

ACCOUNTING TREATMENT IS CORRECT, COMPARE THE TERMS OF THE TRANSACTIONS TO A BROKER ADVICE, AND MAKE SURE THAT THE INVESTMENT IS IN ACCORDANCE WITH BOARD POLICY; AND

5. CONFIRM ALL INVESTMENTS WITH ANY DEPOSITORY INSTITUTION, BROKER, OR THIRD PARTY SAFEKEEPING AGENT, OR INSPECT THE ORIGINAL CERTIFICATE, IF IT IS IN THE POSSESSION OF THE CREDIT UNION;

(X) DETERMINE THAT THE TRIAL BALANCE LISTING OF SHARES AND DEPOSITS AGREES WITH THE GENERAL LEDGER;

(XI) PERFORM A MINIMUM OF 20 SHARE AND DEPOSIT DIVIDEND AND INTEREST CALCULATIONS PAID DURING THE AUDIT PERIOD;

(XII) OBTAIN A LIST OF ALL OVERDRAWN SHARE AND DEPOSIT ACCOUNTS AND DETERMINE THAT MANAGEMENT IS ATTEMPTING TO COLLECT THESE ITEMS;

(XIII) OBTAIN A LISTING OF OTHER ASSET AND OTHER LIABILITY ACCOUNTS, MAKE A SELECTION OF FIVE OF THESE ACCOUNTS INCLUDING ANY SUSPENSE OR CLEARING ACCOUNTS, AND PERFORM THE FOLLOWING PROCEDURES:

1. OBTAIN RECONCILIATIONS OF THE SELECTED ACCOUNTS AND COMPARE THE BALANCE TO THE GENERAL LEDGER;

2. TEST THE MATHEMATICAL ACCURACY OF THE RECONCILIATION; AND

3. DETERMINE WHETHER ANY RECONCILING ITEMS HAVE BEEN OUTSTANDING FOR MORE THAN 30 DAYS;

(XIV) PERFORM A MINIMUM OF 20 LOAN INTEREST CALCULATIONS COLLECTED DURING THE AUDIT PERIOD;

(XV) REVIEW THE MINUTES OF THE BOARD MEETINGS TO ENSURE THAT THEY DOCUMENT RELEVANT DECISIONS, INCLUDING DECISIONS ABOUT CHARGED OFF LOANS, INTEREST RATE CHANGES, POLICY CHANGES, INTEREST AND DIVIDEND RATES, PERSONNEL ISSUES, AND THE ANNUAL BUDGET; AND

(XVI) OTHER AUDITING PROCEDURES AS ARE DEEMED NECESSARY BY THE BOARD, THE COMMISSIONER, OR THE SUPERVISORY COMMITTEE.

(E) (1) AT LEAST ONCE EVERY 2 YEARS THE SUPERVISORY COMMITTEE OR ITS DESIGNEE SHALL VERIFY THE ACCOUNTS OF THE MEMBERS IN ACCORDANCE WITH PARAGRAPH (2) OF THIS SUBSECTION.

(2) THE VERIFICATION SHALL BE PERFORMED USING ONE OF THE FOLLOWING METHODS:

(I) A 100% VERIFICATION OF THE SHARE AND LOAN ACCOUNTS OF ALL MEMBERS;