



Federal Deposit Insurance Corporation
550 17th Street NW, Washington, D.C. 20429-9990

Financial Institution Letter
FIL-31-2017
July 26, 2017

Update to the Risk Management Manual of Examination Policies

Summary: The FDIC Risk Management Manual of Examination Policies (Examination Manual) has been updated. The Report of Examination Instructions were updated primarily to incorporate guidance from the FDIC Board of Directors to examiners regarding supervisory recommendations, including matters requiring board attention (MRBA) and deviations from safety and soundness principles underlying statements of policy, among others. Instructions also were added for new Report of Examination schedules or updated for existing schedules as needed. A new Bank of Anytown reflects these instructions. The updated Manual is available on the FDIC's website as a resource for all FDIC-supervised institutions.

Statement of Applicability to Institutions with Total Assets Under \$1 Billion: This FIL applies to all FDIC-supervised financial institutions.

Suggested Distribution:

FDIC-Supervised Banks (Commercial and Savings)

Suggested Routing:

Chief Executive Officer
Chief Compliance Officer
Chief Risk Officer

Related Topics:

Risk Management Manual of Examination Policies Section 16.1 ([Report of Examination Instructions](#))

Risk Management Manual of Examination Policies Section 17.1 ([Bank of Anytown](#))

Risk Management Manual of Examination Policies Section 4.5 ([Violations of Laws and Regulations](#))

Statement of FDIC Board of Directors on the Development and Communication of Supervisory Recommendations, [July 29, 2016](#)

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Note:

FDIC Financial Institution Letters (FILs) may be accessed from the FDIC's website at: <https://www.fdic.gov/news/news/financial/2017/>.

To receive FILs electronically, please visit <https://service.govdelivery.com/accounts/USFDIC/subscriber/new>.

Paper copies of FDIC FILs may be obtained through the FDIC's Public Information Center, 3501 Fairfax Drive, Room E 1002, Arlington, VA 22226 (1-877-275-3342 or 703-562-2200).

Highlights:

The revised Report of Examination Instructions:

- Implement the July 29, 2016, FDIC Board of Directors statement on the *Development and Communication of Supervisory Recommendations*, by instructing examiners that:
 - Supervisory Recommendations must address meaningful concerns; be communicated clearly and in writing in a Report of Examination (ROE) or on official FDIC letterhead; and discuss corrective action;
 - Supervisory Recommendations in ROEs are to be communicated on the Examination Conclusion and Comments (ECC), Risk Management Assessment, or the MRBA schedules as appropriate; and
 - Supervisory Recommendations related to deviations from the safety and soundness principles underlying statements of policy, guidance, or guidelines that are not included as appendices to FDIC Rules and Regulations are to be summarized on the ECC schedule and discussed in more detail on other report schedules including the MRBA schedule, if appropriate.
- Include updated instructions for preparing the ECC and Concentrations schedules as well as the Officer's Questionnaire.
- Include instructions for the Information Technology and Operations Risk Assessment schedule added to the ROE last fall.
- The new Bank of Anytown reflects the new or revised ROE instructions.