



# SUPERVISORY COMMITTEE JOB DESCRIPTION

This Policy sets forth the description of the role and responsibilities of an individual member of the Supervisory Committee of Ideal Credit Union.

## **Purpose**

Members of the Committee are responsible for assisting the Board of Directors and Senior Management in safeguarding the members' assets; ensuring the effectiveness of internal controls and the reliability and integrity of financial and operational information; maintaining the effectiveness and efficiency of the Credit Union's operations; complying with applicable laws and regulations; fostering and evaluating Enterprise Risk Management activities to ensure the Credit Union's long term viability and success; and ensuring the Credit Union has an annual audit conducted in a timely fashion.

## **Authority**

This Policy is adopted by majority vote of the Board pursuant to the Credit Union's Bylaws.

## **Roles & Responsibilities**

Committee members must effectively carry out their vital leadership, legal and stewardship responsibilities and act in the best interests of all the members of the Credit Union, consistent with this Job Description, as well as the Charter of the Committee. As such, they are responsible for being a vital part of the volunteers helping to provide effective governance, oversight and leadership to the Credit Union.

Committee members play a key role based on their shared understanding of the Credit Union's purpose and goals, as well as their charge to best safeguard the security and soundness of members' assets.



The roles and responsibilities of Committee Members fall in seven central areas:

### 1. Stewardship, Ethics & Financial Integrity

- Maintain, monitor and protect the safety and soundness of the Credit Union and its assets.
- Ensure the proper maintenance and security of all assets, accounts and written information entrusted to the Credit Union.
- Ensure that the Credit Union acts in accordance with all regulatory requirements and institutes all required changes to its accounting, financial and regulatory practices.
- Ensure that the Credit Union acts ethically and with genuine financial integrity, consistent with a cooperative, non-for-profit institution.
- Ensure ongoing monitoring and compliance with all laws, rules and regulations applicable to the Credit Union and its activities.

### 2. Governance & Leadership

- Effectively help to govern and lead the Credit Union in constructive partnership with the Board, CEO and Senior Management.
- Maintain effective relationships with all elements of the Credit Union's governance structure (the full Board, and the CEO and Senior Management) while simultaneously maintaining a quasi-independent stance.
- Act at all times in good faith and in a manner that the Committee member believes is in the best interests of all the Credit Union's members.
- Review and ensure that the Credit Union's critical accounting policies and practices are in place and effective, including a Code of Ethics.
- Ensure that there are clear and agreed upon roles and responsibilities for the Committee that are regularly reviewed, updated, and approved by the Board, the CEO and Senior Management.
- Ensure an effective, coordinated and accountable governance system.

### **3. Audit**

- Review the scope of the annual external audit as well as internal audits.
- Retain independent auditors, accountants and legal or governance counsel as needed.
- Review candidates for the Internal Audit Function and concur with the CEO and/or Senior Management on appointments.
- Review the audit, financial statements and the management letter.
- Review key matters that may have a “material impact on the financial statements.”
- Hold an Executive Session with the auditors to review the audited financial statements.
- Review and approve the prepared financial statements for the Annual Report.

### **4. Financial Performance & Results**

- Understand applicable finance, reporting and accounting practices.
- Help to ensure the reliability and integrity of the Credit Union’s financial statements and reporting processes.
- Monitor the Credit Union’s financial safety and soundness.
- Ask substantive questions and provide high-level feedback, recommended policy changes and suggestions to the CEO and Senior Management to enhance the Credit Union’s financial performance and results.

### **5. Enterprise Risk Management**

- Support the development of an appropriate risk profile for the Credit Union and ensure policies, budget, the strategic plan and other relevant documents are consistent with that risk profile.
- Ensure that appropriate internal controls are in place to mitigate financial, strategic, technology and other types of risk.

### **6. Membership**

- Ensure that there is an effective system in place to receive, synthesize and review member complaints and concerns.
- Support and participate – when appropriate – in the Credit Union’s community outreach efforts and activities.

### **7. Strategic Thinking, Learning & Planning**

- Support and regularly participate in a leadership culture that regularly engages in effective strategic thinking, learning and dialogue.
- Encourage the establishment of a clear vision and mission for the Credit Union, along with a regularly updated set of strategic goals, objectives and metrics of success.
- Demonstrate personal and sustained commitment to the Credit Union’s cooperative and not-for-profit values.