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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

Date: September 27, 1999

Mr. Shaun F. O'Malley  
Chair  
Panel on Audit Effectiveness  
C/O Public Oversight Board  
One Station Place  
Stamford, CT 06902

Dear Mr. O'Malley:

Comptroller Hawke has asked me to respond on his behalf to the questionnaire you enclosed in your September 1, 1999 letter concerning audit effectiveness. The OCC encourages all national banks to obtain audit coverage from qualified independent auditors. The agency believes that independent audits assist bank boards of directors in meeting their responsibilities and contribute to the overall safe and sound operation of banks and the banking system.

Our responses to certain of the specific questions in the questionnaire are included as an attachment to this letter. We hope they prove helpful in your efforts to improve audit effectiveness. We appreciate the opportunity to provide you our views on these important issues.

If you need further information or clarification on any of our responses, please contact Zane D. Blackburn, Chief Accountant, at (202) 874-5180.

Sincerely,

Emory W. Rushton  
Senior Deputy Comptroller  
Bank Supervision Policy

Attachment