

2675.2640 AGREED UPON PROCEDURES EXAMINATION.

The board of directors shall engage an independent certified public accountant to conduct an agreed upon procedures examination when requested to do so by the commissioner of commerce. When requested by the Department of Commerce, the engagement letter must be forwarded to the department for acceptance and approval before the examination is performed. The commissioner shall make a request under this part if any of the following conditions exist:

- A. bank management has not established a written internal control system;
- B. bank management has not issued a report to the board describing the scope of coverage and effectiveness of the internal control system in the immediate 18-month period prior to the request;
- C. documentation of internal audit procedures performed in testing the internal control system for the immediate 18-month period prior to the request is not evident; or
- D. the commissioner, through reports received from examiners, has reason to believe that:
 - (1) the bank is a victim of insider abuse; or
 - (2) the bank's records show unauthorized expense items.

Statutory Authority: *MS s 45.023*

History: *21 SR 1778*

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