OCC Updates Comptroller's Handbook on Management Information Systems

The Office of the Comptroller of the Currency has released a new section of the Comptroller's Handbook that addresses the risks associated with Management Information Systems (MIS) at national banks.

"The importance of maintaining a consistent approach to the development, use, and review of MIS systems and the risks associated with information technology must be an ongoing concern of both bank management and OCC examiners," said Comptroller Eugene A. Ludwig in releasing the updated section of the Handbook.

Like other sections of the Comptroller's Handbook, the MIS section addresses the objectives of the OCC examination process and outlines examination procedures. In addition, it contains a detailed "Internal Control Questionnaire" and a list of verification procedures that are used by OCC examiners.

MIS systems are used in financial accounting systems and subsystems, including internal balancing of an institution's books, general ledger, and other financial accounting subsystems. As the OCC's new publication points out, "flawed MIS may increase risks and can adversely affect an organization's monitoring of its fiduciary, consumer, fair lending, Bank Secrecy Act, or other compliance-related activities."

According to the handbook, "MIS should have a clearly defined framework of guidelines, policies, or practices, standards, and procedures for the organization. These should be followed throughout the institution in the development, maintenance, and use of all MIS."

To receive a copy of the handbook section, send a check for $6.00 to the Comptroller of the Currency, P.O. Box 70004, Chicago, Illinois 60673-0004.

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