

InfoSight Highlight

Board of Directors – Meeting Agenda and Minutes
Credit union board meetings, which take place at least monthly, require timely communication. Well in advance of the meeting, directors should be given copies of the meeting agenda, financial and committee reports and pertinent information on items to be discussed. These materials should be sent at least one week in advance of the meeting time. This allows adequate preparation for directors to focus on important details and prepare pertinent questions. An agenda keeps meetings on schedule, focuses the participants on the issues at hand, and allows proper minutes/recording of the decisions by the Board.

Minutes provide a record of every motion or official action taken by the board. Minutes are required by regulators and provide needed action by credit union management to implement decisions through written policies and procedures.

What should be included in a Board Meeting Agenda?
Most boards follow a standard agenda. A sample agenda is available in the Related Links section of the Board of Directors channel in InfoSight. An agenda is most helpful when it is specific and as complete as possible, so directors can be prepared on each item for discussion. Including a time frame for each item is helpful to keep the meeting on schedule as much as possible (not a requirement). You should also include the name or position of the person expected to lead each discussion.

What should be included in the Board Minutes?
Minutes are legal documents - representing a record of the actions of the board of directors. They must be complete and accurate. At a minimum, minutes must record every motion or official action taken by the board.

The board secretary or a designated staff member must take minutes of all board meetings. Minutes are part of the corporate records of the credit union. They document policy changes and other actions. They show whether the board followed legislative and regulatory requirements in its deliberations. They record the history of the credit union. Minutes may also record duties assigned, discussions undertaken, suggestions, and opinions, either positive or negative.



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Credit Union National Association

Compliance Video

CU Compliance Connection

This **new video** provides an overview of the key changes made to the Military Lending Act that credit unions are going to need to consider and implement prior to the compliance effective date of October 3, 2016. View the video [here](#).

Compliance Calendar

September 5, 2016
Labor Day - Federal Holiday

September 23, 2016
Same-day ACH (NACHA) – Phase 1 of the implementation period for the rule

October 3rd, 2016:
DOD Military Lending Act Regulation - Effective Date

The board must take action to approve or amend minutes from the previous meeting to make sure the record is accurate and complete.

Minutes of board (and committee) meetings should support conclusions reached by the officials in the meeting. Thorough and accurate minutes should cover all aspects of the credit union's operations and should document significant changes to capital, financial performance results, and major credit union activities. Likewise, the minutes should document findings noted in supervisory committee, audit and examination reports presented to the board. For additional information, click [here](#) for the topic.

Review the information today to help your credit union remain in compliance.

Compliance News

Georgia Residential Mortgage Act Fee Reminder

The GRMA fee online reporting and payment process changed substantially effective January 2, 2015. Refer to the [Department's website](#) for a more detailed discussion of these changes.

To avoid fines for failure to remit GRMA fees when due, reporting and payment must be completed online by the deadlines established in Rule 80-5-1-.04. Please be reminded that **zero (\$0) reporting is no longer required**. Fees collected for the period **January 1 through June 30, 2016**, should be remitted to the Department through the online reporting and payment site no later than the first business day of September. For the current GRMA semi-annual period, any filings made after **September 1, 2016**, are considered late and must be made by submitting the hardcopy fee statement form, along with the GRMA fees and any late fees due.

IMPORTANT NOTE: Most of the Department's payment sites perform better using the Mozilla Firefox browser. If your credit unions uses Internet Explorer, please ensure that you have version 10 or higher. **Keep in mind that you may also need to refresh your browser and clear your browser's cache to ensure that you see the current, active page.**

Citizens Bank Pays \$115,000 for Loan Denial
HUD has [reached a Conciliation Agreement](#) with Philadelphia-based Citizens Bank of Pennsylvania and Providence, Rhode Island-based Citizens Bank, collectively known as Citizens Bank, settling allegations that the bank violated the Fair Housing Act when it told a female

October 3rd, 2016:
[NACHA's Network Quality Rule](#)

October 10th, 2016:
Columbus Day - Federal Holiday

October 24th, 2016:
[5300 Call Report Due to NCUA](#)

November 6th, 2016:
Daylight Saving Time Ends

November 11th, 2016:
Veterans' Day - Federal Holiday

November 24th, 2016:
Thanksgiving Day - Federal Holiday

December 25th, 2016:
Christmas Day - Federal Holiday

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

Compliance Training

August 9, 2016
[E-Mail Risks, Rules, Records & Regulations](#)
Webinar
3:00 - 4:30 p.m. ET

