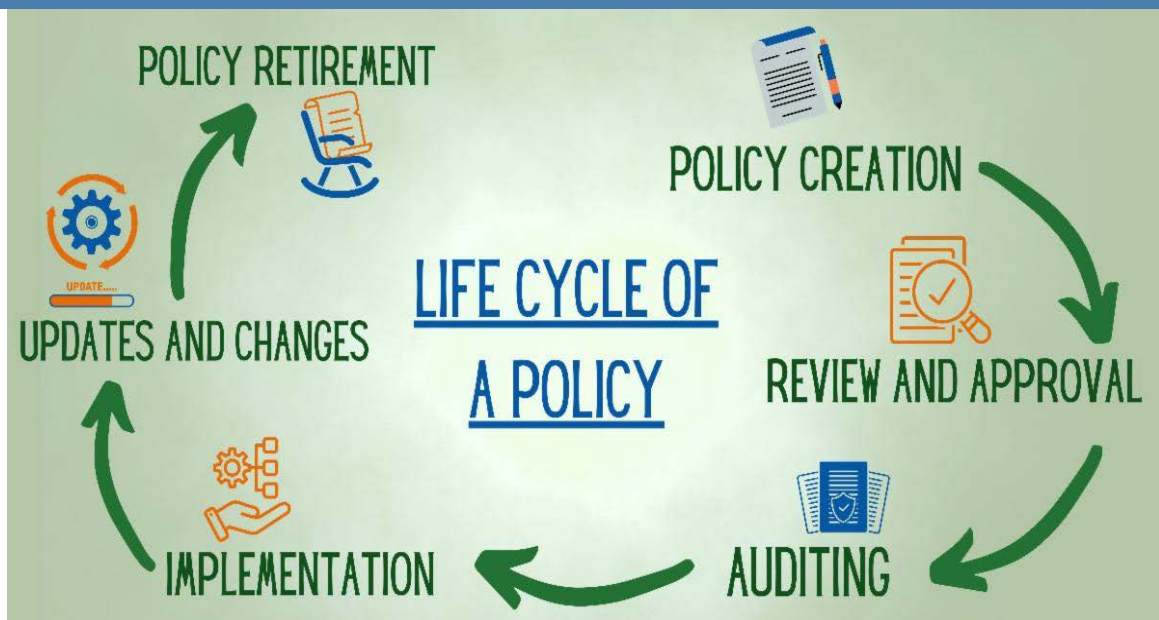


InfoSight Newsletter

April 28th, 2023 | Volume 17 | Issue 16

League InfoSight Highlight:

The Policy Life Cycle



Sometimes it seems that policies have a life of their own... and actually they do! A policy life cycle starts at the point the policy is created and ends when the policy is retired. Between those two events, a policy can be distributed to the board of directors and employees, reviewed, revised, and approved multiple times.

Policy Creation. Creating a new policy from scratch can be a daunting and time-consuming process. Laws and regulations must be researched, the credit union's policy must be written in a way that can be understood by all stakeholders. NCUA guidance indicates that the Board of Directors interacts with employees through the credit union's policies and the Board adopts policies to direct the credit union's activities. It's up to the Board to make sure that the appropriate policies are in place to guide Senior Management in their execution of duties. **CU PolicyPro** can help! Before writing a policy from scratch, credit unions should

research CU PolicyPro which includes 230 operational model policies written for credit unions by credit union professionals and can be customized to fit the credit union's unique operations.

Policy Review and Approval. Whether it's a policy's first review or fifth review, the credit union must have a process to distribute the policy to the Board and/or Senior Management, and to solicit feedback. **CU PolicyPro** includes an assignment feature which will notify designated users via email when a review must be done, and provides the user the opportunity to provide feedback about the review. System admins can view all assignments to see which users have completed (or not completed) an assigned review. Additional emails can be sent to notify users that an assignment is coming due or is overdue.

Auditing. It's important to understand and document all changes to a policy throughout its life cycle. **CU PolicyPro** includes several tools which can help, including tracked changes, reports, auditing notes, automatic archive of previous policy versions, and email notifications if one of your policies is updated.

Implementation. Once a policy is created and approved, it must be implemented and followed by the credit union staff. The policy sets overarching expectations and direction, while corresponding procedures provide the details of specific processes to ensure day-to-day operations are compliant with the policies. **CU PolicyPro** is designed to house procedures along with their corresponding policies. The publishing process makes it easy to produce documents with specific policies and/or procedures for distribution to staff, the Board, and even the examiners.

Ongoing Updates and Changes. Regulations are always changing, guidance changes and so do examiner expectations. **CU PolicyPro** stays on top of industry guidance, feedback, and the regulatory environment generally to make sure policies are updated in a timely manner.

Policy Retirement. If a policy is no longer relevant to the credit union, it can be retired. **CU PolicyPro** has a variety of tools to archive your retired policies while keeping them available for reference if needed.

Mary Ann Koelzer
Senior Technology Products Manager, League InfoSight

News and Alerts!

Small business lending collection and reporting requirements

The CFPB has provided resources to help industry understand and comply with the small business lending rule, which implements section 1071 of the Dodd-Frank Act.

[Read More](#)

Update to Interagency Policy Statement on Allowances for Credit Losses

The NCUA has released a revised Interagency Policy Statement on Allowances for Credit Losses. The revision removes references to Troubled Debt Restructurings (TDRs). This policy statement describes the measurement of expected credit losses in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 326 and includes processes for the design, documentation, and validation of expected credit losses. The policy statement also addresses internal controls over these processes, the maintenance of appropriate allowances for credit losses, the responsibilities of boards of directors and management, as well as examiner reviews of allowances for credit losses.

[Read More](#)

CFPB Issues Guidance to Protect Homeowners from Illegal Collection Tactics on Zombie Mortgages

The Consumer Financial Protection Bureau (CFPB) issued guidance on debt collectors, covered by the Fair Debt Collection Practices Act, threatening to foreclose on homes with mortgages past the statute of limitations. The advisory opinion clarifies that a covered debt collector who brings or threatens to bring a state court foreclosure action to collect a time-barred mortgage debt may violate the Fair Debt Collection Practices Act and its implementing regulation. A time-barred debt is one whose statute of limitations has expired.

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Compliance touches
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organization!



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