



Examinations of the Reserve Bank

2014 Financials | Annual Report 2014

The Reserve Banks and the consolidated limited liability company (LLC) entity are subject to several levels of audit and review. The combined financial statements of the Reserve Banks as well as the annual financial statements of each of the 12 Banks and the consolidated LLC entity are audited annually by an independent auditing firm retained by the Board of Governors. In addition, the Reserve Banks, including the consolidated LLC entity, are subject to oversight by the Board of Governors, which performs its own reviews. The Reserve Banks use the Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) to assess their internal controls over financial reporting, including the safeguarding of assets. Within this framework, the management of each Reserve Bank annually provides an assertion letter to its board of directors that confirms adherence to COSO standards.

The Federal Reserve Board engaged Deloitte & Touche LLP (D&T) to audit the 2014 combined and individual financial statements of the Reserve Banks and Maiden Lane LLC.[1] In 2014, D&T also conducted audits of internal controls over financial reporting for each of the Reserve Banks. Fees for D&T's services totaled \$7 million, of which \$0.4 million was for the audit of Maiden Lane LLC. To ensure auditor independence, the Board requires that D&T be independent in all matters relating to the audits. Specifically, D&T may not perform services for the Reserve Banks or others that would place it in a position of auditing its own work, making management decisions on behalf of the Reserve Banks, or in any other way impairing its audit independence. In 2014, the Bank did not engage D&T for any non-audit services.

The Federal Reserve Bank of Dallas' financial statements as of and for the years ended December 31, 2014 and 2013 and the independent auditors' report can be found at the following link:

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