



# Recognized leadership, enduring value

Trust Crowe for experience,  
integrity, and credit union  
industry knowledge.

Today's credit unions must meet changing member expectations, anticipate fast-changing competitive pressures, respond to an evolving regulatory climate, and address rising performance expectations – all while managing risk and long-term strategic issues. In this challenging environment, credit unions need an experienced professional services provider with a proven record of success to help them address these industry challenges.

### Crowe – by the numbers

- Crowe is the eighth largest U.S. accounting, consulting, and technology firm – according to the “2016 Accounting Today Top 100 Firms” list.
- We serve clients from coast to coast.
- Financial services is our number one area of industry specialization.
- Crowe works with more than 1,800 financial services organizations across the country.
- Crowe is one of the top 10 CPA firms for audits of credit unions in excess of \$100 million in assets and is ranked sixth for total credit union assets audited.<sup>1</sup>
- Crowe is the largest independent member of Crowe International, which is the seventh largest global accounting network.

## Crowe knows what matters to you

With more than 50 years of experience working with credit unions, Crowe is recognized as a leading provider of audit, tax, advisory, risk, and performance services. Quite simply, Crowe understands the financial services industry and the issues that most affect credit unions and their professionals.

The financial services industry is the largest area of specialization within Crowe. We serve more than 1,800 financial services organizations across the country, including more than 100 credit unions and credit union service organizations. In addition, Crowe is one of the top 10 accounting firms for audits of credit unions in excess of \$100 million in assets and is ranked sixth for total credit union assets audited.<sup>1</sup>

Of course, size alone isn't everything. Crowe also has an established reputation for professionalism and industry leadership, and actively participates in and supports organizations such as the National Credit Union Administration, the Credit Union National Association, and the Financial Managers Society, among many others.



## Our involvement tells the story

Crowe actively networks with and supports leading organizations and events associated with credit unions, including the:

- National Credit Union Administration (NCUA)
- American Institute of CPAs (AICPA) Conference on Credit Unions
- Association of Credit Union Internal Auditors (ACUIA)
- Credit Union Internal Auditors' Association (CUIAA)
- Credit Union National Association (CUNA)
- National Association of Federal Credit Unions (NAFCU)
- National Association of State Credit Union Supervisors (NASCUS)
- National Association of Credit Union Supervisory and Auditing Committees (NACUSAC)

For more than 15 years, Crowe partners have served on the AICPA Conference on Credit Unions steering committee by assisting with conference development and providing a variety of speakers for a wide range of topics.

A Crowe partner serves as chair of the AICPA Depository and Lending Institutions Expert Panel. This committee maintains an ongoing liaison with regulatory agencies and standard setters that affect financial institutions, including the NCUA. Crowe professionals also serve on

the AICPA Regulatory Liaison Task Force, which meets with NCUA representatives to discuss matters of mutual interest for auditors of credit unions and NCUA personnel.

As part of our NCUA involvement, Crowe has provided various training sessions for examiners and conducted joint webinars with the NCUA for credit unions on accounting matters and risk management topics.

