OCC Guidance Will Assist Banks In Corporate Governance

WASHINGTON – The Office of the Comptroller of the Currency announced today the availability of publications that will assist bank directors in complying with new corporate governance standards and in identifying information in board reports that may signal existing or potential problems.

“The Sarbanes-Oxley Act is perhaps the most important piece of corporate reform legislation in our lifetime,” said Comptroller of the Currency John D. Hawke, Jr. “These publications not only provide guidance for bank directors to meet their fiduciary responsibilities, but will assist them in complying with the corporate governance expectations of this important legislation.”

The publications, “Detecting Red Flags in Board Reports—A Guide for Directors” and “A Pocket Guide to Red Flags in Board Reports,” replace editions issued in September 2000. The major revisions to the booklet and the pocket guide include:


Expanded coverage and guidance on corporate governance, audit, risk management, and anti-money laundering.

An expanded pocket guide, listing all red flags for the major sections of the booklet.

The publications supplement other OCC publications including the “Director’s Book: The Role of a National Bank Director,” and topical booklets in the “Comptroller’s Handbook” series. They highlight “red flags,” ratios or trends that may signal existing or potential problems, that will alert bank directors to areas for further inquiry to determine if a substantial problem exists or may be forming.

These publications are available via the OCC’s Web site at http://www.occ.treas.gov.

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The OCC charters, regulates and examines approximately 2,100 national banks and 52 federal branches of foreign banks in the U.S., accounting for more than 55 percent of the nation’s banking assets. Its mission is to ensure a safe and sound and competitive national banking system that supports the citizens, communities and economy of the United States.