

PERFORMED BY A QUALIFIED PERSON WITH APPROPRIATE KNOWLEDGE OF AUDITING CONCEPTS AND CREDIT UNION PROCEDURES; OR

3. AN AUDIT PERFORMED BY THE SUPERVISORY COMMITTEE OR THE CREDIT UNION'S INTERNAL AUDITORS.

(3) THE FOLLOWING MINIMUM PROCEDURES SHALL BE SATISFIED UNDER PARAGRAPHS (2)(I)2 AND (2)(I)3 OF THIS SUBSECTION:

(I) DETERMINE THAT THE RESERVE FUND IS SUFFICIENT IN ACCORDANCE WITH § 6-703 OF THIS TITLE;

(II) DETERMINE THAT THE CREDIT UNION MEETS MINIMUM NET WORTH REQUIREMENTS IN ACCORDANCE WITH § 6-702 OF THIS TITLE;

(III) REVIEW AND TEST THE BANK STATEMENT RECONCILIATIONS BY TESTING FOR MATHEMATICAL ACCURACY AND ENSURING THAT RECONCILING ITEMS ARE REASONABLE AND CLEAR PROMPTLY;

(IV) PERFORM AN ~~ANNOUNCED~~ UNANNOUNCED CASH COUNT AT SOME TIME DURING THE PERIOD COVERED BY THE AUDIT AND ENSURE THAT THE AMOUNT OF CASH COUNTED AGREES TO THE GENERAL LEDGER;

(V) REVIEW A SUFFICIENT NUMBER OF CURRENT AND DELINQUENT LOANS TO DETERMINE WHETHER OR NOT THEY ARE IN ACCORDANCE WITH THE CREDIT UNION'S UNDERWRITING POLICIES AND PROCEDURES AS ESTABLISHED BY THE BOARD;

(VI) DETERMINE THAT THE TRIAL BALANCE LISTING OF LOANS AGREES WITH THE GENERAL LEDGER;

(VII) DETERMINE THAT THE ALLOWANCE FOR THE LOAN AND LEASE LOSS ACCOUNT MEETS THE MINIMUM STANDARDS REQUIRED UNDER § 6-704 OF THIS TITLE;

(VIII) DETERMINE THAT ALL LOANS THAT ARE DELINQUENT 60 DAYS OR MORE ARE REPORTED TO THE BOARD MONTHLY;

(IX) DETERMINE THAT THE INVESTMENT SUBSIDIARY OR LIST OF INVESTMENTS AGREES WITH THE GENERAL LEDGER BY PERFORMING THE FOLLOWING PROCEDURES:

1. COMPARE THE BALANCE OF INVESTMENTS AND ACCRUED INTEREST RECEIVABLE FROM THE SUBSIDIARY LEDGER TO THE GENERAL LEDGER;

2. CHOOSE A SAMPLE OF INVESTMENTS AND COMPARE THE MARKET VALUE PER THE SUBSIDIARY LEDGER TO AN OUTSIDE SOURCE;

3. TEST THE ACCRUED INTEREST AND COMPARE IT TO THE SUBSIDIARY LEDGER;

4. TEST A SAMPLE OF INVESTMENT PURCHASES OR SALES DURING THE AUDIT PERIOD FOR PROPER AUTHORIZATION TO MAKE SURE THAT THE