STATE OF ILLINOIS DEPARTMENT OF FINANCIAL INSTITUTIONS CREDIT UNION DIVISION

SUPERVISORY COMMITTEE INTERNAL AUDIT REPORT

`	Year		
	CREDIT UNIO	ON NAME	
Internal Audit Date: (As of date)	Month	Day	Year
Date Audit Completed:	Month	Day	Year

IMPORTANT NOTICE

This state agency is requesting disclosure of information that is necessary to accomplish the statutory purpose as outlined under Paragraph 305/34(1) of the Illinois Credit Union Act. Disclosure of this information is required. Failure to submit the report by March 1 of the following year will result in a late filing fee for each day the report is overdue pursuant to the Department's Rules & Regulations 190.50 (amended December 20, 2002).

Due Date: Within 60 days of completion or no later than March 1st* of the following year

(*If March 1st falls on a weekend, then the due date will be pushed forward to the first Monday following March 1st)

SUPERVISORY COMMITTEE INTERNAL AUDIT REPORT

The purpose of this Supervisory Committee Internal Audit Report, pursuant to Paragraph 305/34 (1) of the Illinois Credit Union Act, is to verify the accuracy of the credit union's books and records. Your conscientious and thorough work can only help to ensure the safety of members' funds and promote a sound and efficient credit union. Please review the following comments prior to the start of the internal audit.

- 1) Review Paragraph 305/34 of the Illinois Credit Union Act and Section 190.130 of the Illinois Credit Union Act Rules and Regulations.
- 2) The President and staff **must not help you** with any part of this internal audit other than help you locate records or explain work they have done. Remember, <u>you</u> are verifying <u>their work</u>.
- 3) All financial data must relate to the same month and must be within the current calendar year. Records may be examined as of the end of the month of your choice, though current records may be more accessible. However, we strongly encourage you to perform the audit in the months prior to December 31, due to the high volume of work-load because of year-end closings, the December Year-End 5300 Call Report, and tax season.
- 4) All worksheets and tapes must be kept by the Supervisory Committee members for review at a later date with an examiner from the Division of Financial Institutions.
- 5) A copy of the internal audit report is to be presented to the Board of Directors and is to be included with the minutes of that meeting, and a summary is to be given to the members at their next annual meeting.

The Supervisory Committee Internal Audit Report consists of the following pages:

Page	Page Description
1	Statement of Financial Condition
2	Statement of Income
3	Cash Programs
4	Cash Schedule
5 & 6	Loan Programs
7	Loan Schedule
8	Investment Program
9	Investment Schedule
10	Share Program
11	Share (or Savings) Schedule
12	Fixed Asset Program
13	Fixed Asset Schedule
14	Other Assets and Liabilities Program
15	Other Assets and Liabilities Schedule
16	Verification of Members' Share and Loan Accounts
17	Certification of Report

Also included with the Supervisory Committee Internal Audit Report are sample work-papers that may be used as a guide in completing the audit programs. These sample work-papers **need not be filed** with the report.

In order to complete the Internal Audit Report, the following will be necessary:

- 1) Record the credit union's general ledger account balances on the Statement of Financial Condition (page 1). The total amount of assets **must agree** with the total amount of liabilities and equity.
- 2) Record the credit union's year-to-date income and expenses on the Statement of Income (page 2). The amounts should also be obtained from the general ledger. The net income (loss) should agree with the "Year-To-Date Net Income (loss)" as shown on page 1.
- 3) Complete the procedures and schedules as outlined in each of the following areas:

pages 3 & 4
pages 5, 6 & 7
pages 8 & 9
pages 10 & 11
pages 12 & 13
pages 14 & 15
page 16

The person completing each procedure should initial and date in the appropriate space provided. **Please** note "N/A" if a certain procedure is not applicable for your credit union.

- 4) Read over the "Verification of Accounts Information", located on pages c & d. Record the most recent account verification results in the appropriate areas on page 16. You are reminded that **an account verification must be conducted each calendar year**. 100% verification is required every other year (see 190.130 of the Illinois Credit Union Act Rules and Regulations).
- 5) Sign and notarize page 17 of the Supervisory Committee Internal Audit Report. <u>All</u> members of the Supervisory Committee must sign the Report.
- 6) Retain a copy for your file and return a copy to:

Department of Financial & Professional Regulation Division of Financial Institutions Credit Union Section 320 W. Washington, Room 300 Springfield, Illinois 62786

If you have any questions or concerns with respect to this Supervisory Committee Internal Audit Report, please contact the Credit Union Section at (217) 782-2834.

