



Compliance eNewsletter

September 6, 2019 Vol. 13, Issue 34

InfoSight News

ANNUAL SURVEY – **Reminder!**

It's that time of year again! We are moving into strategic planning and budget time! Every year, we use the feedback that you provide in our annual survey to determine our next steps in product development. We want to hear what you think are the critical elements for InfoSight and CU PolicyPro! [Please fill out the survey](#) and let us know so that we can make our products even better!

Should any questions arise as you're taking the survey and you'd like more assistance, please contact us at: info@leagueinfosight.com.

Compliance News

FFIEC releases 2018 HMDA data

The FFIEC has [announced](#) the availability of data on mortgage lending transactions at 5,683 U.S. financial institutions covered by the Home Mortgage Disclosure Act. Covered institutions include banks, savings associations, credit unions, and mortgage companies. Released today are loan-level HMDA data covering 2018 lending activity that were submitted on or before August 7, 2019. The HMDA loan-level data available to the public will be updated, on an ongoing basis, to reflect late submissions and resubmissions. Accordingly, loan-level data downloaded from the [FFIEC HMDA website](#) at a later date will include any such updated data.

The FFIEC also posted a [Modified LAR browser](#) for accessing a downloadable modified LAR file for each HMDA filer that has submitted data on its 2018 (or 2017) lending, along with [information on the modified file specifications, schemas, and instructions](#).

Source: FFIEC

FinCEN launches investigations division

FinCEN has [announced](#) the launch of its Global Investigations Division (GID), which will be responsible for implementing targeted investigation strategies rooted in FinCEN's unique authorities under the Bank Secrecy Act (BSA) to combat illicit finance threats and related crimes, both domestically and internationally. GID will leverage FinCEN's BSA authorities, including Section 311 of the USA PATRIOT Act, to investigate and target terrorist finance and money laundering threats, and GID will work more closely with foreign counterparts to coordinate actions against such threats when appropriate.

Source: FinCEN

Fidelity Bond Coverage

NCUA finalized changes to its fidelity bond rule back in July with the changes going into effect October 22, 2019. The Federal Credit Union Act requires that certain credit union employees and elected officials have fidelity bond coverage. Implementing requirements can be found in [Parts 704](#) (federally insured natural person credit unions) [and 713](#) (corporate credit unions) of NCUA's Rules and Regulations.

What did the rule change for natural person federally insured credit unions?

Generally, the rule expands credit union board of director oversight of fidelity bond coverage; extends the discovery periods after both a voluntary and involuntary liquidation; allows for bond coverage of certain credit union service organizations; it amends which type of bond forms will require NCUA Board approval; and establishes a sunset date for NCUA approved bond forms.

The board of directors of a credit union is responsible for annually reviewing all applications for the purchase or renewal of coverage to ensure that there is adequate coverage. The board approval of the purchase and renewal of coverage should be documented in the form of a board resolution in the board meeting minutes. Also, the standard industry practice of employees signing renewal documents is no longer acceptable. Once effective, any renewals must be signed by a non-employee and one that is different from the signatory that signed the prior renewal.

Credit unions might want to start thinking about an appropriate time for the board to review the bond coverage (remember once this rule is effective, bond coverage will need to be reviewed annually). Once you've determined the appropriate time for the annual bond review, you'll need to organize all the relevant materials and forms set for review so these items can be included in the board packet.

If there are any new purchases of bond coverage or renewals at this time, don't forget there will need to be a board resolution (as NCUA wants approvals for new and renewed coverage documented in the board minutes). In addition, remember that non-employees must sign any renewed or new coverage – and the same non-employee cannot sign for any consecutive coverage -- so do a quick check to see who signed the renewal last time and don't use the same person.

What about the basic bond forms found on NCUA's website? Credit unions can use these forms without further NCUA approval. However, if a credit union wishes to use a form that is not on the list it will need to obtain NCUA's approval prior to using the form. The NCUA Board will also need to approve any bond form that has been amended or changed.

This blog post focuses on the rule's requirements for natural person credit unions. The changes for coverage of the fidelity bond apply to corporate credit unions as well and are generally the same as those for natural person federally insured credit unions, but please review the final rule analysis or the rule itself. For more information, see [final rule from the Federal Register](#).

Source: *CUNA Compliance Blog*

Advocacy Highlight

Hike the Hill

Hike the Hill is a grassroots program sponsored by CUNA and the state leagues to provide credit unions with the opportunity to visit Washington to educate decision makers on credit union issues. When credit unions participate in Hike the Hill, they demonstrate that credit union support has a real face, real concerns, and real stories of how credit unions affect the lives of working Americans. If you are interested in participating in Hike the Hill, please contact your state league for more information.

CUNA's Advocacy Resources

- [CUNA's 2019 Advocacy Agenda](#)
- [Input to lawmakers and regulators](#)
- [CUNA Advocacy page](#)
- [CUNA's Removing Barriers blog](#)
- [CUNA's Priorities](#)
- [Actions You Can Take](#)

Compliance Calendar

- September 20th, 2019: Providing Faster Funds Availability (Effective Date)
- October 14th, 2019: Columbus Day - Federal Holiday
- October 22nd, 2019: Appraisals (NCUA)
- October 22nd, 2019: Fidelity Bonds (NCUA)
- November 11th, 2019: Veterans Day - Federal Holiday

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