



**COLORADO**  
Department of  
Regulatory Agencies  
Division of Financial Services

**Issued To:** State-Chartered Credit Unions

**Subject:** Audit Reports from Third-Party Providers

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The National Credit Union Administration (NCUA) recently announced a change in their supervision policy that requires their examiners to obtain a copy of a newly completed audit report directly from the outside audit firm from all federally insured credit unions. This change is in response to recommendations made by the Office of Inspector General following material loss reviews conducted by that office.

NCUA examiners conduct off-site reviews for all federally insured credit unions once a quarter. These reviews primarily consist in studying the most recent Financial Performance Report and 5300 Call Report. In addition, and as part of the off-site monitoring process, NCUA now requires their examiners to review each credit union's Online Profile to determine if the credit union has reported a newly completed annual audit completed by a third-party. If so, the NCUA examiner is required to contact the auditor, supervisory committee, and/or audit committee to obtain a copy of the audit report directly from the auditor. Once received, the examiner will read the audit report, and if material problems are identified, will follow up as necessary.

In order to reduce the burden to credit unions (and third-party audit providers) from receiving multiple requests for audit reports by both the Division of Financial Services and NCUA, please notify your third-party annual audit provider to send an electronic copy of the audit report and the applicable management letter **directly** to the Division at [COOO@ncua.gov](mailto:COOO@ncua.gov) or provide the reports to the Division by upload access RIVIO. Please have your third-party annual audit provider send the report to the Division after each new annual financial statements audit report and management letter, at the same time the report is sent to your Supervisory Committee or Audit Committee of the Board. Upon review and as required, the Division, NCUA, and the credit union will work together to resolve any material concerns.

If you have any questions regarding the Bulletin, please contact the Division of Financial Services' Deputy Commissioner, Mark Valente or Supervisory Examiner, Dave Brown at (303) 894-2336.