# Professional services expertise

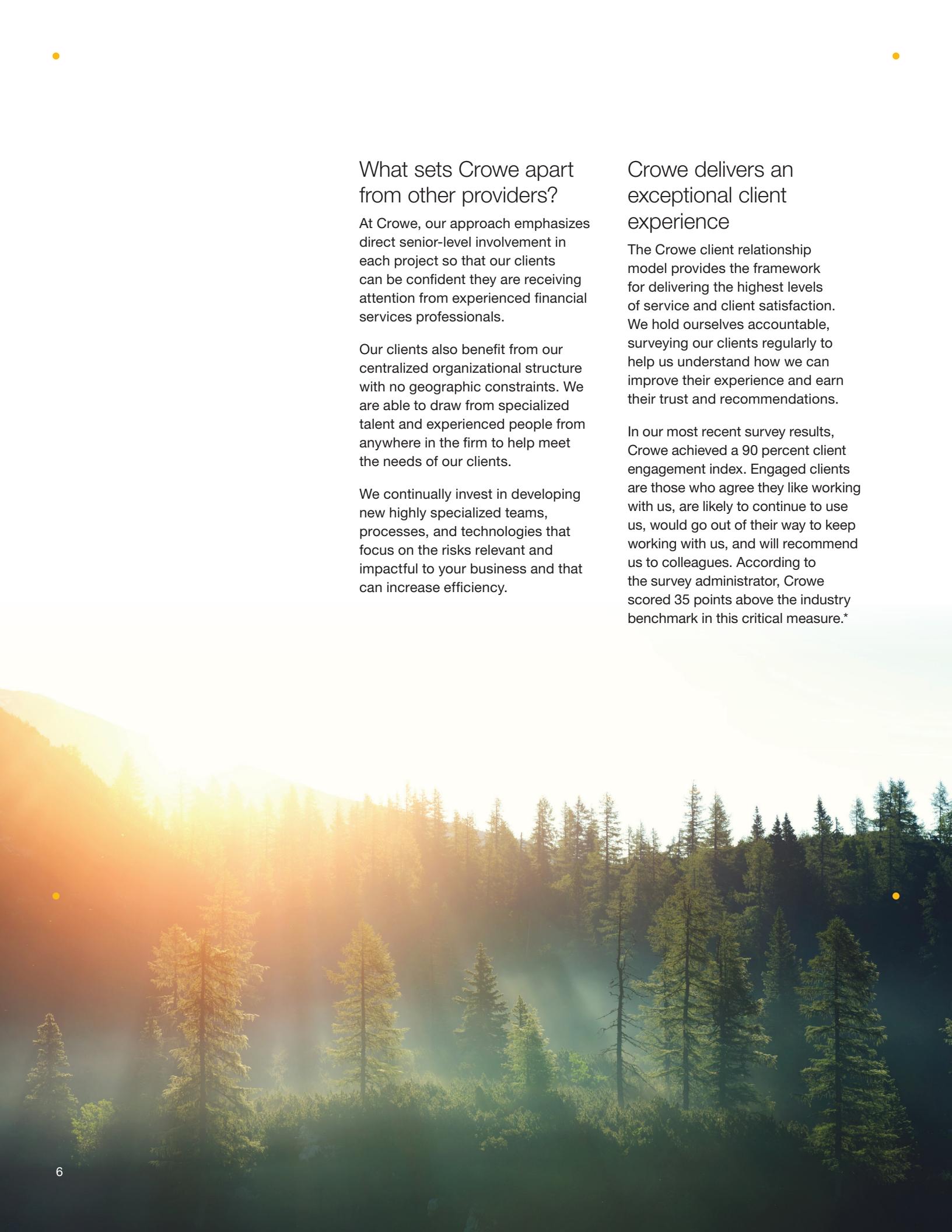
## Helping make sense of complicated issues

The changes being implemented by audit, accounting, and regulatory standard setters continue to affect the credit union industry at a fast pace. Crowe shares thought leadership by:

- Presenting at conferences, including our own annual financial institutions conference
- Distributing articles, white papers, newsletters, technical updates, and e-communications – such as our monthly Financial Institutions Executive Briefing – covering timely audit, accounting, and regulatory updates and topics
- Offering webinars covering accounting, fraud, compliance, corporate governance, regulatory, and other operational topics
- Making available technical subject matter specialists to discuss the impact and application of accounting standards
- Providing expertise in internal audit, tax, compliance, loan review, corporate finance, merger and acquisition, corporate governance, enterprise risk management, and *Bank Secrecy Act/anti-money laundering (BSA/AML)* to credit unions<sup>2</sup>

## Current expected credit loss standard implementation

For most credit unions, the new model for credit loss accounting is the most significant financial reporting change in decades. Beginning in 2021, most credit unions will implement the Financial Accounting Standards Board (FASB) current expected credit loss (CECL) standard. Crowe is well-positioned to assist credit unions with their implementation of CECL. We have made substantial efforts related to CECL by participating in FASB roundtable discussions, serving on the FASB Transition Resource Group for CECL, holding meetings with various regulatory agencies, preparing white papers, conducting webinars, presenting at national conferences, and participating in other related activities.