VERIFICATION OF ACCOUNTS

The Illinois Credit Union Act has designated in Paragraph 305/34 (Duties of the Supervisory Committee), and Section 190.130 of the Rules and Regulations (Verification of Share and Loan Accounts), the procedures that must be followed to conduct the internal audit, including the verification. You should read those sections carefully before commencing the verification. The procedures differ based on the credit union's assets, however, every credit union completing (or having completed) an **internal audit** must perform the following:

- 2.) Every other year the Supervisory Committee must perform (or have performed) a complete 100% verification of both share and loan accounts. Verification requests may be of either the positive kind, which requires a direct reply or attestation by the member as to the correctness of the balances, or the negative kind, which requires replies only if the information listed is, in the opinion of the member, incorrect. However, Section 190.130 Par b), 2) of the Rules and Regulations requires accounts of seven different types (as listed below) to be verified on a positive basis every year.
 - A) Inactive or dormant accounts members' accounts which show no member initiated activity for at least three (3) years.
 - B) Accounts with recent activity following a period of at least three (3) years of dormancy.
 - C) Accounts that show unusually large share withdrawals.
 - D) Accounts that have delinquent loans.
 - E) Share and loan accounts closed or charged off since the last verification was conducted.
 - F) Accounts where negative requests are returned due to an inaccurate address.
 - G) Any other accounts with unusual or significant activity, or which, in the judgment of the Committee, should be done on a positive basis to verify the integrity of the negative verification requests.

For all positive verifications, a signed member's response <u>must be received</u>, indicating as to whether he/she agrees or disagrees with the balance shown, and an explanation for any disagreement. (A stamped, addressed return envelope helps to expedite the response). Should a member not respond within a reasonable time, (normally around two weeks) <u>a second request must be sent</u>. In addition, a third request may also be sent. If there is still no response, the Supervisory Committee must satisfy itself that the balance is correct by other means.

A) Credit Unions with total assets greater than \$5,000,000 of 12/31 of the prior year:

The Supervisory Committee must contract with an outside registered accountant (CPA) each year to perform an external audit, including verification of accounts.

- B) Credit Unions with total assets between \$3,000,000 and \$5,000,000 as of 12/31 of the prior year:
- 1) The Supervisory Committee must engage an outside registered accountant once every three years to perform an external audit, including verification of accounts*.
- *Verification of accounts completed by an outside registered accountant may **all** be done on a negative basis if the audit is considered an <u>External Audit</u>. If an outside registered accountant performs an <u>Internal Audit</u>, then the requirements in Paragraph 2 (above) must be followed.
- 2) For each of the other 2 years, the Supervisory Committee should follow the same rules as found in C) for Credit Unions under \$3,000,000 (see page d).

C) Credit Unions with total assets under \$3,000,000 as of 12/31 of the prior year:

The Supervisory Committee should follow Section 190.130, Paragraph B) 2.), of the Rules and Regulations on an annual basis. If a 100% verification was not performed in the prior year, it must be done in the current year. Follow-ups **must** be performed on all statements returned, both positive with member comments, and all statements that were undeliverable. The entire verification process must be under the control of the Supervisory Committee once statements are printed or received from an outside bureau.

<u>No statements should be separated and/or removed by management.</u> All replies should be sent to a location controlled by the Supervisory Committee, or, if delivered to the credit union, forwarded to the Supervisory Committee unopened.

It is the responsibility of management to update the address files prior to the mailing, and to investigate those verifications returned by the Post Office after the Supervisory Committee has recorded those returns. Any statements without an address must remain under the control of the Supervisory Committee.

The verification must be performed <u>within the calendar year</u> of the internal audit. If quarterly statements are issued to the members, it is recommended that the verification be done prior to year-end so that second requests can be sent, and there will be time to investigate differences before the March 1 due date to file the Supervisory Committee Internal Audit with the Illinois Division of Financial Institutions, Credit Union Section.

