

Chapter DFI-CU 67

CERTIFIED PUBLIC ACCOUNTANT AUDITS OF CREDIT UNIONS IN LIEU OF EXAMINATIONS BY THE STATE OF WISCONSIN

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Note: Chapter CU 67 was renumbered chapter DFI-CU 67 under s. 13.93 (2m) (b) 1., Stats., and correction made under s. 13.93 (2m) (b) 6. and 7., Stats., Register, October, 1997, No. 502.

DFI-CU 67.01 Purpose. The director may accept an audit report of a certified public accountant who is not an employee of the credit union in lieu of all or a portion of the routine examination which is made by or caused to be made by the director as required by s. 186.235 (16), Stats.

History: Cr. Register, October, 1981, No. 310, eff. 11-1-81; correction made under s. 13.93 (2m) (b) 7., Stats., Register, June, 2000, No. 534; **correction made under s. 13.93 (2m) (b) 7., Stats., Register February 2004 No. 578.**

DFI-CU 67.02 Definitions. (1) “Director” means the director of credit unions.

(2) “Accountant” means a certified public accountant who is not an employee of the credit union and is licensed in the state of Wisconsin.

History: Cr. Register, October, 1981, No. 310, eff. 11-1-81.

DFI-CU 67.03 Routine examination procedures. An examination of a credit union shall include the ordinary and accepted procedures necessary to determine:

- (1) The solvency of the credit union;
- (2) The business of the credit union is being conducted in accordance with the Wisconsin statutes and applicable federal and state regulations and laws;
- (3) The credit union is complying with:
 - (a) The rules of the director, Wisconsin Administrative Code;
 - (b) The credit union’s bylaws;
 - (c) The credit union’s charter.
- (4) The credit union is not conducting its business in an unauthorized manner;
- (5) The credit union is not in an unsafe and unsound condition to transact its business;
- (6) The capital of the credit union is not impaired;
- (7) The credit union can, with safety and expediency, continue business; and
- (8) The credit union is operating in accordance with regular accepted credit union accounting principles.

History: Cr. Register, October, 1981, No. 310, eff. 11-1-81.

DFI-CU 67.04 Requirements for audits by accountants. In order for an examination to be accepted by the director, the accountant shall:

- (1) Satisfy each of the examination procedures in s. DFI-CU 67.03;
- (2) Submit a copy of the audit report, management audit report and all worksheets in support of the reports prepared by the

accountant for review and analysis by the director or the director’s representative; and

(3) Submit an additional special report on forms provided by the director. These special report forms are the regular routine examination forms completed by staff examiners of the director during the course of their routine examinations.

Note: Forms CUE 2, CUE 4, CUE 5, CUE 10, and CUE 12 may be obtained at no charge from the office of credit unions.

(4) The credit union requesting the director to accept an audit by an accountant shall pay to the director the current hourly examination fee established by s. 186.235 (14) (c), Stats., for the review and analysis of the audit report, management report and the special report on the forms supplied by the director.

History: Cr. Register, October, 1981, No. 310, eff. 11-1-81; correction in (4) made under s. 13.93 (2m) (b) 7., Stats., Register, June, 2000, No. 534.

DFI-CU 67.05 Acceptance of audits by accountants in lieu of examination by the director. (1) The director will analyze and review or cause to have analyzed or reviewed the reports and worksheets required by s. DFI-CU 67.04 (2) and (3) and determine if they satisfy s. DFI-CU 67.03.

(2) The credit union will be notified within a reasonable period of time by the director as to the decision whether the audit and worksheets are acceptable in lieu of all or a part of an examination by the director.

(3) If the reports are accepted by the director, a solvency or abbreviated examination of the credit union may be made by examiners of the office of credit unions. Every effort shall be made to avoid significant duplication of examination procedures.

History: Cr. Register, October, 1981, No. 310, eff. 11-1-81.

DFI-CU 67.06 Miscellaneous. (1) For the purposes of this chapter, examination standards of all credit unions chartered under ch. 186, Stats., shall be under the control and supervision of the director.

(2) The accountant shall supply, within 30 days, any information requested by the director as to the audit of the credit union by the accountant.

(3) If the information requested of the accountant is not supplied to the director within the requested period of time, the director may order a special examination of the credit union to satisfy the areas of concern. The cost of the special examination shall be paid by the credit union.

(4) If the reports from the accountant which are required by s. DFI-CU 67.03 disclose information which represents areas of concern to the director, a special examination by the director may be ordered for that credit union. The cost of the special examination shall be paid by the credit union as established by s. 186.235 (14) (c), Stats.

History: Cr. Register, October, 1981, No. 310, eff. 11-1-81; correction in (4) made under s. 13.93 (2m) (b) 7., Stats., Register, June, 2000, No. 534.