

**FEDERAL EMERGENCY
MANAGEMENT AGENCY****[FEMA-1202-DR]****New Mexico; Amendment to Notice of
a Major Disaster Declaration****AGENCY:** Federal Emergency
Management Agency (FEMA).**ACTION:** Notice.**SUMMARY:** This notice amends the notice of a major disaster for the State of New Mexico, (FEMA-1202-DR), dated January 29, 1998, and related determinations.**EFFECTIVE DATE:** February 5, 1998.**FOR FURTHER INFORMATION CONTACT:** Madge Dale, Response and Recovery Directorate, Federal Emergency Management Agency, Washington, DC 20472, (202) 646-3260.**SUPPLEMENTARY INFORMATION:** The notice of a major disaster for the State of New Mexico, is hereby amended to include Hazard Mitigation in the following areas among those areas determined to have been adversely affected by the catastrophe declared a major disaster by the President in his declaration of January 29, 1997:

All counties in the State of New Mexico are eligible to apply for assistance under the Hazard Mitigation Grant Program.

(The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 83.537, Community Disaster Loans; 83.538, Cora Brown Fund Program; 83.539, Crisis Counseling; 83.540, Disaster Legal Services Program; 83.541, Disaster Unemployment Assistance (DUA); 83.542, Fire Suppression Assistance; 83.543, Individual and Family Grant (IFG) Program; 83.544, Public Assistance Grants; 83.545, Disaster Housing Program; 83.548, Hazard Mitigation Grant Program)

Lacy E. Suiter,*Executive Associate Director, Response and Recovery Directorate.*

[FR Doc. 98-3862 Filed 2-13-98; 8:45 am]

BILLING CODE 6718-02-P

**FEDERAL EMERGENCY
MANAGEMENT AGENCY****[FEMA-1200-DR]****North Carolina; Amendment to Notice
of a Major Disaster Declaration****AGENCY:** Federal Emergency
Management Agency (FEMA).**ACTION:** Notice.**SUMMARY:** This notice amends the notice of a major disaster for the State of North Carolina (FEMA-1200-DR), dated January 15, 1998, and related determinations.**EFFECTIVE DATE:** February 4, 1998.**FOR FURTHER INFORMATION CONTACT:** Madge Dale, Response and Recovery Directorate, Federal Emergency Management Agency, Washington, DC 20472, (202) 646-3260.**SUPPLEMENTARY INFORMATION:** The notice of a major disaster for the State of North Carolina, is hereby amended to include Public Assistance for the following areas among those areas determined to have been adversely affected by the catastrophe declared a major disaster by the President in his declaration of January 15, 1998:

Ashe, Transylvania, and Watauga Counties for Public Assistance.

(Catalog of Federal Domestic Assistance No. 83.516, Disaster Assistance)

Lacy E. Suiter,*Executive Associate Director, Response and Recovery Directorate.*

[FR Doc. 98-3861 Filed 2-13-98; 8:45 am]

BILLING CODE 6718-02-P

**FEDERAL EMERGENCY
MANAGEMENT AGENCY****Open Meeting, Board of Visitors for the
National Fire Academy****AGENCY:** Federal Emergency
Management Agency (FEMA).**ACTION:** Notice of open meeting.**SUMMARY:** In accordance with section 10(a)(2) of the Federal Advisory Committee Act, 5 U.S.C. App. 2, FEMA announces the following committee meeting:**NAME:** Board of Visitors for the National Fire Academy.**DATES OF MEETING:** March 25-28, 1998.**PLACE:** Building J, Room 103, National Emergency Training Center, Emmitsburg, Maryland.**TIME:** March 25, 1998, 8:30 a.m.-5:00 p.m.; March 26, 1998, 8:30 a.m.-9:00 p.m.; March 27, 1998, 8:30 a.m.-5:00 p.m.; March 28, 1998, 8:30 a.m.-12 noon.**PROPOSED AGENDA:** March 25, 27-28, 1998, Review National Fire Academy Programs. March 26, 1998, Travel to Washington, D.C., to meet with James L. Witt, Director, FEMA, and Carrye B. Brown, U.S. Fire Administrator.**SUPPLEMENTARY INFORMATION:** The meeting will be open to the public with seating available on a first-come, first-served basis. Members of the general public who plan to attend the meeting should contact the Office of the Superintendent, National Fire Academy, U.S. Fire Administration, 16825 South Seton Avenue, Emmitsburg, MD 21727,

(301) 447-1117, on or before March 2, 1998.

