



InfoSight Highlight

What Does OREO Stand For?

OREO refers to Other Real Estate Owned (OREO). OREO consists of foreclosed property where ownership has passed to the credit union. A credit union often acquires OREO through loan foreclosure. Generally, the credit union intends to sell the real estate to partially or totally satisfy the loan obligation.

The NCUA and many state regulators have prepared guidance on dealing with, and accounting for, OREO.

What actions should federal credit unions take to ensure compliance with OREO accounting and auditing requirements?

For additional information, click [here](#) for the topic.

Compliance News

Responding to Consumer Complaints

NCUA has issued **Letter to Credit Unions 15-CU-04** to describe recent changes to streamline and improve NCUA's consumer complaint handling process. **The most important change will provide credit unions with 60 days to resolve most consumer complaints before NCUA's Consumer Assistance Center (CAC) intervenes.**

The letter also includes recommendations for credit unions to maintain effective procedures to process consumer complaints as part of their overall compliance management systems

A summary of Consumer Assistance Center's new procedures:

- **Phase I Attempted Resolution:** Response to the consumer with a courtesy copy to the CAC received within 60 days from the date of the Phase I letter.
- **Phase II Investigation:** Response to the CAC received within 30 days from the date of the Phase II letter.
- **Phase III Review by the Director of the Division of Consumer Affairs of CAC Determination:** Director of the

GEORGIA CREDIT UNION

Affiliates

InfoSight
Compliance eNEWSLETTER

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Credit Union National Association

Compliance Video

Compliance Connection Video

In this video, League InfoSight CEO Glory LeDu talks about the highlights from the 4th Quarter of 2018 and the 1st Quarter of 2019.

When S.2155, the Economic Growth, Regulatory Relief, and Consumer Protection Act, passed in 2018 there was a lot to understand! Glory LeDu, League InfoSight CEO, provides Part 1 in this short video to break it down for you.

Just a reminder that Compliance videos since 2016 can be found on YouTube at the Compliance Connection

Division of Consumer Affairs within 30 days from the date of the CAC determination letter.

channel, where they are generally updated quarterly.

All Consumer Assistance Center communications to credit unions about complaints received will be sent to the credit union's email address provided in the Credit Union Profile section of NCUA's Credit Union Online system. Credit unions should ensure that this email address is current and accurate, and should have procedures in place to appropriately monitor the inbox for this email address. Also, in an effort to expedite the receipt of electronic credit union responses to the Consumer Assistance Center about consumer complaints, the subject line of the email should read as follows: Consumer Name and Consumer Assistance Center [Case #].

For questions about these matters, please contact OCP at 703-518-1140 or OCPmail@ncua.gov.

Time To Submit Data Match Reimbursement Requests
It's that time of year again when credit unions should submit reimbursement requests to the Department of Human Resources (DHR) for conducting the Financial Institutions Data Match (FIDM), designed to locate "deadbeat" parents who owe past due child support. Credit unions can request reimbursement of costs associated with conducting the data match up to a limit of \$100 per quarter. The DHR begins processing quarterly statements at the end of June and begins paying the annual invoices at the beginning of July.

For a copy of the FIDM invoice to be sent to the Department of Human Resources, see the Child Support Data Matching section of InfoSight. Or, contact Michele Barre at the Affiliates at (800) 768-4282 or (770) 476-9625, ext. 3455, or via email at micheleb@gcua.org.

FinCEN on BSA, DoD on MLA Included in Spring Federal Agenda
The spring 2015 *Unified Agenda of Regulatory and Deregulatory*

Compliance Calendar

- July 3
Independence Day - Federal Holiday
- July 18
Higher-Priced Mortgage Loans: Modified exemptions for loans secured by manufactured homes
- July 23
Changes to Posting Rules for ACH Transactions (Federal Reserve) Effective date
- July 24
5300 Call Report Due to NCUA
- August 1
CFPB: Know Before You Owe Disclosure - Effective Date
- CFPB: Integrated Mortgage Disclosures - Effective Date
- September 7
Labor Day - Federal Holiday
- September 18
NACHA's Return Rate Levels & Reinstated Transactions Rule
- October 12
Columbus Day - Federal Holiday

Actions contains a number of updates on items of interest to credit unions from federal agencies.

While the timelines laid out in the [agenda](#) can change, it does provide a sense of the timing the agencies are hoping to have certain rules finalized or updated.

