Supervision Examination Cycle

As shown in the graphic and described in this section, CFPB supervision operates as a continuous cycle.

Pre-Examination / Scoping

- Review and analyze available information to identify risks, areas of inquiry, and focus.
- Request and review documents and information needed to begin examination (e.g., internal policies, audit reports, training materials, recent data)
- Make initial plan for on-site testing and review

Examination (offsite and onsite)

- Interview senior managers, loan officers, compliance officers, and account personnel as appropriate
- Observe operations (e.g., call center, branches)
- Compare policies and procedures to actual practices by reviewing a sample of transactions
- Compare conduct to legal requirements and policy guidance

Monitoring

- Product / Market analysis
- Periodic checks on institution activities; calls and meetings
- Review reports and information
- Review status of corrective actions
- Scoping for the next exam

Communicate conclusions and required corrective action

- Communicate findings and expected corrective actions to management and Board of Directors
- Pursue appropriate supervisory agreement or formal enforcement action as needed