STATEMENT OF FINANCIAL CONDITION

ER	NAL AUDIT DATE:	0 Month	0 Day	0 Year
		MOHUI	Day	1 Cai
	Assets	Detail Page		
1.	Total Loans	(7)	(Use W	hole Dollars Only
2.	Less Allowance for Loan Losses -Net Loans	(7)	(- -
3.	Cash - and Cash Equivalents	(4)		
4.	Total Investments	(9)		
5.	Fixed Assets (cost)	(13)	\$	
	Less - Accumulated Depreciation - Book Value - Fixed Assets	(13)	(
6	Insurance Capitalization Deposit	(15)		
7	Prepaid Expenses	(15)		
8.	Other Assets	(15)		
9.		7	TOTAL ASSETS	
	LIABILITIES SHARES & EQUITY			
10.	Accounts Payable	(15)		
11.	Total Borrowings	(15)		
	Accrued Dividends Payable	(15)		
13.	Accrued Expenses/Other Liabilities	(15)		
14.	Total Shares and Deposits	(11)		-
	Regular Reserve			
	Investment Valuation Reserve			
	Other Reserves			
	Undivided Earnings	(4)		-
19.	Year-To-Date Net Income (Loss)	(2)		
20.		TOTAL LIABII	LITIES + EQUITY	
20.	Comments:			

STATEMENT OF INCOME

CREDIT UNION: 0 **INTERNAL AUDIT DATE:** Month Day **OPERATING INCOME** (Use Whole Dollars Only) Year-To-Date 1. Interest on Loans 2. (Less) Interest Refunded 3. Investment Income 4. Fee Income 5. Income (Loss) from Trading Securities **Other Operating Income TOTAL GROSS INCOME \$** 7. **OPERATING EXPENSES** 8. Compensation and Benefits 9. Travel and Conference 10. Office Occupancy 11. Office Operations 12. Educational and Promotional 13. Loan Servicing Expense 14. Professional and Outside Services 15. Provision for Loan Losses 16. Provision for Investment Losses 17. Members Insurance and Bond 18. Operating Fees (Exam and/or Supervision Fees) 19. Misc. Operating Expenses TOTAL OPERATING EXPENSES \$ 20. 21. **INCOME (LOSS) FROM OPERATIONS (a) - (b) = \$** 22. Gain (Loss) on Sale of Investments (Not Trading Securities) 23. Gain (Loss) on Disposition of Fixed Assets 24. Other Non-Operating Gains (Losses) INCOME (LOSS) BEFORE COST OF FUNDS (c)-(22-24) \$ 25. 26. Interest on Borrowed Money 27. Dividends on Shares 28. Interest on Deposits **NET INCOME (LOSS) (d)-(26-28) \$** 29. Comments:

CASH PROGRAM

INT	ERNAL AUDIT DATE: 0	0	0
	Month	Day	Year
	determine if cash on hand and cash in checking determine whether or not cash transactions are p	` ,	
	PROCEDURES:	Completed by	Date Completed
1.	Count the cash on hand and reconcile it to the g	general ledger.	
2.	Review reconciliation's for all transactional actinancial institutions.	counts held at	
	a. Trace the reconciled balance to the general l	ledger.	
	b. Investigate all reconciling items in excess of days outstanding.	f sixty (60)	
	c. Trace the beginning balance(s) to the origination from the financial institution.	al statement(s)	
	d. Verify that all deposits in transit are recorde bank statement as received.	ed on the next	
3.	Verify that all receipts are being deposited with at least one test month.	hin 48 hours for	
4.	Document the validity of the operating expense one test month.	es for at least	
5.	Foot and cross-foot the cash receipts and cash of journal(s) for one test month. Trace these footing general ledger.		
(Comments:		

CASH SCHEDULE

(Please mark N/A if not applicable)

