

SUPERVISORY COMMITTEE REPORT ANNUAL MEETING

MAY 3, 2025

The Supervisory Committee Chairperson is present at monthly meetings of our Board of Directors. The Chairperson reviews the minutes of the previous meeting and is attentive to the issues on the agenda. Continual attendance at board meetings provides the opportunity to better understand the operations within our Credit Union, and to see firsthand the efforts of Management and the Board of Directors to provide Chen Del-O Members the best of services possible. It also provides the Supervisory Committee with the opportunity to evaluate the effectiveness of policies and procedures safeguarding the operations of our Credit Union. In a similar manner, as Supervisory Committee Members conduct audits during regular business hours, it provides an opportunity to observe the interaction of Staff, Management and Members. An oral summary of the findings of the audits conducted by the Supervisory Committee for the month is provided to the Board of Directors at the Board Meeting.

A Supervisory Committee Audit for the 2024 year was conducted by *Frank J. Pidgeon, CFE* of *Frank J. Pidgeon and Associates* located in Schenectady, New York. The audit was completed for the period ending September 30, 2024. There were no material weaknesses stated within the audit and there were no exceptions indicated for either the operational area or the internal controls of the Credit Union. The most recent NCUA examination was conducted by Zohaib Zafar for the period ending September 30, 2024.

Closed accounts are verified monthly by letter. There were no responses regarding the 164 letters mailed. During the same 12-month period 84 new accounts were opened. A verification of open account balances was conducted for the second and fourth quarter of 2024. There were no discrepancies reported by members in the balances of their accounts. A first time verification audit of *MasterCard* account balances was conducted for February 2025 statements. There were no discrepancies reported by Members. *Verification audits are completed independently of Management, Staff, and Board of Directors. All replies are mailed to the address of the Supervisory Committee Chairperson.*

The Supervisory Committee continues to review dormant accounts, loan approvals, loan denials, delinquencies, bankruptcies, cash in cash drawers, reconciliation of the travel and gift cards sold and on hand. The Credit Unions bank statement and MasterCard statement is also reconciled. The Committee completed the SAFE Act Compliance Audit, and an audit of Home Equity Loan Draw Period Extensions. Each review and verification have indicated that applicable policies, procedure and protocol were followed.

In conclusion, as members we should continue to be confident, pleased, and proud, in knowing that Chen Del-O Federal Credit Union is financially strong, and responsive to

member needs. As equal members of Chen Del-O Federal Credit Union, the Board of Directors, Management, Staff, and Supervisory Committee never waiver from their responsibility to the Membership. We are fortunate to have a dedicated Office Staff, CEO, COO, and Board of Directors.

Respectfully submitted,

Joe Grieco (*Chairperson*)

Jeanne Kruser

George Hinkley

Anne Wolstenholme

Patricia Winters