agency SEQ

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### 13-B. Licensing/Renewal Process

Question 1: The agency has sufficient staff for processing all license applications in a timely and efficient manner.

Options: Yes; No; Other; N/A

Answer:

Question 2: On average, the agency makes licensing decisions in compliance with state statute or agency policy.

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency has written policies and procedures to address the processing license applications.

Options: Yes; No; Other; N/A

Answer:

Question 4: License applications are tracked to ensure timely processing.

Options: Yes; No; Other; N/A

Answer:

Question 5: License applications address, at a minimum, the following

Options: Cybersecurity plan; Business plan; Background checks for key employees and board members; IT systems; Anti-money laundering policy in compliance with the federal Bank Secrecy Act (BSA); Financial condition; Other

Answer:

Question 5.1: If other, please specify.

Answer:

Question 6: The Agency uses NMLS for managing its MSB licenses.

Options: Yes; No; Other; N/A

Answer:

Question 7: The Agency participates in the MSB Multi-state Licensing Agreement.

Options: Yes; No; Other; N/A

Answer:

Question 7.1: If yes, describe your involvement in the program.

## Agency SEQ

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Answer:

Question 8: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 13-B: The agency must have adequate, trained staff to process all MSB company license applications. The agency must use NMLS for processing its MSB license applications.

The agency must track applications and renewals received for timely processing. License applications must contain, at a minimum, complete information on the following:

- Cybersecurity plan
- Business plan
- Background checks for key employees and board members
- IT systems
- Anti-money laundering policy in compliance with the federal Bank Secrecy Act (BSA)
- Financial condition

Licensing decisions on applications should comply with state statute or agency policy. The agency should have written procedures to address adequate and timely processing of license applications. The agency should participate in the Multi-state MSB Licensing Agreement.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 35           |                      |

## Agency SEQ

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### 13-C. Off-Site Monitoring Program

Question 1: The agency has a written off-site monitoring procedure.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency off-site procedure regularly monitors

Options: MSB Volume (i.e. Year-over-year, and quarter-over-quarter); % of licensee's MSB activity that is conducted in your state; Net income (% change); Tangible Net Worth; Current Ratio; Permissible Investments (PI) coverage; Do not have an off-site procedure; Other (If other, please specify)

Answer:

Question 2.1: If other, please specify.

Answer:

Question 3: The agency's off-site monitoring procedure monitors all its MSB licensees.

Options: Yes; No; Other; N/A

Answer:

Question 3.1: If no, please explain.

Answer:

Question 4: The agency requires quarterly analysis and written reviews of variances and exceptions.

Options: Yes; No; Other; N/A

Answer:

Question 5: The agency's analysis is normally conducted by:

Answer:

Question 6: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

**STANDARD 13-C:** The agency must have an off-site monitoring procedure to monitor all MSB in the agency's jurisdiction. Off-site reviews should be performed on MSBs at least quarterly using data from the MSBCR, or other analytics and information available to the agency. Off-site monitoring should be to identify licensee risk.

## Agency SEQ

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| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 15           |                      |

## Agency SEQ

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### 13-D. Enforcement Authority

Question 1: The agency has statutory authority and a written enforcement policy for the use of enforcement authority on licensees.

Options: Yes; No; Other; N/A

Answer:

Question 1.1: If yes, the authority includes the ability to:

Options: Issue Cease and Desist Orders (including emergency C&Ds); Condition, suspend, and revoke licenses; Issue other forms of agreements and consent orders; Issue fines sufficient to deter violations; Issue investigative subpoenas; Issue license application denials and license renewals.

Answer:

Question 2: The agency has a written enforcement policy addressing the use of enforcement authority on licensees.

Options: Yes; No; Other; N/A

Answer:

Question 3: The enforcement policy directs timelines for finalizing enforcement actions.

Options: Yes; No; Other; N/A

Answer:

Question 4: The agency posts all public enforcement actions to the NMLS.

Options: Yes; No; Other; N/A

Answer:

Question 5: The agency has a written enforcement policy to require enforcement or corrective action against licensees demonstrating a deteriorating condition that may place consumer funds at risk. The enforcement policy also includes a requirement for the agency to document exceptions for not taking action.

Options: Yes; No; Other; N/A

Answer:

Question 6: Enforcement action documents are signed by senior management.

Options: Yes; No; Other; N/A

Answer:

Question 7: Please provide any other comments, and/or upload any additional documents you wish to include.

## Agency SEQ

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Answer:

STANDARD 13-D: The agency must have statutory authority and a written enforcement policy to take the following actions over money services business entities:

- Issue Cease and Desist Orders (including emergency C&D's)
- Condition, suspend, and revoke licenses
- Issue other forms of agreements and consent orders
- Issue fines sufficient to deter violations
- Issue investigative subpoenas
- Issue license application or license renewal denial.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 35           |                      |

## Agency SEQ

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### 13-E. Ability to Investigate

Question 1: The agency has sufficient staff to investigate unlicensed activity, complaints, and violations of the law in the state's MSB industry.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency has the legal authority to investigate reports of fraud in the industry.