## What sets Crowe apart from other providers?

At Crowe, our approach emphasizes direct senior-level involvement in each project so that our clients can be confident they are receiving attention from experienced financial services professionals.

Our clients also benefit from our centralized organizational structure with no geographic constraints. We are able to draw from specialized talent and experienced people from anywhere in the firm to help meet the needs of our clients.

We continually invest in developing new highly specialized teams, processes, and technologies that focus on the risks relevant and impactful to your business and that can increase efficiency.

## Crowe delivers an exceptional client experience

The Crowe client relationship model provides the framework for delivering the highest levels of service and client satisfaction. We hold ourselves accountable, surveying our clients regularly to help us understand how we can improve their experience and earn their trust and recommendations.

In our most recent survey results, Crowe achieved a 90 percent client engagement index. Engaged clients are those who agree they like working with us, are likely to continue to use us, would go out of their way to keep working with us, and will recommend us to colleagues. According to the survey administrator, Crowe scored 35 points above the industry benchmark in this critical measure.\*

## Audit services

Choosing the right professional services firm means you can be confident you are receiving objective, credible information.

Crowe is a leading provider of professional audit services for credit unions of all sizes throughout the United States. In addition to being a top 10 accounting firm for audits of credit unions in excess of \$100 million in assets, Crowe is ranked sixth for total credit union assets audited.<sup>4</sup>

Our audit specialists stay fully informed and up to date on today's complex and rapidly changing financial requirements and employ a cost-effective, industry-focused, and technology-enabled audit methodology.

### Competence, consistency, and objectivity

Crowe maintains high audit proficiency through consistency of staff, continued training, and senior-level involvement in the engagement, from initial analysis and risk assessment to completion and delivery of reports.

Our technological abilities improve the audit process by enhancing efficiency and reducing disruption to your credit union. These tools help expedite the transfer and analysis of large amounts of financial data through the use of shared databases and include the Crowe Insight Center for Audit™ solution, a technology-rich audit methodology, and the CiRT® solution, a web-enabled project tracking tool that also provides secure data sharing.

Integrity and financial industry leadership are also factors. As active participants in and contributors to organizations shaping today's regulatory environment, Crowe professionals can bring insights into emerging trends and issues affecting the audit engagement.

### Audit services

- External audits
- Benefit plan audits
- Specialized audits – Housing and Urban Development (HUD), Federal Family Education Loan (FFEL) program, and others

### Other services

- Financial reporting
- Accounting advisory

# Risk consulting

Managing risk across the entire enterprise is one of the most difficult challenges facing credit union executives. This challenge includes evaluating operational, interest rate, liquidity, credit, cybersecurity, fraud, and regulatory compliance risks, and other potential threats from outside and inside your credit union.

Crowe can help credit unions meet their governance, risk, and compliance needs. Our experienced consultants have

deep subject-matter expertise in risk management, internal audit, fraud and ethics, security and privacy, and regulatory compliance. This knowledge helps our consultants advise our clients about emerging trends, industry benchmarks, and best practices. By combining in-depth industry skills with practical types of technology and a singular global delivery method, Crowe helps credit unions improve corporate governance and manage risk.

## Risk consulting services

- **Credit services**
  - Outsourcing of the credit review function
  - Managing commercial real estate concentrations
  - Acquisition due diligence
- **Internal audit services**
  - Internal audit cosourcing and outsourcing
  - Corporate governance
  - Enterprise risk management
- **Information technology services**
  - IT audit cosourcing and outsourcing
  - Risk management
- **BSA/AML compliance services**
  - Independent BSA audit
  - Regulatory exam preparation and management
  - Forensic and third-party look-back
- **Regulatory compliance services**
  - Compliance management program assessment and development
  - Model governance evaluation
  - Consumer Financial Protection Bureau (CFPB) readiness assessment
  - Compliance reviews

## Managing risk for competitive advantage

Crowe consultants recognize that managing business risk is really about improving business performance. We designed the Crowe Corporate Governance Framework to help credit unions work toward the rewards of enterprise risk management (ERM).