The U.S. Treasury's Financial Crimes Enforcement Network's (FinCEN) customer due diligence rule, proposed in August 2014, should be [finalized](#) sometime in August. The rule outlines a number of key elements for due diligence that include identity verification and ongoing monitoring.

The agenda also mentions two notices of proposed rulemaking from FinCEN in the coming months:

- Amendments to regulations that implement the Bank Secrecy Act (BSA) regarding reports of foreign financial accounts, expected in August. The [changes](#) would clarify who is required to file reports on such accounts and what information is reportable; and
- Amendments to the BSA regulations regarding the definition of "monetary instruments," expected in September. The current definition includes currency and a variety of bearer negotiable instruments; the [proposal](#) would expand the definition to items such as foreign coins and currency, travelers' checks and more.

Two other items of note are included in the agenda:

- Department of Defense (DOD) Military Lending Act (MLA) [proposal](#), which would set limits on certain credit items offered to servicemembers. The rule could be finalized as early as this month; and
- Federal Reserve board [amendments](#) to availability of funds and collection of checks regulation. The proposal would condition a depository bank's right of expeditious return on the depository bank agreeing to accept returned checks electronically, from the paying bank, as well as alter funds availability provisions to reflect the fact that there are no longer any non-local checks.

The agenda in its entirety can be found [here](#).

October 23
5300 Call Report Due to NCUA

November 1
Daylight Savings Time Ends

November 11
Veterans' Day - Federal Holiday

November 26
Thanksgiving Day - Federal Holiday

December 25
Christmas Day - Federal Holiday

December 31
Foreign Account Tax Compliance Act Effective Date

[Click here for upcoming compliance dates.](#)

Compliance Training

June 17, 2015
[Advanced Exceptions with International ACH Transactions \(IAT\) OFAC Compliance - Webinar](#)
2:00 – 3:00 p.m. EST

June 18, 2015
[Financial Counseling - What to Look for and What to Know as a Lender - Webinar](#)
2:00 – 3:30 p.m. EST

June 25, 2015
[Use of Loan Guaranties Instead](#)

Your CU Should Know...

NCUA Town Hall Webinar Registration Open: The NCUA has announced that [registration](#) is open for its **July 28th** town hall webinar, which will begin at **3:00 p.m. EST**. The webinar will feature updates on a range of topics.

OFAC Data File Changes Reminder: OFAC has issued a [reminder](#) of the ending of posting of independent data files for the Foreign Sanctions Evaders (FSE) List, the Sectoral Sanctions Identifications (SSI) List and the Non-SDN Palestinian Legislative Council (NS-PLC) List. The support for these files will end on or about **July 10, 2015**. This is part of the consolidation effort of OFAC's non-Specially Designated Nationals Lists to reduce the number of list-related files that must be downloaded in order to maintain an automated sanctions screening program. The new Consolidated Sanctions List data files can be accessed [here](#).

Agencies Publish AMC Rule: Five federal agencies, the OCC, Federal Reserve, FDIC, CFPB and FHFA (note: not NCUA), have jointly published in the *Federal Register* [80 FR 32657] their previously announced final rule to implement the minimum requirements in the Dodd-Frank Act to be applied by participating States in the registration and supervision of appraisal management companies (AMCs). The final rule also implements the minimum requirements in the Dodd-Frank Act for AMCs that are subsidiaries owned and controlled by an insured depository institution and regulated by a Federal financial institutions regulatory agency (Federally regulated AMCs). The rule becomes effective August 10, 2015. The mandatory compliance date for Federally regulated AMCs is August 10, 2016.

CFPB to Supervise Large Nonbank Auto Finance Companies: The CFPB has [announced](#) the publication of a [final rule](#) that will allow the agency to supervise larger nonbank auto finance companies for the first time. The CFPB also released the [examination procedures](#) that will be used to ensure that auto finance companies are following the law. The Bureau estimates that it will have authority to supervise about 34 of the largest nonbank auto finance companies and their affiliated companies that engage in auto financing. These companies

[of Co-Signers](#) - Webinar
12:00 – 1:00 p.m. EST

June 30, 2015
[IRA Beneficiary Distributions](#) - Webinar
12:00 – 1:30 p.m. EST

July 7, 2015
[IRA Conversions and Recharacterizations](#) – Webinar
12:00 – 1:30 p.m. EST