August 10, 2016
[Legally Handling ATM & Debit Card Claims Under Regulation E](#)
Webinar
3:00 - 4:30 p.m. ET

August 11, 2016
[Saving for Education: Coverdell & College Savings](#)

applicant that she would need to return to work before her application for a home equity line of credit could be approved. The woman filed a complaint alleging that Citizens Bank discriminated against her based on her familial status when it delayed the processing of her loan application because she was on maternity leave, despite the fact that she was receiving her full pay. Under the terms of the agreement, Citizens Bank will pay the woman \$40,000, provide fair housing training to its staff, and adopt a parental leave policy making it clear that all loan products are to be made available, regardless of an applicant's parental status. Citizens Bank will also make a \$75,000 donation to a HUD-approved fair housing or advocacy organization.

Card Networks Announce Changes to Chargeback Policies

In response to merchant complaints of ballooning chargebacks stemming from the EMV migration, the major card networks have announced changes to their chargeback policies that will take effect in the coming weeks.

First in line is **Visa** - effective July 22, Visa blocked all U.S. counterfeit fraud chargebacks under \$25. Visa's logic is that "these smaller chargebacks generate a great deal of work and expense for merchants and acquirers, with limited financial impact for issuing banks." Then beginning in October (a date has not been specified), issuers will also be limited to 10 fraudulent counterfeit chargeback transactions per account.

American Express is making similar changes, with later effective dates: end of August for under \$25 transactions, end of year for the 10 transactions per account limit. Both Visa and Amex have provided similar estimates as to the combined impact of these changes: a 40% reduction in chargeback transactions, and a roughly 15% decline in chargeback dollars. Both have also stated that the new guidelines will remain in place through April 2018.

Meanwhile, **MasterCard** has announced enhancements to speed its EMV testing and certification processes, but has not implemented rule changes in line with the Visa/Amex moves noted above.

These changes stem from the October 2015 fraud liability shift connected to EMV migration. Merchants who have not yet upgraded to chip technology became newly liable for counterfeit transactions, and expressed surprise at the volume and required effort, as well as frustration with EMV certification backlogs that many saw as an impediment to completing their migration. The above changes represent an effort to allay those concerns.

Plans

Webinar

3:00 - 4:30 p.m. ET

August 16, 2016

The Application Process for the

New Mortgage Lender:

Mortgage Application

Webinar

3:00 - 4:30 p.m. ET

August 17, 2016

Quarterly Supervisory

Committee Series: Internal

Controls & Due Diligence

Webinar

3:00 - 4:30 p.m. ET

August 18, 2016

Lending Series: Consumer

Loan Documentation

Webinar

3:00 - 4:30 p.m. ET

August 23, 2016

Complying with Final Military

Lending Act Rule Changes

Effective October 3, 2016

Webinar

3:00 - 4:30 p.m. ET

August 24, 2016

Audit Compliance Series:

Auditing for BSA Compliance

Webinar

3:00 - 4:30 p.m. ET

August 25, 2016

Annual MLO Compliance

Requirements & Auditing for

SAFE Act

Webinar

3:00 - 4:30 p.m. ET

August 30, 2016

Frontline Series: Essential

Additional information is available at the following links:

[Visa to Help Accelerate EMV Chip Migration and Support Merchants](#)(Source: Visa USA)

[MasterCard Speeds Chip Terminal Deployment for Merchants](#) (Source: MasterCard)

[American Express to Update U.S. Fraud Policies to Limit EMV Chargebacks for Merchants](#) (Source: Business Wire)

Q&A: Military Lending Act Effective Date Change and Guidance

Q: I heard the military lending act effective date may be pushed back, is this true and if so to when?

A: The Department of Defense (DOD) has stated that the effective date will not be extended. It is still on task for October 3, 2016.

Q: I understand the DOD is issuing new guidance, when will we receive it?

A: Per CUNA, the guidance has been written and is going through formatting by the *Federal Register* so it is expected within the next few weeks.

Q&A: LOANLINER Support of Share Secured Loans

Q: Is LOANLINER eliminating their share secured product?

A: No, LOANLINER is not eliminating their share secured standard loan documents. LOANLINER's standard documents for share secured loans creates a security interest in all of a member's individual and joint accounts with the credit union.

