



## **LISBON COMMUNITY FEDERAL CREDIT UNION SUPERVISORY COMMITTEE OVERVIEW**

**March 4, 2024**

### **Summary:**

The Supervisory Committee is commonly referred to as the “Watch Dog” as it serves to protect and safeguard the assets of the Credit Union.

### **Committee Structure:**

The Supervisory Committee is comprised of three to five Members appointed annually by the Board of Directors. Committee Members must:

- Be Members of the Credit Union;
- Be at least 18 years old; and
- Be bondable by the Credit Union’s fidelity bond company.

Committee Members, like the Board of Directors, are volunteers and receive no compensation.

### **Duties & Responsibilities:**

- Assume responsibility for conducting a financial audit each year. This audit must be sufficient in scope to meet the requirements set forth by the National Credit Union Administration. This audit is typically performed by a Certified Public Accounting firm selected by the Committee.
- Make recommendations to the Board of Directors based on findings resulting from yearly CPA audits and/or periodic examinations by the National Credit Union Administration.
- Ensure that the policies and procedures set forth by the Board of Directors are being followed.
- Ensure that the Credit Union’s accounting records and financial reports are promptly prepared and accurately reflect the operating results.
- Perform a variety of monthly/quarterly audits such as teller/vault cash counts, investment audits, loan file audits, closed account audits, dormant account audits, deposit account audits, check cashing audits, review of President/CEO accounts, and change of address audits.
- Research and resolve formal complaints initiated by Members. Assist Members in resolving any issue they may have with the Credit Union.



- To treat all Member and Credit Union information obtained through service on the Committee as confidential and not disclose or discuss any of this information with anyone outside of the Credit Union.

### **Minimum Requirements and Expectations:**

Supervisory Committee members are expected to:

- 1) Attend monthly meetings of the Supervisory Committee. The Committee currently meets at 11:00am on the Friday before the third Wednesday of each month. At these meetings Board of Director activities are reviewed and the monthly/quarterly activities described in the “Duties and Responsibilities” section above performed. These meetings typically last 60 to 90 minutes.
- 2) Perform assigned audits between Supervisory Committee meetings. These audits typically take about 1 hour.
- 3) Attend the Credit Union’s Annual Meeting, typically held in February, March or April.
- 4) Attend training programs offered by the Maine Credit Union League. The League typically offers training opportunities at their annual Convention held in the spring of each year and their Volunteer Conference typically held in the fall of each year.