

17-2211. Duties of supervisory committee; annual and supplementary audits; acceptance of certain

audits. (a) The supervisory committee shall supervise the acts of the board of directors, credit committee and officers. The supervisory committee may suspend by a 2/3 vote any officer of the credit union or any member of the credit committee or the board of directors, until the next meeting of the members of the credit union, which meeting shall be held not less than seven nor more than 21 days after such suspension and at which meeting such suspension shall be acted upon by the members of the credit union. Any person suspended shall have the right to appear and be heard at the meeting.

(b) By a majority vote the supervisory committee may call a meeting of the shareholders to consider any violation of this act or of the bylaws, or any practice of the credit union which, in the opinion of the committee, is unsafe and unauthorized.

(c) The committee shall fill vacancies in their own number until the next annual meeting of the members or vacancies shall be filled in such a manner as is provided in the bylaws.

(d) Subject to rules and regulations adopted by the administrator, the supervisory committee shall make or cause to be made a thorough annual audit of the receipts, disbursements, income, assets and liabilities of the credit union and shall make a full report to the directors, which report shall be presented at the annual meeting and shall be filed and preserved with the records of the credit union. The supervisory committee shall make or cause to be made such supplementary audits as it deems necessary or as may be ordered by the administrator, and submit reports of the supplementary audits to the board of directors. The administrator may accept in lieu of any required audit, an audit by a certified public accountant or other independent accountant.

(e) Subject to rules and regulations adopted by the administrator, the supervisory committee shall make, or cause to be made, a certification of members' accounts using either of the following methods:

(1) A controlled certification of 100% of members' accounts at least once each two years; or

(2) a controlled random statistical sampling in accordance with American institute of certified public accountants' guidelines which tests sufficient accounts in number and scope to assure accuracy of the members' accounts at least once each year.

History: L. 1929, ch. 141, § 11; L. 1941, ch. 181, § 3; L. 1957, ch. 152, § 4; L. 1965, ch. 153, § 3; L. 1970, ch. 87, § 1; L. 1981, ch. 101, § 3; L. 1989, ch. 77, § 1; L. 1995, ch. 128, § 3; L. 2012, ch. 25, § 3; July 1.