Kansas Administrative Regulations

Office of the State Bank Commissioner

Article 23.—Trust Supervision

17-23-5. Audit of trust activities.

(a) The board of directors, or an audit committee designated by the board of directors, shall make a thorough examination of the books, records, funds and securities held by the bank trust department or trust company, in a fiduciary capacity, at each of the quarterly meetings and the result of such examination shall be recorded in detail.

(b) If the board, or the designated committee, selects an auditor, the auditor's findings shall be reported directly to the board.

(c) In lieu of the required four quarterly examinations, the board of directors, or an audit committee designated by the board of directors, may accept one annual audit by a certified public accountant or an independent auditor approved by the commissioner. All audit reports and findings shall be reported to the board of directors.

(Authorized by K.S.A. 9-1713; implementing K.S.A. 9-1116; effective Feb. 28, 1994.)