Crowe risk management professionals help institutions assess and better manage strategic, financial, compliance, operational, security/privacy, and fraud risks. We use a pragmatic ERM approach to provide primary decision-makers with insights that can aid in achieving strategic business objectives. At a higher level, Crowe internal audit support can help provide important feedback to management and supervisory committees and enable credit unions to strengthen risk management and governance.

Our comprehensive risk management solutions also can help strengthen and protect business intelligence and intellectual property while reducing complexity in areas such as AML transaction processes. The combined effects of these programs can include reduced costs, improved accuracy, and enhanced member service.

## Tax services

Crowe tax specialists understand the intricacies of helping your organization safeguard its most valuable asset – your tax-exempt status. For federally chartered credit unions this is not an issue, as federally chartered credit unions are viewed as federal instrumentalities. Federally chartered credit unions are not required to file IRS Form 990 and are not subject to the federal income tax on unrelated business income. The treatment of state chartered credit unions is different, as they are required to file Form 990 and they are also subject to the federal income tax on unrelated business income. We continually track pending regulatory changes and can work with you to develop tax strategies designed to help you comply with international, federal, and state and local requirements. We are experienced and well-versed in the issues that face credit unions, especially with respect to increased merger activities in the market as well as recent IRS focus on unrelated business income activities unique to state chartered credit unions.

### Take control of tax-exempt compliance

Many state chartered credit union organizations struggle with the increasingly complex tax compliance process that is required for tax-exempt organizations. They spend precious time gathering and managing data from various departments within their organizations. We developed the C-TRAC® solution to streamline the information gathering process and reduce the amount of time and effort needed to complete your compliance requirements, including Form 990, Form 990-T, state tax returns, and related schedules.

The C-TRAC solution is the only IRS-approved software developed by professionals specializing in tax-exempt organizations. Created and continually refined by Crowe specialists, this innovative, web-based technology provides effective project management tools in line with IRS-compliant tax preparation requirements. From distributing conflict-of-interest questionnaires to electronically filing your federal extensions and tax returns, the C-TRAC tool can help you complete your returns in less time, at a lower cost, and without straining limited internal resources.

### Other tax-matter expertise

Our teams of tax professionals are not only skilled in exempt issues but also possess significant experience in all tax matters for tax-exempt organizations. Our professionals are able to assess and identify potential issues, and if necessary, coordinate services from our extensive list of specialists.

#### **Tax services**

- Federal tax services
- State and local tax services
- International tax services
- Compensation and benefit plan services
- 401(k) plans

# Financial advisory services

As market conditions change, many credit unions face issues such as loss of liquidity, maintaining member value, and complicated acquisition strategies. Achieving a return on investment takes determination and the proper strategy.

Crowe offers a complete suite of financial advisory consulting services, delivered by seasoned professionals who understand the issues related to making informed decisions on strategic opportunities available for your credit union. Our comprehensive approach includes diligent planning, skillful execution, and prompt action to help credit unions achieve accurate and timely results.

## Expanding value and turning goals into achievements

As credit unions look to achieve growth through strategic acquisitions, Crowe offers a breadth of skills and a team approach to help from the first day of planning an acquisition through the entire transaction continuum.