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency has staff adequately trained in investigative techniques and detection of fraud.

Options: Yes; No; Other; N/A

Answer:

Question 4: The agency has sufficient resources to provide legal support for staff investigating financial abuse and fraud in the MSB industry.

Options: Yes; No; Other; N/A

Answer:

Question 5: The agency has regular contact with state, local, and federal law enforcement in handling fraud cases.

Options: Yes; No; Other; N/A

Answer:

Question 6: Please provide any other comments, and/or upload any additional documents you wish to include.

Options: Yes; No; Other; N/A

Answer:

STANDARD 13-E: The agency must have a process in place to conduct investigations. The agency should have sufficient staff to conduct the investigations and resources to provide legal support to staff, as necessary.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 25           |                      |

## Agency SEQ

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### 13-F. Frequency of Code Review / Revision

Question 1: Please provide the date of the last significant revisions of the state MSB law.

Answer:

Question 2: The agency has a process in place to ensure the statutes governing MSB regulation remains up to date and sufficient to address current regulatory concerns.

Options: Yes; No; Other; N/A

Answer:

Question 2.1: If yes, provide an explanation of the agency's process to ensure statutes remain up to date and sufficient.

Answer:

Question 3: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 13-F: The agency must have a process in place to ensure the statutes governing money services business regulation remain up to date to address the current regulatory environment. If the Agency determines changes are necessary, it should have the capability to seek necessary changes through the legislative process.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 20           |                      |

## Agency SEQ

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### 13-G. Involvement in State Legislative Process

Question 1: The agency staff periodically meet with state legislators.

Options: Yes; No; Other; N/A

Answer:

Question 2: The agency has input into proposed legislation regarding areas under its purview.

Options: Yes; No; Other; N/A

Answer:

Question 3: The agency testifies about pending MSB proposals before the legislature.

Options: Yes; No; Other; N/A

Answer:

Question 4: The agency has the ability to draft amendments to the law.

Options: Yes; No; Other; N/A

Answer:

Question 5: The agency receives copies of new legislation on a regular basis during the legislative session.

Options: Yes; No; Other; N/A

Answer:

Question 6: Please provide any other comments, and/or upload any additional documents you wish to include.

Answer:

STANDARD 13-G: The agency should have input into any proposed legislation regarding areas under their purview with adequate opportunity to testify regarding the proposals before the legislature.

| <i>Agency Score</i> | <i>Value</i> | <i>Agency Rating</i> |
|---------------------|--------------|----------------------|
|                     | 15           |                      |

# Agency SEQ

## Final Score Sheet

### Score for Banking

| <i>Sections for Bank</i>                    | <i>Max Score</i> | <i>Agency Score</i> | <i>Review Score</i> |
|---|------------------|---------------------|---------------------|
| 1. Agency Administration and Finance        | 240              |                     |                     |
| 2. Personnel and Training                   | 240              |                     |                     |
| 3. Bank Examination Policies and Procedures | 330              |                     |                     |
| 4. Bank Examination Capabilities            | 525              |                     |                     |
| 5. Bank Supervision and Legislation         | 300              |                     |                     |

### Score for Mortgage

| <i>Sections for Mortgage</i>            | <i>Max Score</i> | <i>Agency Score</i> | <i>Review Score</i> |
|---|------------------|---------------------|---------------------|
| 1. Agency Administration and Finance    | 240              |                     |                     |
| 2. Personnel and Training               | 240              |                     |                     |
| 6. Mortgage Examination Program         | 810              |                     |                     |
| 7. Mortgage Supervision and Legislation | 240              |                     |                     |

### Score for Credit Union

| <i>Sections for Credit Union</i>      | <i>Max Score</i> | <i>Agency Score</i> | <i>Review Score</i> |
|---------------------------------------|------------------|---------------------|---------------------|
| 1. Agency Administration and Finance  | 240              |                     |                     |
| 2. Personnel and Training             | 240              |                     |                     |
| 8. Credit Union - Examination         | 846              |                     |                     |
| 9. Credit Union - Supervision Powers  | 180              |                     |                     |
| 10. Credit Union - Legislative Powers | 105              |                     |                     |
|                                       |                  |                     |                     |

### Score for MSB

## Agency SEQ

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| <i>Sections for MSB</i>              | <i>Max Score</i> | <i>Agency Score</i> | <i>Review Score</i> |
|--------------------------------------|------------------|---------------------|---------------------|
| 1. Agency Administration and Finance | 240              |                     |                     |
| 2. Personnel and Training            | 240              |                     |                     |
| 12. MSB Examination Program          |                  |                     |                     |
| 13. MSB Supervision and Legislation  |                  |                     |                     |

## Agency SEQ

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### Attachments at Topic Level

No Attachments found for any topic