July 7, 2015
[Minimizing the Risk of Mortgage Fraud](#) – Webinar
2:00 – 3:30 p.m. EST

July 7 – 28, 2015
[CUNA Residential Mortgage Lending eSchool](#)
2:00 – 3:30 p.m. EST

July 13 – September 14, 2015
[CUNA Fundamentals of Investment Management eSchool](#)
3:00 – 4:30 p.m. EST

July 14, 2015
[IRA Simplified Employee Pension \(SEP\) Plans](#) – Webinar
12:00 – 1:30 p.m. EST

July 21, 2015
[IRA 72\(t\) Payments](#) – Webinar
12:00 – 1:30 p.m. EST

July 21, 2015
[What's New in Mortgage Lending Compliance](#) – Webinar
2:00 – 3:30 p.m. EST

July 22 – August 5, 2015
[CUNA Marketing Compliance](#)

together originate around 90 percent of nonbank auto loans and leases, and in 2013 provided financing to approximately 6.8 million consumers. The final rule also defines additional automobile leasing activities for coverage by certain consumer protections of the Dodd-Frank Act. The rule will be effective 60 days after publication in the Federal Register.

Freeze Period for Check Services: The Federal Reserve Banks will implement a freeze period for Check Services from July 20 through July 28, 2015. This freeze period is necessary to prepare for the upcoming posting rules changes effective July 23, 2015. Key dates are:

- July 17, 2015 - Last day for implementations and changes
- July 29, 2015 - Window reopens for implementations as well as other changes

Consent Orders Against Title Lenders for Deceptive Ads: Consent orders have been approved by the Federal Trade Commission (FTC) against two **Georgia car lenders**, First American Title Lending of Georgia and Finance Select, Inc. d/b/a Fast Cash Title Pawn, who failed to disclose important conditions and financing information about their title loans. These cases were the first two car title loan cases for the agency, and are part of the FTC's ongoing effort to protect consumers in the short-term lending and auto marketplaces. The agency has issued guidance, Car Title Loans, which encourages consumers to shop around for their loans, and to look to their bank or other lenders for options that may be more affordable than a car title loan.

eSchool

3:00 – 5:00 p.m. EST

July 23 – 25, 2015

Coastal Supervisory Committee & Internal Auditor Conference
Charleston, SC

July 28, 2015

ORP Beneficiary Rollovers to Inherited IRAs – Webinar
12:00 – 1:30 p.m. EST

August 4, 2015

IRA Excess Contributions - Webinar
12:00 – 1:30 p.m. EST

August 6, 2015

Surviving in the Compliance Jungle of Collections - Webinar
12:00 – 1:30 p.m. EST

August 11 & 13, 2015

Performing Your ACH Audit and ACH Risk Assessment - Webinar
2:00 – 3:30 p.m. EST

August 25 – December 31, 2015

CUNA Regulatory Compliance Update eSchool

BSA Training Opportunities through GCUA

[Click here for details](#)

Comment Calls

FRB ACH Comment Call

The Board of Governors of the Federal Reserve (The Federal Reserve) is requesting comment on enhancements that the Federal Reserve Banks (Reserve Banks) are considering to their current same-day automated clearing house (ACH) service. The enhancements would require receiving depository financial institutions (RDFIs), which include most credit unions, to participate in the service and originating depository financial institutions (ODFIs) to pay a fee to RDFIs for each same-day ACH forward transaction. **This proposal incorporates NACHA- the Electronic**

Payments Association's recently adopted same-day ACH operating rules into Operating Circular 4. The Federal Reserve requests comment on the Reserve Banks' adoption of an enhanced same-day ACH service with mandatory participation of RDFIs and an interbank fee by incorporating NACHA's amended operating rules into the Reserve Banks' Operating Circular 4 governing their ACH service.

This incorporation of the amended operating rules into Operating Circular and implementation of a mandatory same-day service would reflect a significant change to the Reserve Banks' current ACH services.

GCUA would be interested to know how this will affect the operations at your credit union. Please send your comments to Selina Gambrell at selinag@gcua.org by **June 23rd**.

The [CUNA Regulatory Advocacy Report](#) keeps you on top of the most important changes in Washington for credit unions--and what CUNA is doing to monitor, analyze, and influence government agencies and federal law. You can view the current report and past reports from the archive.

Click [here](#) to request to be added to the mailing list for this and/or other GCUA email publications.

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