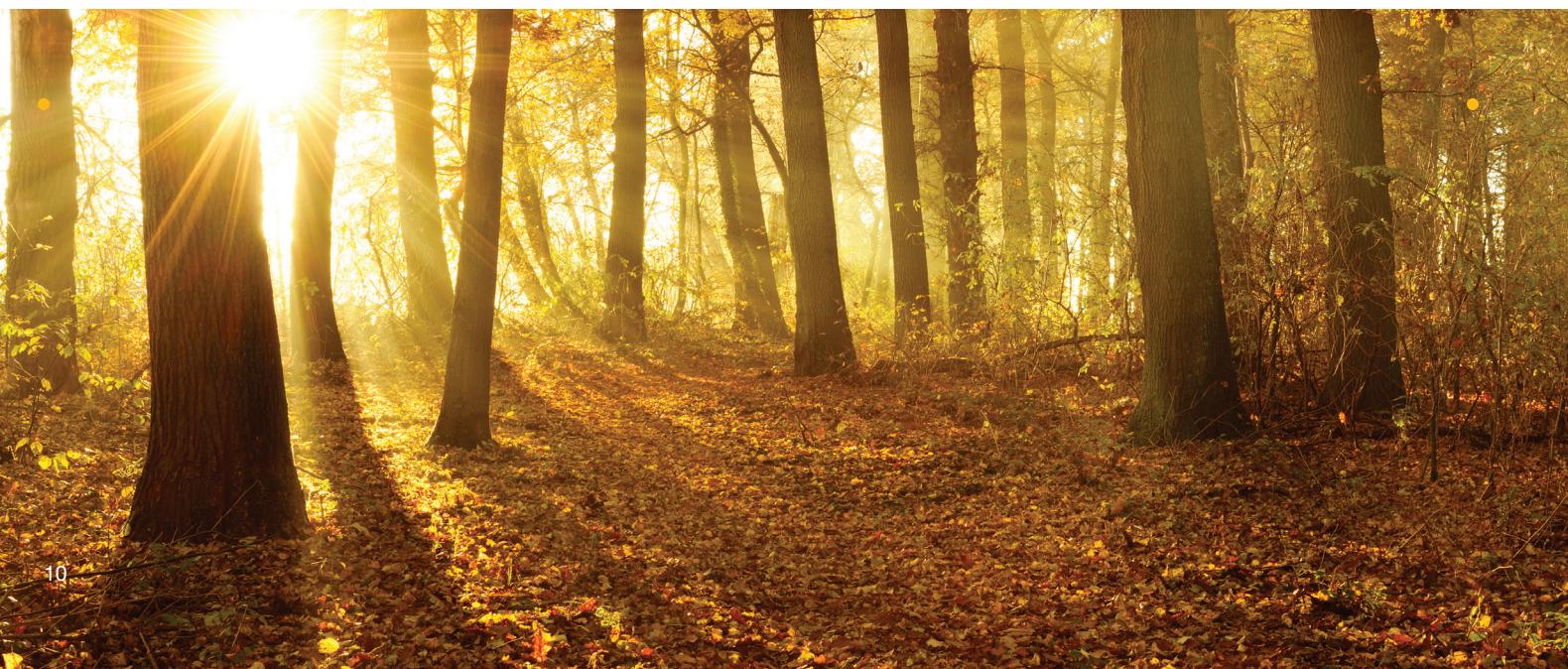
Crowe valuation specialists provide insights into deal planning, financial reporting, post-deal accounting, and other associated matters. Our transaction services professionals can identify deal risk points and potential deal breakers while offering guidance into transaction structure and potential opportunities for post-acquisition improvement.

Once the deal is done, Crowe specialists are available to help institutions assess how purchase price allocation and similar industry-specific issues will affect their reported earnings. Our merger and acquisition integration consultants know where integration risks can impede an acquisition and, through benchmarking, they can assist in identifying where cost savings may be realized.

In addition, our multidisciplinary, credentialed team of forensic specialists offers technical expertise for fraud investigations, arbitration services, and expert witness testimony.

## Financial advisory services

- **Transaction services for M&A**
  - Due diligence
  - Deal evaluation
  - Deal structure
  - Valuation services
  - Day one and day two accounting advisory under FASB Accounting Standards Codification (ASC) 805
  - Integration
- **Forensics and litigation support**



# Performance consulting

Staying competitive means it is more important than ever to take actions to improve operations, make better use of your data, and focus on your credit union's overall performance. Operational and revenue efficiencies begin by increasing visibility into the processes, technology, data, and resources in these areas.

Crowe performance services may be able to help credit unions streamline operations, manage information, and build a better bottom line. Using comprehensive

knowledge of industry-leading practices, types of technology, and enterprise systems, our consultants provide practical advice and proven methods designed to help credit unions create lasting change – and a performance advantage in the areas of productivity, expenses, compensation, branch performance, process design, and other operational practices.