However, LOANLINER's MLA compliant documents do not create a security interest in member's shares as that would conflict with MLA requirements. While taking a security interest in funds is permitted, the final MLA rule is worded in a way that creates workability problems. The rule states that the funds must be deposited after the extension of credit is made, and in an account established as part of the loan transaction. This seems to indicate that taking a security interest in existing funds or future funds in an existing account may not be

[Compliance Regulations for the Frontline - Webinar](#)
3:00 - 4:30 ET

August 31, 2016
[IRA Conversions & Recharacterizations: Understanding Requirements & Avoiding Errors](#)
Webinar
3:00 - 4:30 ET

September 7, 2016
[Financial Literacy Part 1: Understanding the NCUA Regulation & the 7 Critical Risk Areas Directors Should Track](#)
Webinar
3:00 - 4:30 ET

September 8, 2016
[Lending Series: Writing Effective Credit Memos & Loan Narratives](#)
Webinar
3:00 - 4:30 ET

September 12, 2016
[New Customer Due Diligence Rules for Beneficial Ownership: Implementation Game Plan](#)
Webinar
3:00 - 4:30 ET

September 12-14, 2016
[Georgia Compliance Road Trip](#)
North and South ATL, Macon and Savannah
Check link for times

September 13, 2016
[Navigating Compliance Issues for Promotions, Bonuses, Contests & Sweepstakes](#)

permitted. Rather, the funds would need to be deposited later and into an account created as part of the loan transaction.

Bureau Issues 'Principles' for Future Foreclosure Prevention

The Consumer Financial Protection Bureau (CFPB) has outlined consumer protection principles to guide mortgage servicers, investors, government housing agencies and policymakers as they develop new foreclosure relief solutions. The Bureau's action comes as the Department of Treasury's Home Affordable Modification Program, a foreclosure relief program put in place in response to the financial crisis, is nearing its expiration date. The CFPB's proposed principles are meant to inform the discussion of potential options to help prevent avoidable foreclosures. The principles promote:

Accessibility: Consumers should easily be able to obtain and use information about loss mitigation options, and how to apply for those options.

Affordability: Repayment plans and mortgage loan modifications should generally be designed to produce a payment and loan structure that is affordable for consumers.

Sustainability: Loss mitigation options used for home retention should be designed to provide affordability throughout the remaining or extended loan term.

Transparency: Consumers should get clear, concise information about the decisions servicers make.

The Bureau's principles don't establish legal requirements, but are instead intended to complement ongoing discussions among industry, consumer groups and policymakers.

Your CU Should Know...

Compliance Road Trip in Georgia

In four locations, September 12-14

North and South Atlanta, Macon and Savannah

Ever want to be in a room filled with compliance geeks to learn and talk about things that make all your friends roll their eyes, well here's your chance! Join us for a half day of compliance Hot Topics and Best Practices! We will cover old and new topics including: Fair Credit Reporting Act, Military Lending Act, website and social media

Webinar

3:00 - 4:30 ET

September 19, 2016

HMDA Roadmap Part 1: Impact, Important Changes & Implementation Considerations for Lenders

Webinar

3:00 - 4:30 ET

September 20, 2016

Director Series: Director & Officer Liability: Rules, Risks & Trends

Webinar

3:00 - 4:30 ET

September 21, 2016

ACH for the Frontline

Webinar

3:00 - 4:30 ET

September 22, 2016

Debt Collection Series: Best Practices for Garnishments & Levies: Getting It Right!

Webinar

3:00 - 4:30 ET

September 27, 2016

Cyber Series: Mobile Remote Deposit Strategies: Technology, Deployment Models & Risks

Webinar

3:00 - 4:30 ET

September 28, 2016

Clarifying Signature Card Confusion for Personal & Business Accounts: Compliance, Account Titling & Ownership

Webinar

3:00 - 4:30 ET

compliance, quality control within the credit union's walls, the CFPB's next move and more. This will also be a perfect networking opportunity with other compliance professionals. Click [here](#) for the event flier (PDF).

To register go to www.gcua.org, the second scrolling banner will take you to an information page along with a link for registration.

FRB updates TRID questions list: The Federal Reserve System held "Know Before You Owe Mortgage Disclosure Rule" webinars in March and April of 2016, which have been archived and may be accessed [here](#). They have also updated its "Index of TRID Questions Addressed During Webinars" on the disclosure rule, which is located under Presentation Materials for each of the webinars.

