

# RESCINDED

Mortgage Banking Program

Replaced by Comptroller's Handbook - Mortgage Banking

## EXAMINATION OBJECTIVES

Determine whether the association has adequate written policies and procedures for each segment of its mortgage banking activities, and that the board of directors periodically reviews and approves the policies and procedures.

Determine that the policies and procedures provide for safe and sound lending and mortgage banking operations, that they are consistent with OTS policies and guidelines, and conform to applicable laws and regulations.

Determine that the association has established prudent written underwriting standards and that it consistently adheres to such standards.

Determine that the board of directors receives and reviews periodic reports on the mortgage banking operations.

Determine that the association maintains appropriate risk management functions over each aspect of its mortgage banking operations, consistent with the size and complexity of its activities.

Determine that management and the board of directors receive periodic management information systems (MIS) reports informing them of all pertinent mortgage banking activities and risks.

Determine that the association adheres to generally accepted accounting principles (GAAP) for all aspects of its mortgage banking activities.

Determine that the association classifies loans and investments in accordance with OTS and interagency guidelines.

Determine whether management appropriately evaluates its operation and risk profile to determine the relevant measurement criteria of the income and expense its operation incurs.

Determine whether management has a cost center reporting system appropriate for the size, nature, and risk profile of the business.

## Scoping Procedures

WKP. REF.

1. Obtain and review the completed Mortgage Banking Preliminary Examination Response Kit (PERK).

<b>Exam Date:</b>	
<b>Prepared By:</b>	
<b>Reviewed By:</b>	
<b>Docket #:</b>	































































# Mortgage Banking Program

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## EXAMINATION CONCLUSIONS

93. Ensure that your review meets the Objectives of this Handbook Section. State your findings and conclusions, and appropriate recommendations for any necessary corrective measures, on the appropriate work papers and report pages.
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## EXAMINER'S SUMMARY, RECOMMENDATIONS, AND COMMENTS

**RESCINDED**

Exam Date:	
Prepared By:	
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