Minutes of the meeting will be prepared and will be available for public viewing in the Office of the Administrator, U.S. Fire Administration, Federal Emergency Management Agency, Emmitsburg, Maryland 21727. Copies of the minutes will be available upon request 30 days after the meeting.

Dated: February 6, 1998.

Carrye B. Brown,*U.S. Fire Administrator.*

[FR Doc. 98-3867 Filed 2-13-98; 8:45 am]

BILLING CODE 6718-01-P

**FEDERAL EMERGENCY
MANAGEMENT AGENCY****Open Meeting, Advisory Committee for
the National Urban Search and Rescue
Response System****AGENCY:** Federal Emergency
Management Agency (FEMA).**ACTION:** Notice of open meeting.**SUMMARY:** In accordance with section 10(a)(2) of the Federal Advisory Committee Act (Public Law 92-463, 5 U.S.C. App.), announcement is made of the following committee meeting:
NAME: Advisory Committee for the National Urban Search and Rescue Response System.**DATE OF MEETING:** February 27-28, 1998.**PLACE:** The Eisenhower Inn and Conference Center, U.S. Business Route 15 South, Gettysburg, PA 17325.**TIME:** February 27, 1998: 9:00 a.m.-5:00 p.m.; February 28, 1998: 9:00 a.m.-5:00 p.m.**PROPOSED AGENDA:** The committee will be provided with a program update that will address the status of program reviews and ongoing projects, functional training and program support efforts, and budgets for the Urban Search and Rescue Program. The committee will review, discuss, and develop a work plan and establish the priorities for the newly established Working Group functions. Other items for discussion may include documentation, Task Force spending, functional training methodologies, and program strategic planning and budgeting.

The meeting will be open to the public, with approximately 20 seats available on a first-come, first-served basis. All members of the public interested in attending should contact Mark R. Russo, at 202-646-2701.

Minutes of the meeting will be prepared and will be available for public viewing at the Federal

Emergency Management Agency, Operations and Planning Division, Response and Recovery Directorate, 500 C Street, SW, Washington DC 20472. Copies of the minutes will be available upon request 30 days after the meeting.

Lacy E. Suiter,

Executive Associate Director, Response & Recovery Directorate.

[FR Doc. 98-3866 Filed 2-13-98; 8:45 am]

BILLING CODE 6718-02-P

FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL

Policy Statement on External Auditing Programs of Banks and Savings Associations

AGENCY: Federal Financial Institutions Examination Council.

ACTION: Proposed policy statement; Request for comment.

SUMMARY: The Federal Financial Institutions Examination Council (FFIEC)¹ is requesting comments on a proposed Policy Statement on External Auditing Programs of Banks and Savings Associations (Policy Statement) which is intended to provide uniform guidance regarding independent external auditing programs. Because institutions with \$500 million or more in total assets must have an annual audit performed by an independent public accountant in accordance with section 36 of the Federal Deposit Insurance Act (FDI Act), as implemented by 12 CFR part 363, this policy would apply only to institutions below that threshold that are not otherwise subject to audit requirements.

The Policy Statement expresses the banking agencies' belief that a well-planned external audit program, combined with a strong internal audit function, increases the ability of an institution to detect and correct any serious problems that exist. In this regard, the proposed guidance encourages each institution to adopt an external auditing program that includes an annual audit of its financial statements by an independent public accountant. If an institution's board of directors or audit committee determines that an audit is not appropriate for the institution, the proposal provides two alternative approaches for

consideration. The alternatives, which should also be performed by an independent public accountant, consist of a report on the institution's balance sheet or an attestation report on internal control over specified schedules of its regulatory reports.