	DIT DATE:	0	0	0
		Month	Day	Year
			(Use Whole D	ollars Only)
CASH (ON HAND		`	• /
Vault C	ash		\$	
	orawer Cash		Ψ	
		TOTAL	(a) \$	0
CAGHI	N. ED ANG A CENONIA I	DANIZA CCOUNTEC	<u>-</u>	
<u>CASH I</u>	N TRANSACTIONAL	BANK ACCOUNTS		
Instituti	ion #1 (below)			
Instituti	ion #2 (below)			
Instituti	ion #3 (below)		- <u></u>	
	ion #4 (below)			
Corpora	,	ow) (not including investments		
	and PCB accounts which	ch belong on Page 9) TOTAL	(L) ¢	0
		IOIAL	(b) \$	0
TOTAL	CASH on hand and Tr	ansactional Accounts		
	from Financial Instituti	ions	(a+b)	0 (*)
(*) Balance	should agree with line 3	3. nage 1.		
(*) Balance	should agree with line 3			
(*) Balance	should agree with line 3	3, page 1. Institution #2	Ins	stitution #3
	Institution #1	Institution #2	Ins	stitution #3
Name	Institution #1	Institution #2	Ins	stitution #3
Name	Institution #1	Institution #2	Ins	stitution #3
Name	Institution #1	Institution #2	Ins	stitution #3
Nameddress	Institution #1	Institution #2	Ins	stitution #3
Nameddress	Institution #1	Institution #2	Ins	stitution #3
Nameddress	Institution #1	Institution #2	Ins	stitution #3
Name ddress	Institution #1 Institution #4	Institution #2 Institution #5	Ins	stitution #3
Name ount #	Institution #1 Institution #4	Institution #2 Institution #5	Ins	stitution #3
Name ddress count #	Institution #1 Institution #4	Institution #2 Institution #5	Ins	stitution #3
Name	Institution #1 Institution #4	Institution #2 Institution #5	Ins	stitution #3
Name	Institution #1 Institution #4	Institution #2 Institution #5		etitution #3
Name	Institution #1 Institution #4	Institution #2 Institution #5	Ins	stitution #3
Name ddress Name ddress	Institution #1 Institution #4	Institution #2 Institution #5		estitution #3

LOAN PROGRAM

(Please mark N/A if not applicable)

CR	EDIT UNION: 0			
IN	TERNAL AUDIT DATE:	0	0	0
<u>Pur</u>	pose:	Month	Day	Year
•	To ensure that delinquent loans are	being reported accurately.		
•	To determine proper documentation	n is obtained on loans.		
•	To verify that the aggregate amoun ledger control.	at of the subsidiary ledger(s) agree(s)) with the general	
•	To determine if the Reserve/Allow	ance for Loan Losses account is pro-	perly funded.	
•	To determine compliance with v	vritten lending and collection proce	edures.	
<u>Pol</u>	icies:		Yes	No
1.				
	Is there a Lending Policy available	e for use by all interested parties?		
2.	Is there a Collection Policy available parties?	ble for use by all interested		
3.	Do the above policies indicate the Board of Directors?	y have been approved by the		
	3a. Date of approval for the Lendi3b. Date of approval for the Collect			
4.	Are these policies being followed conducting their daily operations?	by administrative personnel in		
<u>Pro</u>	cedures:		Completed by	Date Completed
1.	Review the accuracy of the delinq the number of months past due on	1 1 0		
2.	Check at least 10% of the loans cladelinquency (maximum of 25 loans)	-		
3.	Evaluate all delinquent loans for cloans, if any, should be charged o	•		
4.	Determine the adequacy of the bath Losses Account in accordance with Departmental Rules and Regulation	h Section 190.70 of the		
5.	Review all loans to directors, officunion and check for delinquency, approval.	- ·		

LOAN PROGRAM

(Please mark N/A if not applicable)

CREDIT UNION: INTERNAL AUDIT DATE: Month Day Year Completed Date Completed By 6. Test sample a number of loan files for adequate documentation and compliance with written lending policies. At least 10% of all loan files should be tested (maximum of 25). 7. Compare the aggregate amount of the individual account totals (subsidiary ledgers) to the general ledger balance by running an adding machine tape. If on computer, compare the trial balance total to the general ledger. 8. Review the collection activities for each delinquent loan and verify compliance with written collection policies. 9. Review files of charged off loans to determine if collection effort is continuing. 10. Is there a record of all charged off loans? Yes No 11. Have all collection efforts been exhausted? Yes No 11. Is management alert to actions needed to protect the credit union's assets when a member files bankruptcy? __Yes __ No 12. Do the lending and collection policies adequately cover the issue of credit cards? __Yes __ No 13. List below any recommendations for improvement in the credit union's current written lending and collection procedures.

