Meetings That Matter

Turning the supervisory committee meeting into the *throughput of oversight*.

SYNERGY CREDIT UNION CONSULTING · ANCIN COOLEY, CIA, CISA

Who's walking you through this

Ancin Cooley CIA, CISA

Founder & Principal — Synergy Credit Union Consulting

The only minority-owned credit union and banking consulting firm in the country. We work with boards and supervisory committees to build governance that holds — from strategic planning through operational oversight.

STRATEGIC PLANNING • GOVERNANCE • LENDING • ERM

The committee meeting is not a *ceremony*.It is the *throughput* of oversight.

If the meeting doesn't produce decisions, assignments, and documentation, oversight didn't happen. It was *discussed*.

This Room

How your peers' committees actually function.

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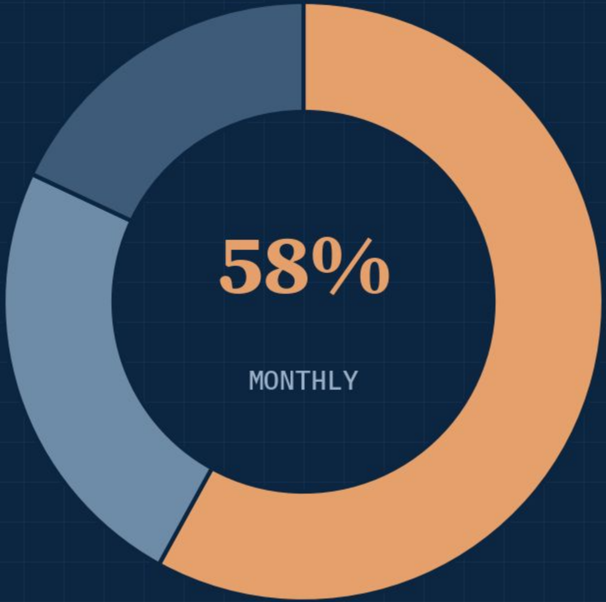
Q1 · MEETING CADENCE

How often does your committee meet?



58% Monthly

24% Other

18% Quarterly

THE SO-WHAT

Most meet monthly — the cadence to actually oversee, not just convene.

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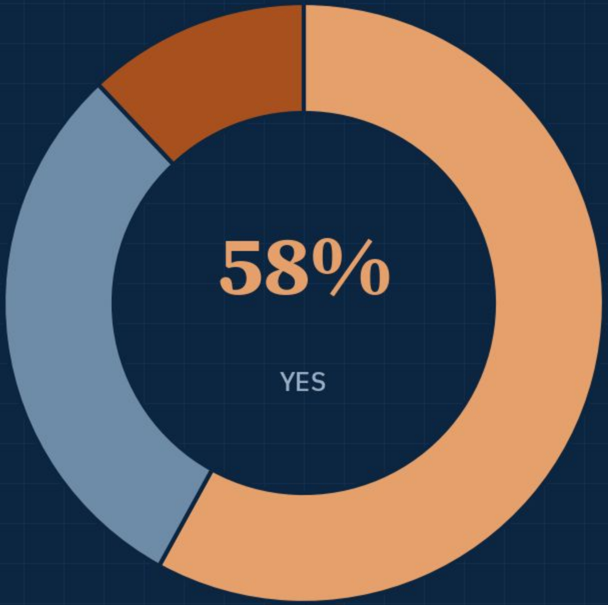
Q2 · CHARTER CURRENCY

Board-approved charter, reviewed in the last 24 months?



- 58% Yes
- 30% Not sure
- 12% No

THE SO-WHAT

42% can't confirm a review in two years — the easiest gap on this board to close.

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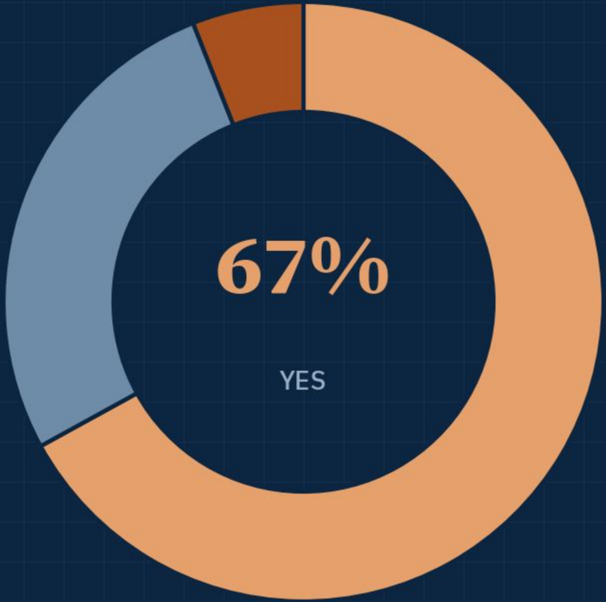
Q3 · AUDITOR OVERSIGHT

Do you directly engage & oversee the external auditor?



