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Sent: Monday, March 22, 2004 6:33 PM
To: regs.comments@ots.treas.gov
Subject: ATT: 2004-06



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We appreciate the opportunity to comment on the proposed changes in the fee structure for Savings and Loan Holding Company examinations.

We would encourage the OTS to reconsider this pricing adjustment in that it significantly increases costs to an institution such as ours while providing no additional oversight or benefit. We have a very simple structure with one holding company that owns one thrift and where the management and the boards of the two companies are largely similar. While we understand that the industry at large has grown more complex, there are still a number of situations similar to ours where there is very little activity at the holding company level. The OTS has, in the past, monitored and reviewed that activity in conjunction with the safety and soundness examination of the thrift. Both reviews have often been performed by the same examiner and, when that is the case, there is very little additional information to be considered in the holding company examination.

We believe that the scope of holding company examinations in cases such as ours should be relatively simple. However, the 42 hours of examination time, represented by the \$6,000 proposed annual charge, would far exceed a reasonable amount of time to examine the activities of the company using efficient and effective auditing techniques. In our case, it is likely that 42 hours would be sufficient time to review every single accounting transaction and every board action. We do not believe that such a review would be a productive or efficient use of the OTS's resources.

For our most recent holding company examination, we were billed a fee of \$2,375 for 19 hours of examination time. The period under review covered approximately two years. Therefore, in our case you are proposing an increase in fees of more than 500%. Obviously, we do not believe such an increase is appropriate or warranted and we would hope that the OTS would reconsider by either maintaining the current system or by utilizing the size and complexity components proposed to a greater degree so that the minimum fees may be reduced.

The proposal indicates that an objective of this change is to reduce the cost and inefficiency of monitoring time records and assigning resources based on the actual time required to perform the task. It is understandable that such a system would involve some expense, but you seem to be transferring the expense to your constituents by randomly increasing the burden for some of us and by abandoning all hope of bringing accountability to the process.