

Department of Commerce
Division of Financial Institutions
85 7th Place East, Suite 280
St. Paul, Minnesota 55101-2198

Semi-Annual
Supervisory Committee
Audit Report

| <i>Audit Period:</i> | <i>From:</i> | <i>To:</i> | <i>Credit Union Name</i> | | |
|-----------------------|--------------|------------|--------------------------|--------------|-----------------|
| <i>Street Address</i> | | | <i>City</i> | <i>State</i> | <i>Zip Code</i> |
| | | | | Minnesota | |

Instructions:

This supervisory committee report is to be completed semiannually as required by Minnesota Statutes, Section 52.11(1) for periods ending June 30 and December 31.

For each six month period, the supervisory committee is to provide a **brief summary** (*on page 2, add additional sheets if needed*) of areas reviewed during that period. This should include a description of periodic audit procedures performed – in addition to meeting the annual audit requirement detailed below:

The committee's audit program and procedures must comply with National Credit Union Administration (NCUA) Rules Part 715 - as required in your agreement for insurance of accounts. The audit is to be performed once during the calendar year – **as of a specific audit date.** Minnesota Statutes, Section 52.11(2) does require a supervisory committee submit an annual report (of their audit findings) at each annual meeting of members.

All work papers are to be retained in the credit union as an official record that supports the findings (*do not submit them with this report*). The required audit work for completing this annual report may be performed by the committee or an independent auditor at the direction of the committee.

Appendix A of the **NCUA Supervisory Committee Guide** details minimum procedures which a supervisory committee (or its independent accountant or other accountant) must complete when a Supervisory Committee chooses the Supervisory Committee Guide option for completing its annual audit requirement under Part 715 of the NCUA Rules and Regulations.

NOTE:

The Audit Checklists included on previous Semi-Annual Supervisory Committee Audit Report forms were taken from Chapter 25 – Final Audit Checklist – as detailed in NCUA's Supervisory Committee Guide. **However, completions of these checklists (while a useful audit tool) are not sufficient to meet all the requirements listed in Appendix A.** Based on this change, the audit checklists are no longer included on this report form.

Please reference Appendix A, Minimum Procedures in NCUA's Supervisory Committee Guide, for detailed instructions on audit areas to be completed. *Evaluation of the audit's compliance with Appendix A requirements will be part of onsite examinations of the credit union by Commerce Department and NCUA examiners.* Due to this periodic review of supervisory committee reports during onsite examinations, submission of the list of detailed audit procedures is no longer required.

Audit functions (*annual audit and/or periodic procedures performed*) completed from January 1 to June 30 would be reported in the June 30 report, and audit functions completed between July 1 and December 31 in the December 31 report. The supervisory committee is to forward a signed copy of this report to the Commerce Department on or before January 31 and July 31, each year.

Please provide a brief summary of audit activity during the prior period. Attach additional pages, if needed. If the annual audit (including a CPA audit) was completed during this 6 month period, please submit a copy with this form.

SUMMARY COMMENTS:

We certify that this report is based on information obtained from the credit union records and through direct observation by us or by auditors acting under our supervision and that, to the best of our knowledge and belief, the statements contained herein are correct.

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|------------------------------------|-------------|-------------------------|-------------|
| <i>Supervisory Committee Chair</i> | <i>Date</i> | <i>Committee Member</i> | <i>Date</i> |
| <i>Committee Member</i> | <i>Date</i> | <i>Auditor</i> | <i>Date</i> |
