Entity Name: Prepared by:

NMLS/License Number:       Date:

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Examiners should use this template to evaluate the entity’s compliance management system. The review should cover the items listed below (and detailed on the following pages) that are the common elements of an effective compliance management program.

[I. Board of Directors and Management Oversight](#_Toc322683952) [#]

[II. Exam report comment](#_Toc322683952) [#]

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| Examination Procedures - Board of Directors and Management Oversight | |
| ***To evaluate board’s and senior management’s oversight of the compliance management system, examiners should:*** | ***Comments*** |
| 1. Review board meeting minutes and supporting materials during the period under review for coverage of compliance matters. | [Click&type] |
| 1. Determine board committee structures and delegated responsibility for compliance matters, such as to an audit committee or risk committee, and review the meeting minutes and supporting materials of those committees for coverage of compliance matters. | [Click&type] |
| 1. Determine any management committees with delegated authority and accountability for compliance matters, and review their composition, functions, and reporting to committees of the board or to the board. | [Click&type] |
| 1. Determine the authority and accountability for compliance matters of regional or business unit governance bodies; and review their composition, functions, and reporting. | [Click&type] |
| 1. Note number of board meetings held during review period. | [Click&type] |
| 1. Review the formal written compliance function document adopted by the board of directors or an appropriate committee of the board, and determine the resource allocation to compliance as part of the entity’s budget and planning process. | [Click&type] |
| 1. Identify the chief compliance officer and other responsible individuals. | [Click&type] |
| 1. Review the role of the chief compliance officer for authority to lead a compliance program and independence from business units. | [Click&type] |
| 1. Review board and board committee records for evidence of the chief compliance officer’s independent access to board members and governance bodies. | [Click&type] |
| 1. Review processes for the identification of new regulatory requirements, changes in requirements, and planning for implementation. | [Click&type] |
| 1. Review board or committee consideration of compliance audit matters for coverage of key risks, independence from business functions, and resolution of identified issues. |  |

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| **Conclusions - Board of Directors and Management Oversight** |
| Draw preliminary conclusions about the strength, adequacy, or weakness of board and senior management oversight. Consider whether the board and management has:   1. Demonstrated clear expectations about compliance within the entity and to service providers; 2. Adopted clear policy statements regarding consumer compliance; 3. Appointed an appropriately qualified and experienced chief compliance officer; 4. Provided for other compliance officers with authority and accountability; 5. Established a compliance function to set policies, procedures, and standards; 6. Allocated resources to the compliance function commensurate with the size and complexity of the entity’s operations and practices and the state and federal consumer financial laws and regulations to which the entity is subject; 7. Addressed consumer compliance risks of harm to consumers throughout product development, marketing, and account administration; 8. Addressed consumer compliance risks of harm to consumers through the entity’s handling of consumer complaints and inquiries; 9. Required audit coverage of compliance matters and reviewed the results of periodic compliance audits; and 10. Provided for recurring reports of compliance risks, issues, and resolution through a committee structure or to the board.   Confirm the preliminary conclusions through a risk-focused review of the compliance management system. |
| **INSERT COMMENTS FOR USE IN THE EXAMINTION REPORT. COMMENTS SHOULD INCLUDE ANY REQUIRED CORRECTIVE ACTIONS IF DEFICIENCIES ARE FOUND.**  When drafting these comments, use Times New Roman, 12 pt font and justify the right margin. |