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*Adopted by the Executive (EX) Committee and Plenary, Xxx. xx, 2024*

*Adopted by the Financial Condition (E) Committee, Xxx. xx, 2024*

*Adopted by the Examination Oversight (E) Task Force, TBD*

**2025 Proposed Charges**

**EXAMINATION OVERSIGHT (E) TASK FORCE**

The mission of the Examination Oversight (E) Task Force is to monitor, develop, and implement tools for the risk-focused surveillance process. For financial examinations and analysis, this includes maintenance of the *Financial Condition Examiners Handbook*and *Financial Analysis Handbook*to provide guidance to examiners and analysts using a risk-focused approach to solvency regulation and to encourage effective communication and coordination between examiners, analysts, and other state insurance regulators. In addition, the mission of the Task Force is to: 1) monitor and refine regulatory tools of the risk-focused surveillance process, including Financial Analysis Solvency Tools (FAST) such as company profiles and the FAST ratio scoring system; 2) oversee financial examiner and analyst use of electronic software tools; 3) monitor the progress of coordination efforts among the states in conducting examinations and the sharing of information necessary to solvency monitoring; 4) establish procedures for the flow of information between the states about troubled companies; 5) maintain an effective approach to the review of information technology (IT) general controls; and 6) monitor the timeliness of financial examinations.

**Ongoing Support of NAIC Programs, Products, or Services**

1. The **Examination Oversight (E) Task Force** will:
2. Accomplish its mission using the following groups:
3. Electronic Workpaper (E) Working Group.
4. Financial Analysis Solvency Tools (E) Working Group.
5. Financial Examiners Coordination (E) Working Group.
6. Financial Examiners Handbook (E) Technical Group.
7. IT Examination (E) Working Group.
8. The **Electronic Workpaper (E) Working Group**will:
9. Monitor and support the state insurance departments in using electronic workpaper software tools to conduct and document solvency monitoring activities.
10. Provide ongoing oversight in the transition of electronic workpaper work to the TeamMate+ application.
11. Monitor state insurance regulator use of TeamMate+ to proactively identify best practices and improvements to the application, as necessary.
12. The **Financial Analysis Solvency Tools (E) Working Group**will:
13. Provide ongoing maintenance and enhancements to the Financial Analysis Handbook and related applications for changes to the NAIC annual/quarterly financial statement blanks based on input from other regulators and the work or referrals from other NAIC committees, task forces, and working groups to develop, as well as enhancements developed to assist in the risk-focused analysis and monitoring of the financial condition of insurance companies and groups.
14. Provide ongoing development maintenance and enhancements to the automated financial solvency tools that were developed to assist in conducting risk-focused analysis and the monitoring of the financial condition of insurance companies and groups. Prioritize and perform analysis to ensure that the tools remain reliable and accurate.
15. Coordinate with the Financial Examiners Handbook (E) Technical Group and the Risk-Focused Surveillance (E) Working Group, as appropriate, to develop and maintain guidance in order to provide effective solvency monitoring.
16. The **Financial Examiners Coordination (E) Working Group**will:
17. Develop enhancements that encourage the coordination of examination activities for holding company groups.
18. Promote coordination by assisting and advising domiciliary regulators and exam-coordinating states on the most appropriate regulatory strategies, methods, and actions regarding financial examinations of holding company groups.
19. Facilitate communication among regulators regarding common practices and issues arising from coordinating examination efforts.
20. Provide ongoing maintenance and enhancements to the Financial Exam Electronic Tracking System (FEETS).
21. The **Financial Examiners Handbook (E) Technical Group**will:
22. Continually review the Financial Condition Examiners Handbook, and revise when appropriate.
23. Coordinate with the Risk-Focused Surveillance (E) Working Group to monitor the implementation of the risk-assessment process by developing additional guidance and exhibits within the Financial Condition Examiners Handbook, including consideration of potential redundancies affected by the examination process, corporate governance, and other guidance as needed to assist examiners in completing financial condition examinations.
24. Coordinate with the Financial Analysis Solvency Tools (E) Working Group and the Risk-Focused Surveillance (E) Working Group, as appropriate, to develop and maintain guidance to provide effective solvency monitoring.
25. Coordinate with the Information Technology (IT) Examination (E) Working Group and the Financial Examiners Coordination (E) Working Group to maintain specialized areas of guidance within the Financial Condition Examiners Handbook related to the charges of these specific working groups.
26. The **IT Examination (E) Working Group**will:
27. Continually review, develop, and revise the guidance in the Financial Condition Examiners Handbook and other related tools, as needed, to address IT risks.
28. Coordinate with the Cybersecurity (H) Working Group to monitor cybersecurity trends, including emerging and/or ongoing vulnerabilities, and develop guidance within the Financial Condition Examiners Handbook or other tools, if necessary, to support IT examiners.

NAIC Support Staff: Bailey Henning

Committee Charges/2025/Draft Charges/EOTF