- 67% Yes
- 27% Shared with management
- 6% No

THE SO-WHAT

1 in 3 don't fully control the auditor who reports to them.

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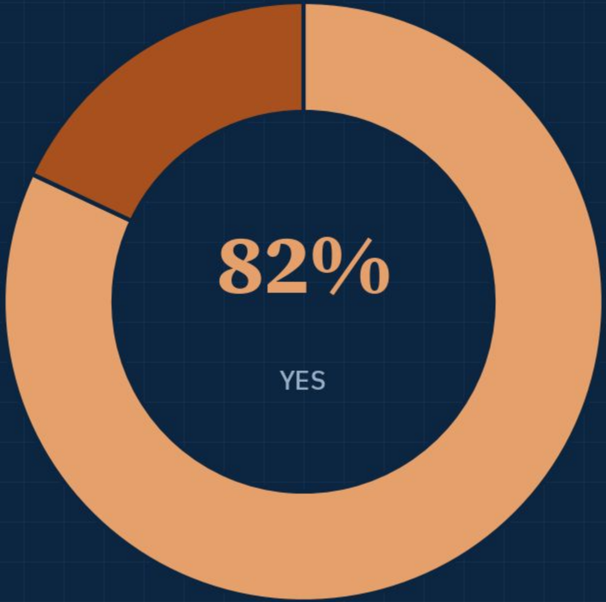
Q4 · EXPERTISE AT THE TABLE

A member with formal financial or audit expertise?



82% Yes

18% No

THE SO-WHAT

Expertise is the room's strength — 4 in 5 have it at the table.

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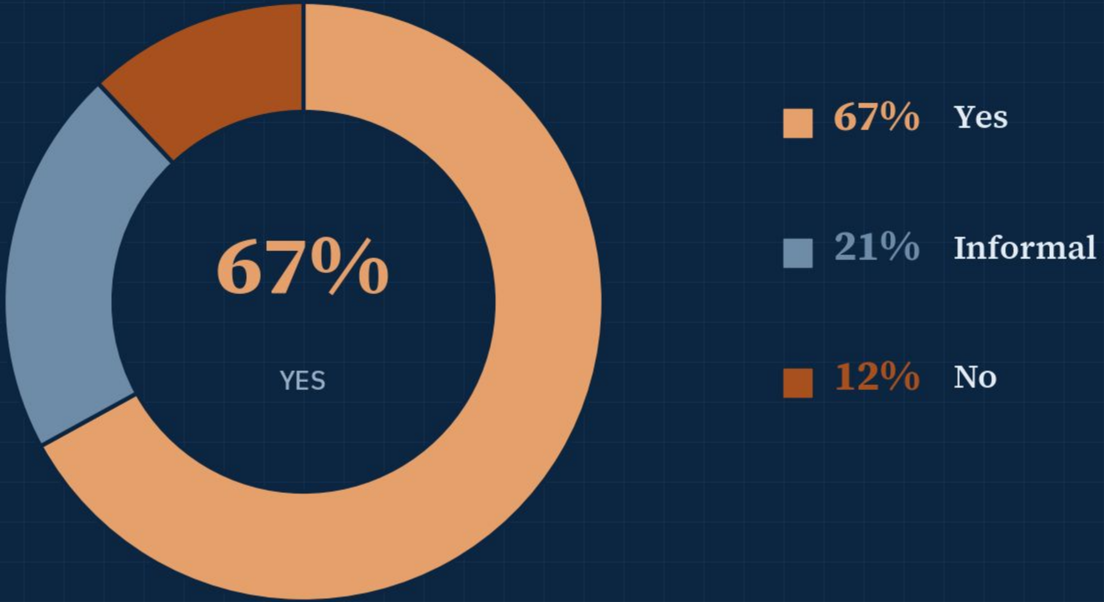
Q5 · RISK-BASED AUDIT

Documented annual risk assessment tied to your audit plan?