LOAN SCHEDULE

(Please mark N/A if not applicable)

RN	NAL AUDIT DATE: 0 Month	Day	0 Year
		(Us	e Whole Dollars O
	TYPE OF LOAN	<u>Number</u>	<u>Amount</u>
	Unsecured Credit Card Loans		
	All Other Unsecured Loans		
	Share Secured Loans		
	New Vehicle Loans		
	Used Vehicle Loans		
	First Mortgage Loans		
	Subordinate Mortgage Loans		
	Insured or Pledged Loans		
	Other (Purchased or Non-Member Loans)		
•	Commercial & Agricultural Loans		
	TOTAL LOANS	0	(
	DELINQUENT LOANS	<u>Number</u>	<u>Amount</u>
•	"Slow" Loans (2 - less than 6 months)		
	"Doubtful" Loans (6 - less than 12 months)		
	"Loss" Loans (12 months or over) Other Delinquent Loans due to Bankruptcy		
•	Other Dennquent Loans due to Bankruptcy		
	TOTAL DELINQUENT LOANS	0	0
			-
	Comments:		

INVESTMENT PROGRAM

(Please mark N/A if not applicable)

CREDIT UNION: 0 0 **INTERNAL AUDIT DATE:** Month Day Year Purpose: • To verify investment activity is carried out in accordance with written policy. • Confirm that current investments exist in the amount(s) shown in the general ledger. • Ensure that all investments are legally within the guidelines of Paragraph 305/59 of the Illinois Credit Union Act. • To confirm that the credit union is categorizing investments according to (SFAS) 115. Policies: Yes No 1. Is there an Investment Policy available for use by all interested parties? 2. Has the Investment Policy been updated to reflect the requirements of FASB 115? 3. Does this policy indicate it has been approved by the Board of Directors? 3a. What was the date of approval? 4. Is the policy being followed by administrative personnel in conducting daily operations? Completed by Date Completed Procedures: 1. Verify all investment balances in writing, unless they can be confirmed by the original statement, passbook, etc. 2. Confirm that all investments are allowable under Section 305/59 of the Illinois Credit Union Act. 3. Review current written investment policies to determine if all investment activity is in compliance with the policies. 4. Review the credit union's method of accounting for premiums and discounts on investment securities, if applicable. 5. Obtain the market value and maturity of all investments. 6. Verify that accounting for investments separates them into "Held to Maturity", "Available for Sale", and/or "Trading Securities". 7. Determine that "Available for Sale" and/or "Trading Securities" are re-priced regularly and the balances in the general ledger reflect market price.

INVESTMENT SCHEDULE

(Please mark N/A if not applicable)

FERNAL AUDIT DATE:	Mo			0 Day	0 Year
			(Us	se Whole Dollar	s Only)
INVESTMENT TYPE:			Book Value		Market Value
1. U.S. Government Obligation	18				
2. Federal Agency Securities		_		-	
3. Mutual Funds & Common T	Trust Investmer	nts ¹		-	
4. Corporate Credit Unions		_		-	
5. Commercial Banks, S & L's,	, Mutual Saving	gs Banks		-	
6. Credit Unions-Deposits In a	nd Loans To	_		_	
7. Other Investments	OTAL INVEST	MENTS \$	0	(*) \$	
7. Other Investments	OTAL INVEST			(*) \$	
7. Other Investments TO Note: Insurance Capitalizat CLASSIFICATION	OTAL INVEST	isted on Page	15. C.	D.	E.
7. Other Investments TO Note: Insurance Capitalizat CLASSIFICATION OF INVESTMENTS:	OTAL INVEST	isted on Page	15.		
7. Other Investments TO Note: Insurance Capitalizat CLASSIFICATION OF INVESTMENTS: 1. Held to Maturity	OTAL INVEST	isted on Page	15. C.	D.	
7. Other Investments TO Note: Insurance Capitalizat CLASSIFICATION OF INVESTMENTS: 1. Held to Maturity 2. Available for Sale	OTAL INVEST	isted on Page	15. C.	D.	E. Total Amount
7. Other Investments TO Note: Insurance Capitalizat CLASSIFICATION OF INVESTMENTS: 1. Held to Maturity 2. Available for Sale 3. Trading	OTAL INVEST	isted on Page	15. C.	D.	
7. Other Investments TO Note: Insurance Capitalizat CLASSIFICATION OF INVESTMENTS: 1. Held to Maturity 2. Available for Sale	OTAL INVEST	isted on Page	15. C.	D.	

Notes:

¹ Mutual Funds & Common Trust Investments must be either catagorized as Available for Sale or Trading Securities.

