

InfoSight Newsletter

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League InfoSight Highlight: Challenges of Compliance Officers

If you have not read the [Consumer Compliance Outlook](#) published by the Federal Reserve System, I would highly encourage you to do so. In the most recent publication, the Federal Reserve highlighted “Common Challenges of Community Bank Compliance Officers.” While the Federal Reserve doesn’t supervise credit unions, the challenges outlined are not specific to just the banking industry!

The article highlights six common challenges faced by compliance officers. It’s a great overview of things to keep in mind, whether you are the compliance officer, the CEO, or VP of lending!

- **Transitioning to the consumer compliance role.** Many compliance officers poke fun that we missed a meeting and then were volunteered to take over compliance! In all seriousness, the compliance officer role is very complex. There are many federal and state laws and regulations to be familiar with. I’m consistently reminded that you don’t have to be an expert in everything, but you need to know where to find reliable resources to help you understand almost every aspect of operational compliance. It’s also critical to have top-down support and a culture of compliance across the organization! Messaging should consistently reinforce the expectation that management and staff will collaborate with the compliance officer.
- **Obtaining and maintaining regular, direct access to board and management committees and teams.** Two-way communication with the board and senior management is important. The compliance officer should be involved in strategic discussions, new product considerations, updates or creation of processes, marketing, etc. Bringing the compliance officer into the discussion at the tail end of the process is much more expensive for the credit union.
- **Keeping track of regulatory changes.** Compliance officers should sign up for multiple tools and resources from all the regulatory

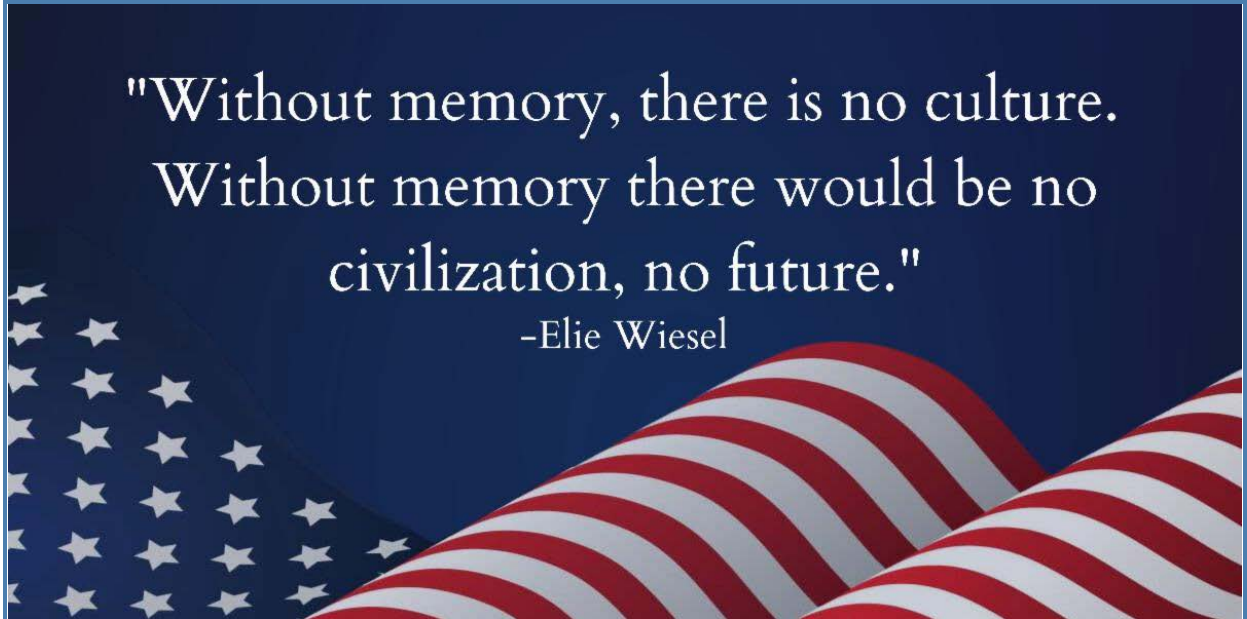
agencies! Not only are laws and regulations changing, so are expectations and interpretations. It's a challenge to stay on top of everything, and compliance officers need to leverage every resource possible!

