

**ARTICLE IX**  
Supervisory Committee

**Section 1.** Board of Directors in Lieu of Supervisory Committee

This credit union shall not have a supervisory committee. The board of directors shall perform, or delegate as it considers advisable, the duties of the supervisory committee as required by law, regulation and these bylaws. References to the supervisory committee in the Act, regulations, and in these bylaws shall mean, and shall apply to, the board of directors.

**Section 2.** Comprehensive Audit

The board of directors shall cause to be made, as required by the Act and rules and regulations governing the operation of credit unions, a comprehensive audit of the books and records of the credit union not less than annually. Such comprehensive audit shall be an independent review of the internal policies, procedures, and controls of the credit union and its compliance with them as necessary for the reviewing party to come to a reasonable conclusion that the financial statements of the credit union fairly and accurately represent the condition of the credit union.

Verification of Accounts

The board of directors shall cause all member accounts to be verified, under controlled conditions, with the records of the credit union at least once every two (2) years. A statistical sampling procedure may be used in lieu of verifying all member accounts provided it is performed in accordance with generally accepted auditing standards. Records of those accounts so verified must be retained until the following verification of member accounts is completed.

Notwithstanding the foregoing, the board of directors may employ clerical and auditing assistance as required to carry out its responsibilities as set forth in this Article. No official or employee of the credit union shall participate at any time, in any manner, in the performance of any audit, examination, or account verification.