

## External Audit Reports

### Credit Unions with total assets greater than \$5,000,000 as of 12/31 of the prior year

#### Illinois Credit Union Act Section 305/34 - Duties of the Supervisory Committee –

(3) *“The Supervisory Committee of a credit union with assets of \$5,000,000 or more shall engage a public accountant registered by the Department of Professional Regulation to perform an annual external independent audit of the credit union’s financial statements in accordance with generally accepted auditing standards. A copy of an external audit independent audit shall be completed and mailed no later than 90 days after December 31 of each year; provided that a credit union or group of credit unions may obtain an extension of the due date upon application to and receipt of written approval from the Director. If the annual internal audit of such a credit union is conducted by a public accountant registered by the Department of Professional Regulation and the annual internal audit is done in conjunction with the credit union’s annual external audit, the requirements of subsection (1) of this Section shall be deemed met.”*

Please refer to Section 305/34 of the Illinois Credit Union Act for additional information.

### VERIFICATION OF ACCOUNTS

#### Section 190.130 of the Rules and Regulations - Verification of Share and Loan Accounts -

- c) Verification conducted by a CPA firm or individual registered with the State of Illinois to practice as a Public Accountant.
  - 1) When the Supervisory Committee's audit is performed by a CPA or a Registered Public Accountant, either positive or negative verification requests may be used. The extent and nature of all tests is to be decided jointly by the Committee and the CPA or Registered Public Accountant.
  - 2) At the conclusion of the audit, **a statement must be given which reflects the work performed and the responsibilities accepted by the firm or individual\***. This statement shall be signed by the person in charge of the audit, or by the person who accepts responsibility for the firm, and shall be attached to the audit report given to the Board of Directors.

(Source: Amended at 30 Ill. Reg. 18919, effective December 4, 2006)

\*The statement should indicate that “The external audit was sufficient in scope to satisfy the supervisory committee internal audit requirement outlined in Section 305/34(1) of the Illinois Credit Union Act”.

Please refer to Article 190.130 of the Rules & Regulations for additional information.