Portfolio Quality Committee
The Portfolio Quality Committee/Special Assets Committee (PQC/SAC) should be comprised of the at least the Risk and Compliance Manager and the Loan Fund Manager. The purpose of the PQC/SAC is to ensure that all parties with a responsibility for Credit Quality (the Risk and Compliance Manager (RCM), the President, the Controller/COFO, Loan Fund Manager) understand the specifics of the risks in the portfolio and ensure that those risks are being effectively managed and reported. Functions of the PQC/SAC include:

a. Review the results of the Loan Reviews prepared by the RCM and CRMD’s Annual Loan Review. Recommend and implement changes in process or procedure as necessary to improve portfolio quality.
b. Review the Portfolio Quality Report at least quarterly. Propose and implement specific steps to improve credit quality if past dues, criticized assets or charge-off rates exceed policy or are trending upward.
c. Review all the Watch and Problem Listed loans, propose and implement specific steps for each criticized asset to work it up in the risk ratings or work it out by trying to get it paid off.
d. Review all past dues and propose and implement specific steps for each past due account to get the borrower to bring the account current.
e. Review and approve placing loans on non-accrual or charging it off; report action to the highest level approving body.