Drawing on decades of industry experience and our independent perspective, Crowe performance

specialists provide executive teams with seasoned advice, clear-eyed objectivity, and proven management skills to help you assess, strategize, execute, and break through barriers in order to achieve higher performance. By uncovering opportunities to assist in moving your credit union to the next level of performance, we can help you implement operational efficiency improvements, cost reductions, better controls, and quality of service enhancements.

## Maximizing organizational excellence with technology

Building on knowledge and expertise in the current technology landscape and trends, we can help credit unions optimize their IT investment with technology planning and strategy development, system selection, and IT optimization designed to focus on current and future needs.

Our solutions can assist your organization in many ways:

- Crowe Portfolio Analyzer™ solution – assists credit unions in more effectively monitoring and analyzing credit risks, identifying portfolio trends and risk exposure, performing industry-specific peer analysis, identifying problems earlier, and enhancing loan management practices.

- Crowe Credit360 – Stress Testing™ solution – provides the capabilities credit managers need for a comprehensive analysis of credit portfolios including stress testing, concentration analysis, regulatory reporting, and economic capital management.
- Crowe Financial Data Automation solution – automates the collection of commercial customer financial statement data in order to reduce effort and inconsistencies as well as ease access.
- Our data integration, business intelligence, and visual analytics solutions help credit unions take advantage of powerful information management technology, identify service growth opportunities, and provide the metrics to solve management challenges.

- Our customer relationship management (CRM) solutions use automated workflows and guided dialogues to streamline key processes such as account onboarding, loan origination, and case escalation. CRM solutions are designed to help improve profitability by enabling you to capitalize on cross-sell opportunities and align pricing and policies with customer retention strategies.

### Performance consulting services

- Performance advisory
- Revenue enhancement
- Operational improvement
- Information management
- Portfolio management and stress testing



## Connect with us

We invite you to learn why many credit unions have turned to Crowe as their preferred provider for audit, tax, advisory, risk, and performance services. Please contact:

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Register to receive Crowe financial institutions e-communications at [www.crowe.com/signup](http://www.crowe.com/signup).

## About Crowe

“Crowe” is the brand name under which the member firms of Crowe Global operate and provide professional services, and those firms together form the Crowe Global network of independent audit, tax, and consulting firms. “Crowe” may be used to refer to individual firms, to several such firms, or to all firms within the Crowe Global network. The Crowe Horwath Global Risk Consulting entities, Crowe Healthcare Risk Consulting LLC, and Crowe Cayman Ltd. are subsidiaries of Crowe LLP. Crowe LLP is an Indiana limited liability partnership and the U.S member firm of Crowe Global. Services to clients are provided by the individual member firms of Crowe Global, but Crowe Global itself is a Swiss entity that does not provide services to clients. Each member firm is a separate legal entity responsible only for its own acts and omissions and not those of any other Crowe Global network firm or other party. Visit [www.crowe.com/disclosure](http://www.crowe.com/disclosure) for more information about Crowe LLP, its subsidiaries, and Crowe Global.

<sup>1</sup> Source: “2016 Supplier Market Share Guide: Credit Union Auditors,” Callahan & Associates

<sup>2</sup> In accordance with applicable professional standards, some firm services may not be available to attest clients.

<sup>3</sup> “Most Engaging Customer Experiences” business-to-business survey – accounting and tax, PeopleMetrics Inc., [http://info.peoplemetrics.com/2013\\_mecx\\_b2b\\_accounting\\_download](http://info.peoplemetrics.com/2013_mecx_b2b_accounting_download)

<sup>4</sup> Source: “2016 Supplier Market Share Guide: Credit Union Auditors,” Callahan & Associates

[crowe.com/cu](http://crowe.com/cu)

The C-TRAC® solution was invented by Geralyn Hurd of Crowe. A patent is pending for the C-TRAC solution. A patent is pending for the Crowe Financial Data Automation solution. The Crowe Financial Data Automation solution was invented by Jeff Schmidt of Crowe.

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