The proposed Policy Statement also encourages institutions to establish an audit committee consisting entirely of outside directors, if practicable.

DATES: Comments must be received by April 20, 1998.

ADDRESSES: Comments should be directed to Joe M. Cleaver, Executive Secretary, Federal Financial Institutions Examination Council, 2100 Pennsylvania Avenue, NW, Suite 200, Washington, DC 20037 (Fax number: (202) 634-6556). Comments will be available for public inspection during regular business hours at the above address. Appointments to inspect comments are encouraged and can be arranged by calling the FFIEC at (202) 634-6526.

FOR FURTHER INFORMATION CONTACT:

FDIC: Doris L. Marsh, Examination Specialist, Division of Supervision, (202) 898-8905, or A. Ann Johnson, Counsel, Legal Division, (202) 898-3573, FDIC, 550 17th Street, N.W., Washington, DC 20429.

FRB: Charles H. Holm, Project Manager, (202) 452-3502, or Arthur Lindo, Supervisory Financial Analyst, (202) 452-2695, Division of Banking Supervision and Regulation, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, N.W., Washington, DC 20551.

OCC: Thomas Rees, Senior Accountant, Chief Accountant's office, Core Policy Division, (202) 874-5411, or Bill Morris, National Bank Examiner, Core Policy Division, (202) 874-4915, Office of the Comptroller of the Currency, 250 E Street, S.W., Washington, DC 20219.

OTS: Timothy J. Stier, Chief Accountant, Accounting Policy Division, (202) 906-5699, or Christine A. Smith, Policy Analyst, Accounting Policy Division, (202) 906-5740, Office of Thrift Supervision, 1700 G Street, N.W., Washington, DC 20552.

SUPPLEMENTARY INFORMATION:

I. Background

An institution's internal auditing and external auditing programs are critical to its safety and soundness. When an institution lacks an internal auditing program or has weaknesses in an existing program, examiners often encourage the institution to obtain an independent external audit. Accordingly, many institutions now

supplement their internal auditing programs by obtaining independent external audits, either voluntarily or as a result of the requirements of section 36 of the Federal Deposit Insurance Act (FDI Act) (12 U.S.C. 1831m) and its implementing regulation, 12 CFR part 363, the Securities and Exchange Act of 1934 (15 U.S.C. 78a), or the Federal Reserve bank holding company reporting requirements in the FR-Y-6 Annual Report of Bank Holding Companies. However, a number of institutions, particularly smaller institutions, do not have an external audit for various reasons.

Because the banking agencies believe that an independent external audit provides reasonable assurance that an institution's financial statements are prepared in accordance with generally accepted accounting principles (GAAP), the banking agencies encourage all institutions to obtain external audits. In an effort to provide more explicit guidance to institutions regarding external audits, the FFIEC is proposing to approve a uniform Policy Statement. Upon FFIEC approval, the FFIEC would recommend to the banking agencies that they individually adopt the policy. This proposal is generally consistent with the individual policies of the banking agencies.

Although some of the banking agencies have provided guidance on external audits to their supervised institutions, a uniform policy does not exist. For example, the OCC discusses its policies with regard to independent external audits for national banks in the Comptroller's Handbook for National Banks, Section 102, Internal and External Audits, and the Comptroller's Manual for Corporate Activities. The FDIC adopted similar guidance in its Policy Statement Regarding Independent External Auditing Programs of State Nonmember Banks on November 16, 1988, as published on November 28, 1988 (53 FR 47871), and amended on June 24, 1996, (61 FR 32438). The OTS's policy on independent external audits is discussed in the Thrift Activities Regulatory Handbook, Section 350, Independent Audits. The FRB sets forth its policy on external audits in the FR-Y-6 Annual Report of Bank Holding Companies and Section 1010, "External Audits," of the Commercial Bank Examination Manual.

II. The Policy Statement

The following paragraphs describe the principal provisions of the proposed Policy Statement.

¹ The FFIEC consists of representatives from the Board of Governors of the Federal Reserve System (FRB), the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS) (referred to as the "banking agencies"), and the National Credit Union Administration. However, this guidance is not directed to credit unions.