



Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

To: All *Comptroller's Handbook* Subscribers

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The enclosed booklet, "Sampling Methodologies," is part of an ongoing update and revision of the *Comptroller's Handbook*. The booklet updates and replaces the "Statistical Sampling" section of the *Comptroller's Handbook for National Bank Examiners*. Significant changes reflected in the revised booklet include: more examiner discretion in selecting sampling methodologies and related precision and reliability levels, guiding worksheets for proportional and numerical sampling, a more comprehensive glossary of sampling terminology, and general examination procedures for proportional and numerical sampling. The booklet sets out general OCC policy and guidance on the use of sampling as a tool for assessing the quality of risk management practices and quantity of risk for various areas of bank examination interest. It establishes general OCC policy and guidance for sampling, both statistical and nonstatistical.

The "Sampling Methodologies" booklet discusses:

- Objectives of a supervisory activity and how they relate to the selection of an appropriate method of sampling.
- The sampling methods – judgmental, proportional, numerical – that can be used and suggested applications of statistical sampling, and the basic elements – precision, reliability, and sampling risk – associated with statistical sampling methodologies.
- Concepts of sampling plans – population selection, sample design and selection, and evaluation and interpretation – including using sample results in probability statements and examination comments. Examples, worksheets, and procedures are provided to help with selection, design, evaluation, and interpretation.

Rescinded Issuance

The following OCC issuance is rescinded because the information has been incorporated in the enclosed booklet:

Comptrollers Handbook for National Bank Examiners, Section 002 and Appendix Section 900.002, Statistical Sampling

If you have any questions about this booklet, please call the Office of the Deputy Comptroller for Core Policy, (202) 874-5350.

To order more copies of the booklet, please send your request and \$15 for each booklet to the Comptroller of the Currency, PO Box 70004, Chicago, IL 60673-0004.