

§ 621.30

§ 618.8430 of this chapter and require that the Reporting Entity:

(i) Develop policies and procedures to ensure that the information submitted in the report of accounts and exposures to the Farm Credit Administration is complete and consistent with the information submitted to the Reporting Entity from the banks and associations under § 621.15(a); and

(ii) Specify procedures for monitoring any material corrections or adjustments, in a timely manner, and provide timely notification and resubmission of the report of accounts and exposures to the Farm Credit Administration.

(6) Notify the Farm Credit Administration if it is unable to prepare and submit the quarterly report of accounts and exposures in compliance with the requirements of § 621.15(b)(1) through (b)(3). The notification:

(i) Must be signed by the chief executive officer, or person in an equivalent position, and submitted to the Farm Credit Administration as soon as the Reporting Entity becomes aware of its inability to comply;

(ii) Must explain the reasons for its inability to prepare and submit the report; and

(iii) May include a request that the Farm Credit Administration extend the due date for the quarterly report of accounts and exposures.

(7) In the event there is a breach of information, immediately provide written notice of the breach to:

(i) The Farm Credit Administration; and

(ii) Each bank and association concerned;

(iii) For the purposes of this section, “breach of information” means any actual or attempted unauthorized access, possession, use, disclosure, disruption, modification, or destruction of information in the central data repository, any reports of accounts and exposures, or any other information received pursuant to § 621.15(a)(1).

(8) Notify the Farm Credit Administration in writing of any request for data contained in the reports of accounts and exposures that are not explicitly allowed for in § 618.8320(b) of this chapter.

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EFFECTIVE DATE NOTE: At 78 FR 77562, Dec. 24, 2013, § 621.15 was added, effective 30 days after publication in the Federal Register during which either or both Houses of Congress are in session.

Subpart E—Auditor Independence

SOURCE: 71 FR 76120, Dec. 20, 2006, unless otherwise noted.

§ 621.30 General.

Each Farm Credit institution must ensure the independence of all qualified public accountants conducting the institution’s audit by establishing and maintaining policies and procedures governing the engagement of external auditors. The policies and procedures must incorporate the provisions of this subpart and § 612.2260 of this chapter.

§ 621.31 Non-audit services.

Non-audit services are any professional services provided by a qualified public accountant during the period of an audit engagement which are not connected to an audit or review of an institution’s financial statements.

(a) A qualified public accountant engaged to conduct a Farm Credit institution’s audit may not perform the following non-audit services for that institution:

- (1) Bookkeeping,
- (2) Financial information systems design,
- (3) Appraisal and valuation services,
- (4) Actuarial services,
- (5) Internal audit outsourcing services,
- (6) Management or human resources functions,
- (7) Legal and expert services unrelated to the audit, and
- (8) Advocating an institution’s interests in litigation, regulatory or administrative investigations and proceedings unrelated to external audit work.

(b) A qualified public accountant engaged to conduct a Farm Credit institution’s audit may only perform non-audit services, not otherwise prohibited in this section, if the institution’s audit committee pre-approves the services and the services are fully disclosed in the annual report.