THE SO-WHAT

A third run without a documented risk assessment behind the audit plan.

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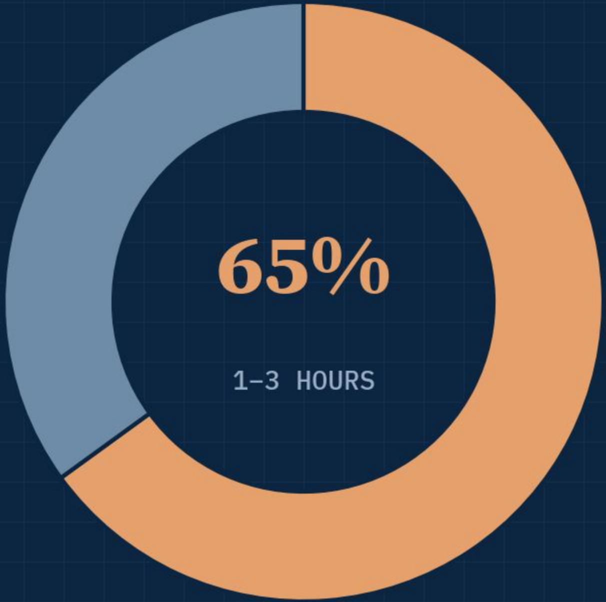
Q6 · TIME ON THE WORK

How long do your committee meetings typically run?



65% 1–3 hours

35% Under 1 hour

THE SO-WHAT

Two-thirds give the work real time — an hour or more.

Foundations

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Old School Minimums

01

Financial Reporting

Interim & annual reports, critical estimates, unusual transactions

02

Regulatory Compliance

BSA/AML, fair lending, exam findings, correspondence

03

External Auditor

Appoint, compensate, oversee — including executive session

04

Internal Audit

Scope, plan, CAE access, annual performance review

05

Internal Controls

Control environment, IT security, fraud, vendor risk

The charter is also your authority — to engage the auditor, to demand unrestricted access, to break reporting ties.

Before the Meeting

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Materials land *five business days* before every meeting. No exceptions. Late materials trigger a deferred discussion.

THE PACKET

- Prior minutes
- Current-period financials
- Audit reports (int + ext)
- Finding status & responses
- Regulatory correspondence

THE PROCESS

- Chair + CAE draft
- Mgmt adds narrative
- Secretary distributes
- Members submit Qs
- Chair finalizes agenda

THE ENFORCEMENT

- Late = deferred item
- Minutes record the delay
- Pattern → Board Chair
-

Every agenda has three zones

STANDING · ROTATING · EXECUTIVE SESSION

STANDING ITEMS

Every meeting

- Call to order & quorum
- Approve prior minutes
- Open findings review
- Financial reporting
- Compliance & regulatory
- Internal audit report

ROTATING ITEMS

By annual calendar

- Charter review (Q1)
- External audit (Q2)
- Policy cycle (Q2)
- Self-assessment (Q3)
- Budget review (Q4)
- Next-year plan (Q4)

EXECUTIVE SESSION

Every meeting — protected

- Without management
- With external auditor
- With Chief Audit Officer
- Committee-only decisions
- Concerns not raised openly
- Closed-session votes

During the Meeting

The 90 minutes that either produce oversight — or consume it.

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The 90-minute meeting flow

A TIMED ARCHITECTURE

0:00	0:10	0:25	0:45	1:00	1:10	1:20	1:35
10m	15m	20m	15m	10m	10m	15m	10m
Open	**Open Findings**	**Financials**	**Audits**	**Risk/Comp**	**Policy**	**Exec Session**	**Decisions**

Standing items — every single meeting

01 **Approve prior minutes**
Your record — correct errors before approval.

02 **Confirm quorum & conflicts**
On the record. Absent members don't vote.

03 **Open findings review**
Status, owner, target, aging. Red if >2 cycles.

04 **Financial reporting**
Period vs budget, ratios, unusual variances.

05 **Compliance & regulatory**
Exam correspondence, BSA/AML, complaints.

06 **Internal audit report**
Completed, in-progress, scope changes.

07 **Executive session**
With auditor, with CAE, without management.

08 **Decisions & action items**
Every assignment: owner + due date.

