

The Exam Process - Are You Ready?

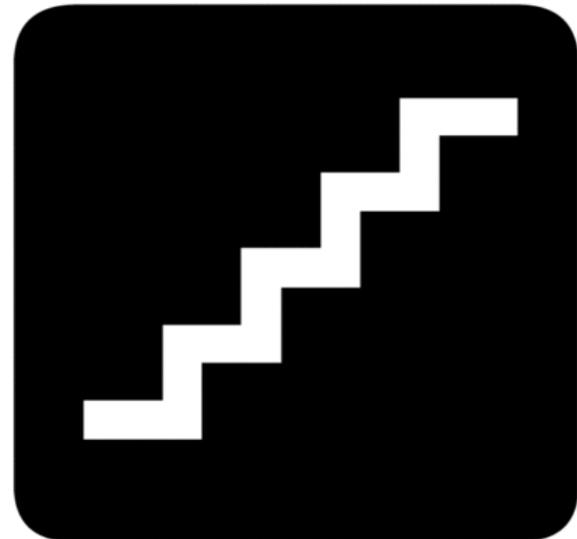


Objectives

- Understand examination steps
- Understand what CRA Officers can do to prepare for examinations

Examination Steps

- 4 Months in Advance
 - Bank notification
 - Data request
- 3 Months in Advance
 - Data verification
 - Request letter



Examination Steps

- 2 Months in Advance
 - Review requested information
 - Review AA
- 1 Month in Advance
 - Income requests
 - Community contacts
 - Develop performance context
 - Compile market share/competitor information

Examination Steps

- Pre-examination Week
 - Loan data analysis
- Examination Week
 - Review investments, services, and CD loans
 - Confirm analysis
 - Review public file
 - Meet with bank management

Examination Steps

- Post-examination
 - Draft Public Evaluation
 - Mail Public Evaluation
 - Publish Public Evaluation

CRA Officer Examination Preparation

- Obtain board and management support
- Employ team approach
 - CRA performance is NOT the responsibility of one person
- Train staff
- Define staff roles/responsibilities re: CRA



CRA Officer Examination Preparation

- Know your bank's assessment area (AA)
- Document your performance context
 - Environment in which the bank operates
 - Information regarding:
 - Bank
 - Product offerings
 - Business strategy
 - Capacity
 - Constraints
 - Prior performance



CRA Officer Examination Preparation

- Information regarding:
 - Community
 - Economic and demographic data of AA
 - Lending, service and investment opportunities
 - Competitors
 - Peers
- Develop system to capture qualified investments, community development loans and services



CRA Officer Examination Preparation

- Understand CRA test requirements
- Perform a self-assessment (not required)
- Keep board and management informed
- Establish examination contact
- Review/ respond to Request Letter
- Ask questions
- Take a vacation!



You Will Be Ready!