² CD's with Corporate Credit Unions, Commercial or Savings Banks, or with other Credit Unions <u>must be treated as Non-SFAS 115 Investments.</u>

SHARE PROGRAM

CREDIT UNION: 0			
INTERNAL AUDIT DATE:	0	0	0
	Month	Day	Year
Purpose:			
• To verify that the aggregate amou	nt of the subsidiary ledgers agre	es with the general ledger con	trol.
• To determine if dividends are being	ng paid ratably within each share	type and in accordance with b	poard policy.
• To ensure that new members are v	within the credit union's field of	membership.	
Policies:		Yes	No
Is the Credit Union making appro with members with inactive account.	-	t	
2. Is the Credit Union turning of Division all accounts dormant for	-		
<u>Procedures</u> :		Completed By	Date Completed
1. Compare the aggregate amount of (subsidiary ledger) to the general adding machine tape. If on comp total to the general ledger.	ledger balance by running an		
2. Test the accuracy of the dividend ruling for each type of share held least five (5) accounts for each type	The number tested should be a		
3. Select a list of new members from Verify the membership qualification contained on the membership care	ions by reviewing the information		
4. Verify that all closed accounts are balances are properly reconciled a	· ·		
5. Verify that the credit union has a and/or non-member deposits at th	-		

SHARE (OR SAVINGS) SCHEDULE

CREDIT UNIO	N:		0						
INTERNAL AU	J DIT DAT	TE:		0		0			0
			Mo	onth		Day		Y	ear
			(Use Whole	Dollars Only)	Divid	end Inforn	nation	
Distribution	Total #	Amount less	Amount	Amount More			Last Payment		
of Savings	of Accts.	than 1 Year	1-3 Years	than 3 Years	TOTAL	Rate (1)	Date Paid	Freq.	Accrual (2)
1. Share Drafts					\$0				
2. Regular					* -				
Shares					\$0				
3. Money Market									
Shares					\$0				
4. Share									
Certificates					\$0				
5. IRA/KEOUGH									
Accounts					\$0				
6. All Other									
Shares					\$0				
7. TOTAL									•
SHARES	0	\$0	\$0	\$0	\$0				
8. Non-Member									
Deposits					\$0				
9. TOTAL Shares									•
and Deposits	0	\$0	\$0	\$0	\$0	(*)			
(1) Dividend R (2) Accrual - In	ate should	be that which w	as paid at the	most recent pay	yment date to the <u>r</u> st dividend payme	majority		lders.	
Comments:									

FIXED ASSET PROGRAM

CREDIT UNION: 0 **INTERNAL AUDIT DATE:** Dav Month Year Purpose: To verify the existence of fixed assets owned by the credit union. To determine whether or not fixed assets are being properly depreciated. To determine if the disposition of fixed assets, including all gains and losses, are correctly recorded. Completed Procedures: Date Completed By 1. Obtain a listing of fixed assets owned by the credit union and sight all items listed. (Sample 10% if over 50 items are listed). 2. Review the invoices and canceled checks of any fixed assets purchased since the last audit to determine proper recording. 3. Check the depreciation computation for all fixed assets to determine accuracy. (Sample 10% if over 50 items are listed, including all items reviewed in #2 above). 4. Trace the balances shown on the credit union's depreciation schedule to the general ledger. 5. Check the removal from the records including the computations of all gains and losses on the disposition of every fixed asset. (Sample no more than 10%). 6. Determine that items on lease are properly identified and accounted for. 7. Verify that property and casualty insurance is adequate to cover all property owned and/or leased, including computer records. 8. Review transactions involving repossessed collateral (if any) for proper accounting and safekeeping. Sight test all items listed. Trace recordings of all collateral items sold to cash receipts journal and members' loan accounts. **Comments:**

FIXED ASSET SCHEDULE

ERNAL AUDIT DATE:	0	0	0
	Month	Day	Year
Whole Dollars Only)			
	Original	Accumulated	Book
ITEM	Cost	Depreciation	Value
Land			
Building			
Leasehold Improvements			
Furniture and Equipment			
Autos			
Computer Equipment			
TOTAL			
	(*)	(*)	(*)