Bureau releases proposal to amend TRID Rule: CFPB Director Richard Cordray hinted months ago that the Bureau was working on amendments to clarify and refine the "Know Before You Owe" TILA/RESPA Integrated Disclosure (TRID) Rule, and that it was likely to be ready in July 2016. The proposal was [announced](#) Friday, July 29, the last business day of the month. The Bureau reports that the proposed amendments memorialize the Bureau's informal guidance on various issues and include clarifications and technical amendments. The Bureau is also proposing tolerance provisions for the total of payments, an adjustment to a partial exemption mainly affecting housing finance agencies and nonprofits, extension of coverage of the integrated disclosure requirements to all cooperative units, and guidance on sharing the disclosures with various parties involved in the mortgage origination process. Comments on the [proposal](#) are due by October 18, 2016.

NCUA exam process videos released: The NCUA has [announced](#) that credit union board members can learn more about the purpose, process and components of an NCUA examination in a new four-part video released on the National Credit Union Administration's YouTube channel. The video provides an overview of the NCUA examination process, including the small credit union examination program. Viewers will learn more about:

- What risk categories NCUA assesses during the examination process,
- How CAMEL ratings are determined, and
- How a credit union can prepare for an exam.

Regulators urge self-assessment of diversity policies: The Board of Governors, FDIC, OCC and NCUA have [announced](#) how the financial

September 29, 2016
[Maximizing LinkedIn to Build a "Social Selling" Culture](#)

Webinar
3:00 - 4:30 ET

October 4, 2016
[Handling Dormant Accounts, Unclaimed Property & Escheatment](#)

Webinar
3:00 - 4:30 ET

October 5, 2016
[Essential Compliance Regulations for Deposit Operations](#)

Webinar
3:00 - 4:30 ET

October 6, 2016
[Avoiding the Top 10 Legal & Compliance Mistakes in the E-Statement Process](#)

Webinar
3:00 - 4:30 ET

October 11, 2016
[HMDA Roadmap Part 2: Operations Systems, Audit & Reporting Implications](#)

Webinar
3:00 - 4:30 ET

October 12, 2016
[Frontline Series: Skills & Tools for Improving Teller Performance](#)

Webinar
3:00 - 4:30 ET

October 13, 2016
[Proper Repossession, Notice & Sale of Non-Real Estate Collateral](#)

institutions they regulate may begin to voluntarily submit self-assessments of their diversity policies and practices in place. The Dodd-Frank Act required the federal financial regulatory agencies to establish an Office of Minority and Women Inclusion (OMWI) and instructed the OMWI Director at each agency to develop standards for assessing the diversity policies and practices of its regulated institutions. The standards, which became effective on June 10, 2015, reflect input received during a public comment period, as well as information gathered during outreach sessions. The standards provide a framework for regulated institutions to assess and establish or strengthen their diversity policies and practices. [Frequently Asked Questions](#) (FAQs) about the process were also released.

CFPB posts info for immigrants on financial challenges: The Bureau has posted an article in [Spanish](#) and [English](#) on the ways language barriers create financial challenges. The articles include links to information in both languages to help all consumers, including non- and limited English-speaking consumers navigate the financial marketplace.

Comment Calls

Small-Dollar Payday, Vehicle Title and Certain High-Cost Installment Loans

On June 2, in conjunction with a field hearing in Kansas City, Missouri, the CFPB released a more than 1,300-page rule for Payday, Vehicle Title, and Certain High-Cost Installment Loans. The CFPB released the Small Business Regulatory Enforcement Fairness Act (SBREFA) proposals, prior to a Small Businesses Review Panel, for this rule more than a year ago. We have concerns that the rule will sweep in consumer-friendly credit union small-dollar loan products.

While the CFPB's proposed rule addresses some of the concerns raised by CUNA and credit unions prior to its release, and purports to exempt the National Credit Unions Administration's (NCUA) Payday Alternative Loan (PAL) program as requested, in actuality it adds many new regulatory and compliance burdens for federal and state-chartered credit unions working to underwrite consumer friendly small-dollar options. The added requirements and changes to the PAL program eliminate flexibility in offering these loans, and will likely make many credit unions reevaluate their participation in the program. The rule also does not account for the diverse and unique structure of consumer-friendly small-dollar loans offered at state-chartered credit unions. To read CUNA's summary of the proposal [click here](#). GCUA would like to know your thoughts and/or concerns with this proposal. Please email

Webinar

3:00 - 4:30 ET

BSA Training Opportunities
through GCUA

[Click here for details](#)

Selina Gambrell at selinag@gcua.org by **September 16th**.

The [CUNA Advocacy Update](#) 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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Need a BSA, ACH or Website review?

Email compliance@gcua.org.