Executive sessions — three kinds, one purpose

WITH THE EXTERNAL AUDITOR *Before & after the annual audit (charter required)*	Scope disputes, restricted information, disagreements with management, control-environment concerns.
WITH THE CHIEF AUDIT OFFICER *At least quarterly*	Independence concerns, scope pressure, resource constraints — issues the CAE won't raise in front of management.
COMMITTEE ONLY *Every meeting — standing 10–15 min*	Member concerns not yet ripe, committee composition, charter compliance, escalations to the Board.

Questions that change the quality of oversight

AUDIT

- Status of every open finding?
- Anything past its remediation date?
- Highest-risk area unaudited 24+ mo?

RISK

- Top three risks right now?
- Has the profile changed this month?
- Inside board-approved risk appetite?

COMPLIANCE

- Ready for the next exam today?
- What reg changes are we tracking?
- BSA/AML & SAR filing status?

OPERATIONS

- Control weakness not yet a finding?
- Vendor issues with material exposure?
- IT / cyber / staffing not escalated?

Minutes discipline

MINUTES MUST CAPTURE

- Date, attendees, quorum
- Every decision — motion, second, vote
- Dissent (by name if offered)
- Action items: owner + due date
- Rationale for material decisions
- That exec session occurred

MINUTES SHOULD NOT CAPTURE

- Verbatim discussion
- Exec-session content
- Privileged legal advice
- Unrelated member comments
- Conclusions never voted
- PII of members or staff

What You're Overseeing

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Choosing the firm that reports to you not to management

Independence

No consulting entanglements; arms-length from management.

CU & NCUA experience

They know 5300s, the exam, and cooperative structure.

Partner rotation

Lead partner rotates — 7 years max — fresh eyes on the file.

Scope & methodology

What they'll test, how deeply, and what they'll sign.

References & capacity

Peer CUs they serve; resourced to meet your timeline.

Fees

Lowest bid rarely wins; price the scope, not the logo.

Overseeing the external audit

PRE-AUDIT — SET SCOPE

- Review proposed scope & approach
- Confirm independence (no consulting)
- Confirm lead-partner rotation
- Pre-approve non-audit services
- Agree key focus areas

POST-AUDIT — CLOSE THE LOOP

- Review final report & opinion
- Discuss difficulties encountered
- Review disagreements with mgmt
- Present results to the Board
- Executive session — mandatory

Your external auditor reports to the committee — not to management. Act like it.

After & Cadence

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After the meeting — the artifacts of oversight

48-HOUR FOLLOW-UP

- T+24h: secretary drafts minutes
- T+48h: minutes to members; items to owners
- T+1wk: owners confirm; CAE updates log
- T+2wk: chair check-in with CEO
- T+3wk: board report if material

FINDINGS TRACKER — COLUMNS

- Finding ID & source
- Severity & process owner
- Opened & current target date
- Status & % complete
- Aging bucket (0–90 … 365+)
- Committee action each meeting

The annual report to members — drafted from four quarters of board reports — is your public record.

The annual focus calendar

FOUR QUARTERS · FOUR EMPHASES

Q1 · JAN–MAR

Planning

- Annual audit plan approval
- Prior-year financials
- Committee goals
- Charter review & refresh

Q2 · APR–JUN

Execution

- Mid-year audit progress
- External audit engagement
- Policy review cycle
- Risk assessment update

Q3 · JUL–SEP

Reflection

- Committee self-assessment
- Succession & composition
- Training needs
- Exam-prep review

Q4 · OCT–DEC

Forward

- Year-end audit prep
- Draft annual report
- Budget review
- Next-year planning

The supervisory committee maturity curve

WHERE ARE YOU — AND WHERE DO YOU WANT TO BE?

LEVEL 01

Reactive

COMPLIANCE BASIC

Meetings happen because the charter requires them. Agenda inherited. Packet late. Minutes record attendance. Exam is a fire drill.

LEVEL 02

Compliant

DOCUMENTATION SOLID

Standing agenda in place. Packet on time. Minutes capture decisions. Findings tracker maintained. Exam passes cleanly.

LEVEL 03

Strategic

GOVERNANCE STRENGTH

Agenda designed from charter. Executive sessions routine. Board reporting substantive. Examiners comment favorably.

Your committee is not a compliance artifact. It is a source of institutional strength — when the meeting mechanics make it so.

Slides and Kit

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