OTHER ASSETS AND LIABILITIES PROGRAM

INTI	ERNAL AUDIT DATE:	0	0		0
INTERNAL AUDIT DATE.		Month	Day	Year	
<u>Purp</u>	ose:				
•	To confirm that other assets	and liabilities are prop	per and correctly accounted	for.	
Proce	edure:			Date Completed	Completed By
1.	Verify all beginning balan examining paid invoices a validity.		_		
2.	Test the credit union's am asset to insure accuracy ar	-	ions for each prepaid		
3.	Verify all liabilities in wr an outside source (stateme				
4.	Test the accuracy and rea accounts) and accrued inco				
5.	Review all other assets an statement presentation, ex				
6.	Verify that payroll taxes a due.	re accrued for all en	nployees and paid when		
	Comments:				

OTHER ASSETS AND LIABILITIES SCHEDULE

ERNAL AUDIT DATE: 0	0	0
Month	Day	Year
OTHER ASSETS:	(Use Who	ole Dollars Only)
ITEM: Insurance Capitalization Deposit NCU Prepaid Expenses Accrued Interest Receivable - Loans Accrued Interest Receivable - Investments Other Assets	(*) Reference Line 6(*) Line 7(*) Total { Equals Line 8, Pg. 1 (BALANC
	TOTAL OTHER ASSETS	
LIABILITIES:		
ITEM:		
Accounts Payable Total Borrowings	Line 10 (*) Line 11 (*)	
Accrued Dividends Payable Payroll Taxes Payable	Line 12 (*) Total	
Accrued Expenses Other Liabilities	Equals Line 13, Pg. 1	(*)
	TOTAL OTHER LIABILITIES	
(*) Totals on these lines should agree with corres	sponding lines on Page 1.	
Comments:		

ANNUAL VERIFICATION OF MEMBERS' SHARE AND LOAN ACCOUNTS

CREDIT UNIO	ON NAME:		0						
					NOTICE	1			
	oncerning the An ervisory Commit							-	-
As of Decembe	r 31, of the prio	r year:						Yes	No
1) Were your total assets over \$5 million? If so, you MUST engage a Professional Accountant to perform an External Audit and Verification of Accounts.									
2) Were your total assets below \$3 million? If so, the Supervisory Committee may perform the verification of accounts (with the assistance of an outside professional accountant if you choose).									
prior year? If ye	Verification of Mes, then a reason performed. If	able per	centage	verificat	ion of memb	ers' share and			
· •	verification not a t the balances are			nd or 3rd	requests, did	I the committe	e		
	refer to pages coor for Verification		_	ort for in	าformation ย	and			
REPORT OF	VERIFICATI	ON RI	ESULT	'S:					
Members	Total Number of	Number of Accounts Verified			Replies Received to Positive Verifications		Replies to Negative	Number not verified-unknown or	
Members	Accounts	Posi	itive Metho	od (*)	Negative Method	No Comment	w/Comment	Verification	incorrect address
Share Accounts		1st	2nd	3rd					
Loan Accounts		1st	2nd	3rd					
(*) Indicate the nu	umber of first, seco				•	•		•	
If a Registered I the Supervisory	off Date Used for Public Accountar Committee or the address and phon	nt was e	mployed l audit a	d to mak	e the Annual	Verification o			
Name:						Firm Name:			
Phone:						Address:			
						City:			

CERTIFICATION PAGE

CREDIT	UNION NAME:	0			
STATE OI	FILLINOIS)		
) ss		
COUNTY	OF)		
member of t	n and being duly sworn he Supervisory Commit	on oath, depose tee of the above	and say, each stated credit u	for themselves, under union; that they have o	representation of the above stated appenalty of perjury, that they are a caused an annual audit to be made, as t is the result of such audit; that
the statemer	its herein contained hav	e been examine	d by them and a	are true and correct to	the best of their knowledge and belief.
				Total # of Members o	n Supervisory Committee
	Subscribed and sw	orn to before m	e this:	Signature	
					Chairperson, Supervisory Committee
	Day M	Ionth	Year	Signature	
					Member, Supervisory Committee
				Signature	
	Notary	Signature			Member, Supervisory Committee
				Signature	
	(Seal)			Member, Supervisory Committee
				Signature	
					Member, Supervisory Committee
	•				to sign. Also, if any member of the dicate (new) after their signature.
Credit Uni	on Mailing Address:				<u>-</u>
	City, State, Zip:				-
	Phone Number:			ext.	-
	Hours of Operation:	Mon.		Thurs.	
		Tues.		г.	
		Wed.			