

1301:9-2-11

Independent audit.

- (A) Every credit union must maintain adequate, complete and correct accounts and shall observe generally accepted accounting principles (GAAP) and anything else the superintendent prescribes.
- (B) A credit union must notify the superintendent on a form prescribed by the superintendent, within ten days after the retention of an outside auditor, of the name, address, and telephone number of such auditor, whether or not the retainer is pursuant to section 1733.19 of the Revised Code. Any changes in this information shall be reported to the superintendent within ten days of the change, on a form prescribed by the superintendent.
- (C) A credit union may dismiss, release, or otherwise terminate its relationship with an outside auditor. All facts surrounding such termination and the subsequent investigation of the circumstances shall be submitted to the superintendent, in accordance with the provisions of division (B) of section 1733.19 of the Revised Code.
- (D) The superintendent may require at any time that a credit union have its accounts audited in accordance with generally accepted auditing standards by an outside auditor, at the expense of the credit union. Before commencement of the independent audit, and within fifteen days of written notice from the superintendent that an audit of the books and records will be required, to be conducted by an independent qualified public accountant, the credit union shall submit in writing, the name and address of a qualified public accountant of its choosing, for approval by the superintendent.
- (E) The credit union shall file with the superintendent a copy of the report of audit no later than fifteen days following the receipt thereof. For the purpose of this filing requirement, the term "report of audit" includes in addition to the audit report itself and the accountant's certificate, any special supplemental report, letter or reports to management, or any other documents which are related to the audit or the report thereof. Notwithstanding the foregoing, in no event shall the audit report itself and the accountant's certificate be filed with the credit union later than ninety days after the end of the reporting period for which the audit is conducted unless the credit union has received a prior written extension of the time for filing. All credit unions whose assets exceed twenty-five million dollars as of the prior year's filing shall have its accounts audited by a public accountant or certified public accountant licensed to do business in Ohio and an opinion given in accordance with AICPA guidelines, unless waived by the superintendent. The credit union shall submit such request for a waiver in writing to the superintendent. The superintendent shall respond to the waiver request within

twenty business days of receiving the waiver request. If the superintendent does not respond within twenty business days to the waiver request such request is deemed approved. Such audits must be submitted to the superintendent within thirty days of the credit union's receipt of the audit report.

(F) Pursuant to section 1733.322 of the Revised Code, the credit union examined by an outside auditor shall waive the confidentiality with regard to discussion of the outside audit with the superintendent. The form of the waiver must contain the following:

- (1) A statement to the effect that the waiver of confidentiality has been approved and recorded in the minutes of the credit union and the date of the board of directors' meeting on which the fact was recorded.
- (2) A certification of the above statement of fact and a restatement of the intent to waive the confidentiality which is usually present between the auditor and client in order to allow discussion of the case between the auditor and the superintendent of credit unions. This waiver must be signed by the president and secretary of the credit union.

Five Year Review (FYR) Dates:

Certification

Date

Promulgated Under:	119.03
Statutory Authority:	1733.41
Rule Amplifies:	1733.19
Prior Effective Dates:	3/25/76, 9/1/79, 2/11/88, 3/22/12