

**CREDIT UNION
AS OF
INTERNAL CONTROL QUESTIONNAIRE**

(Completed By)

Loans/Allowance for Loan Losses:
1. Detail the names of all persons who can approve loans, including loan officers or Credit Committee.
2. Who has the authority to process loans?
3. Who has the authority to perform file maintenance on loans?
4. Describe the training and instruction the loan officers or Credit Committee received since the last audit date.
5. Detail who can disburse the proceeds for any new loan.
6. Does someone without lending authority (question number 1) or without authority to disburse loans (question number 5) recheck original loan documentation, including notes and supporting documentation, for completeness?
7. How does the Credit Union ensure that borrowers maintain current insurance for all collateralized loans, including real estate?
8. Detail who can substitute or release the title on collateral.
9. Who reconciles, and how often, the loan trial balance with the general ledger balances?
10. How often are reports of delinquent loans generated and collection efforts attempted on all delinquent loans?
11. Describe the process for documenting collection efforts on delinquent loans.
12. How often does the Board of Directors review the reports of delinquent loans?

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13. Are permanent subsidiary records maintained on all charged-off loans?	YES	NO	N/A
14. Are charged-off loan files segregated from active loan files?	YES	NO	N/A
15. Are charged-off loan files maintained under dual control?	YES	NO	N/A
16. Are all charged-off loans approved by the Board of Directors	YES	NO	N/A
17. Does the Credit Union report to the credit bureau?	YES	NO	N/A
18. Is all foreclosed real estate recorded on the general ledger at the lower of the outstanding loan balance or the current appraised value?	YES	NO	N/A
19. Is a standardized checklist utilized to ensure appropriate loan documentation on all types of loans?	YES	NO	N/A
Cash, ATM's:			
20. Do all tellers have sole custody of their teller cash at all times?	YES	NO	N/A
21. Is all vault cash and ATM cash restricted under dual control at all times by keys, combinations, etc.?	YES	NO	N/A
22. Are all teller drawers and ATM's balanced daily as evidenced by balancing sheets summarizing all daily activity and transactions?	YES	NO	N/A
23. Is all vault cash balanced daily as evidenced by a balancing sheet summarizing all cash transfers in and out of the vault?	YES	NO	N/A
24. Are tellers allowed to hold late deposits or other transactions as carryovers to the next business day?	YES	NO	N/A
25. Are tellers required to post overages and shortages on the day of occurrence?	YES	NO	N/A
26. Are ATM replenishments completed by two employees?	YES	NO	N/A
27. When was the last time all locks and combinations were changed on teller drawers, and vaults?			

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On-Line Teller System:			
28. Do all employees have specific ID's or passwords?	YES	NO	N/A
29. Indicate if the following transactions require a Teller override, Supervisory override, or no override:			
- Transactions against uncollected funds	Teller	Supervisory	None
- Withdrawals over a specified amount	Teller	Supervisory	None
- Release of pledged or assigned deposits as loan collateral	Teller	Supervisory	None
- Activity on accounts under administrative hold	Teller	Supervisory	None
- The closing of an account	Teller	Supervisory	None
Members' Statements:			
30. Who at the Credit Union receives and maintains undeliverable mail on members' accounts?			
31. Is undeliverable mail maintained under dual control?			
32. Can members choose to obtain their statements directly from the Credit Union instead having their statements mailed to them?	YES	NO	N/A
33. When members, within a designated time frame, do not pick up statements, are the statements required to be mailed to the member?	YES	NO	N/A
34. Are members required to sign for statements when picked-up directly from the Credit Union?	YES	NO	N/A
35. How often are members' statements mailed to members on all accounts?			
36. When are Form 1099s for dividends sent to members?			
37. How often are employee statements reviewed by management and/or the Supervisory Committee/Board of Directors?			
Bank and Investment Reconcilements:			
38. Who completes the bank reconciliations? Is there a separate employee that reviews the bank reconciliations after they are completed?			

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39. Are all reconcilements performed by personnel without access to the posting to the general ledger, members' accounts, cash, or unissued checks?	YES	NO	N/A
40. Does the employee who completes the bank reconciliations have wire authorization authority?	YES	NO	N/A
41. Are all reconcilements reviewed by personnel without access to the posting to the general ledger, members' accounts, cash, or unissued checks?	YES	NO	N/A
Members' Deposit Accounts:			
42. Who reconciles, and how often, the deposit trial balance with the general ledger balances?			
43. Does the Supervisory Committee/Board of Directors mail letters confirming the following?			
• New Accounts	YES	NO	N/A
• New Loans	YES	NO	N/A
• Closed Accounts	YES	NO	N/A
• Activity on Dormant Accounts	YES	NO	N/A
44. Are deposit accounts reviewed regularly to determine the dormant or inactive status of members' accounts?	YES	NO	N/A
45. Are dormant account activity reports reviewed on a monthly basis to determine whether accounts were removed from the dormancy because of member-generated activity	YES	NO	N/A
46. Is an individual different than the individual initiating the transaction, reviewing the dormant account activity report?	YES	NO	N/A
47. Who reviews the dormancy reports?			
48. Lis all employees who have override authority for dormant accounts?			
49. What controls are in place for returned member statements?			

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50. Do file maintenance reports include all transactions that do not show up on the members' statements (including, but not limited to, error corrections and transaction reversals).	YES	NO	N/A
Other Assets and Liabilities:			
51. When was the last physical inventory of fixed assets by management or the Supervisory Committee/Board of Directors?			
52. What types of retirement plans does the Credit Union offer its employees? (457b or 457f?)			
Equity Accounts:			
53. How often does the Board of Directors review and approve all transactions recorded in any equity accounts?			
Other Items:			
54. Are loan file maintenance reports reviewed/approved by a different individual than the individual initiating the transaction?			
55. How often are Corporate Credit Cards reviewed by the Supervisory Committee/Board of Directors and/or management?			
56. Who has wire transfer authority?			
57. Who is authorized to purchase and sell investments? Who performs the accounting for investments?			
58. When was the date of the last Member Account Verification Audit?			
59. When was the date of the last ACH Audit?			

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60. When was the date of the last Bank Secrecy Act Review?
61. When was the date of the last Safe Act Audit?
62. Please provide the name, address, and phone number for the Supervisory Committee Chairperson/Board of Directors Chairperson.
63. Credit Union Name:
64. Name of Employee completing this Questionnaire
65. Auditor completing your audit.
66. By typing your name in the box below, you are certifying that the answers given are correct to the best of your knowledge.