



BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM  
WASHINGTON, D.C. 20551

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**CA 22-5**

**July 8, 2022**

**TO THE OFFICERS AND MANAGERS IN CHARGE OF CONSUMER AFFAIRS  
SECTIONS:**

**Applicability:** This guidance applies to the supervision of community banking organizations, defined as institutions supervised by the Federal Reserve with total consolidated assets of \$10 billion or less and their subsidiaries.

**SUBJECT:** Standard Information Request (SIR) Process

The purpose of this letter is to reinforce the importance of effective communication practices during consumer compliance examinations of community banking organizations. As such, this letter introduces a Standard Information Request (SIR) Process to improve the consistency, efficiency, and effectiveness of consumer compliance examination planning and scoping processes. This letter complements and should be read in conjunction with the Federal Reserve's risk-focused supervisory guidance outlined in CA 13-19, "Community Bank Risk-Focused Consumer Compliance Supervision Program."

For institutions covered under CA 13-19, Federal Reserve staff follow a risk-focused approach to consumer compliance examinations, which begins with updating the institutional profile and risk assessment, continues through the scoping process to the execution of the examination work program, and concludes with the issuance of the consumer compliance examination report.<sup>1</sup> As part of this process, Federal Reserve staff will leverage available information and, when necessary, obtain additional information through documentation requests and discussions with bank management. Effective communication with supervised institutions during this process is a priority, and Federal

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<sup>1</sup> In coordination with bank management, and with consideration of various factors, Federal Reserve staff will determine which portions of the examination are most efficiently and effectively conducted on-site and off-site.

Reserve staff should implement the effective communication practices outlined in this letter.<sup>2</sup>

### *SIR Process*

The SIR Process establishes a standard approach for gathering information from banks during the examination planning and scoping process and establishes general timeframes within which Federal Reserve staff should routinely operate. The goals of the SIR Process are to:

- appropriately tailor information requests to include only the information necessary to scope the examination and avoid asking for information that is available from other sources;<sup>3</sup>
- provide generally consistent information requests to support the Federal Reserve's risk-focused supervision program; and
- reduce the duration of examination planning and scoping processes and minimize disruption to bank operations.

Federal Reserve staff will typically send an initial request for information no more than 15 weeks prior to commencement of examination activities.<sup>4</sup> Additional requests, if necessary, should be limited and requested as close as practicable to when the information will be used. Federal Reserve staff will provide bank management with adequate time to respond to all information requests and will coordinate examination planning activities with bank management by communicating relevant timelines and process steps.

Information gathered from the SIR process will be used to develop or update the institutional profile and assess risk as necessary to appropriately scope the examination. During the scoping process, Federal Reserve staff will also schedule an opening examination discussion with bank management to gather additional institutional information to help support the exam scoping work.

The SIR Process enhances communication and facilitates the efficient flow of information during the examination planning and scoping phase. Effective communications are similarly important throughout other phases of the examination process and are essential for an effective, efficient, and transparent supervisory program. As such, Federal Reserve staff should, in accordance with existing guidance, continue to discuss with bank management communication expectations to facilitate information exchange between bank and Federal Reserve staff.

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<sup>2</sup> Depending on the circumstances, or as otherwise specified in this letter, communications may take the form of, but are not limited to, telephone conversations, in-person interviews and conversations, e-mails, questionnaires, letters, and examination reports.

<sup>3</sup> "Available information" may include information in the public domain or that has already been provided to the Federal Reserve.

<sup>4</sup> The Federal Reserve recognizes that in limited situations, Federal Reserve staff and bank management may need additional time to prepare for an examination. Therefore, Federal Reserve staff, in collaboration with bank management, may extend this timeframe on a case-by-case basis depending on the facts and circumstances. Extensions may be particularly appropriate for banks with heightened risk or complexity or for new state member banks (e.g., de novo or charter conversion) for which Federal Reserve staff has less institutional knowledge. Conversely, shortened timelines may be appropriate for less-complex and lower-risk banks, as long as bank management is provided a reasonable period of time to respond to all information requests.

Reserve Banks should distribute this letter to supervised community state member banks in their districts, as well as to appropriate supervisory and examination staff. Questions regarding this letter should be sent via the Board's public website.<sup>5</sup>

Sincerely,

Eric S. Belsky  
Director  
Division of Consumer  
and Community Affairs

Cross Reference:

- CA letter 13-19, "Community Bank Risk-Focused Consumer Compliance Supervision Program" (November 18, 2013)

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<sup>5</sup> See <http://www.federalreserve.gov/apps/contactus/feedback.aspx>.