- **Based on risk findings, convincing the board and senior management of the need to implement cultural changes.** Let's face it, change is hard no matter how you shake it! The compliance officer is able to see what areas of the credit union may be under specific scrutiny and/or where there may be a higher level of risk or opportunity for improvement. The compliance officer should have a voice that is strong enough to impact change.
- **Championing change when the Compliance Management System (CMS) does not have systemic issues.** Celebrate when the credit union has an effective approach to compliance but stay proactive to continue to improve processes and stay ahead of changes! Also, make sure the board and senior management remember that risk assessments and analysis are ongoing, so maintaining resources to keep the CMS successful is critical even during success!
- **Expanding your support system.** We've all heard the saying: "It takes a village." Whether you are raising kids or managing your credit union's compliance – it's relevant! Find peers and leverage League/Association contacts and resources! We are all in this together! Also recommended in the article was establishing a compliance committee with representatives throughout your credit union. However, it works, just remember that your support system should be external and internal!

Don't ever feel like you are in this alone. Whether you need ideas or reliable resources, we are here for you! Register for **InfoSight** to access federal and state laws and regulations that impact the credit union across all operational areas! Sign up for the **CU PolicyPro** and stay informed of changes to content based on regulatory expectations or amended regulations! If you're overwhelmed and just don't know where to start or how to tackle compliance, reach out and we can help! info@leagueinfosight.com

Glory LeDu,
CEO, League InfoSight and CU Risk Intelligence

In observance of Memorial Day:
We remember and honor those who gave everything.

An American flag graphic with stars on the left and stripes on the right, set against a dark blue background.

"Without memory, there is no culture.
Without memory there would be no
civilization, no future."

-Elie Wiesel

A Focus on Financial Protection for Military Members

Memorial Day is a day to remember and honor our fallen military heroes and reflect on the sacrifices they and their families have made for our country.

As an industry, financially protecting military members is OUR duty and should be a top priority throughout the year! We can do that by making sure credit union staff are versed and trained in the *Military Lending Act* and *Servicemembers Civil Relief Act*. These laws are in place to protect our military family and their dependents. Credit union staff should leverage the content within InfoSight which provides detailed summaries, resources, and FAQs on both topics under the Loans and Leasing channel. Some of those additional resources include tools for compliance, but also tools for educating your members, including the CFPB's website for servicing active military members, veterans, and their families. CU PolicyPro also contains *Model Policy 7213: Military Personnel Loans* that captures requirements and guidance for credit unions for both laws.

To all our military family, remembered, retired and active, THANK YOU for your service and sacrifice.

Myth Busters! Compliance Edition: Part 1

Myth #1 - Compliance management is all about regulatory compliance

Although regulatory compliance is an essential part of compliance management, it also involves ethical standards, best practices, and credit union policies that align with the organization's values and goals.

Pro tip: InfoSight not only includes federal and state regulatory information, but also industry guidance and best practices.

Myth #2 - Compliance management only involves the compliance department

Compliance is a shared responsibility of all employees to ensure the credit union complies with relevant laws, regulations, and standards. Every employee needs to be aware of their role in upholding them.

Pro tip: All affiliated credit union staff are welcome to register for and should have access to InfoSight! InfoSight provides compliance guidance in easy-to-understand language with topics relevant to human resources, accounting, marketing, lending, collections, account operations, the board of directors and more!

Mary Ann Koelzer,
Senior Technology Products Manager, League InfoSight

News and Alerts!

DCUC Recognizes Memorial Day

The Defense Credit Union Council (DCUC) prides itself on “speaking military.” For the past sixty years, DCUC’s mission has remained centered on championing the interests of its member credit unions dedicated to serving those who serve our country. With Memorial Day quickly approaching, DCUC recognizes the importance of this historic holiday and urges others to reflect on its true meaning during the upcoming extended weekend.

Memorial Day is a special holiday paying tribute to those who have given the ultimate sacrifice so that our great Nation and its citizens may continue to enjoy freedoms and liberties without the threat of war, invasion, and further loss of life. DCUC President/CEO Anthony Hernandez shares a special tradition involving the American Flag that can be incorporated in observance of Memorial Day.

[Read More](#)

CFPB: Overdraft/NSF revenue down nearly 50% versus pre-pandemic levels

Q4 2022 data suggest over \$5.5 billion reduction on annual basis going forward; fees still totaled \$7.7 billion in 2022.

For the past year-and-a-half, CFPB has been closely monitoring trends in overdraft/non-sufficient fund (NSF) fee revenue and practices. With data now available for all four quarters of 2022, we have a fuller picture of reductions in these revenues compared to pre-pandemic levels.

[Read More](#)

NCUA Board Approves Proposal to Include Veterans Organizations in Charitable Donation Accounts

The National Credit Union Administration Board held its fifth open meeting of 2023 and approved a proposed rule that would amend the charitable donation accounts section of the NCUA's incidental powers regulation. In addition, the NCUA's Chief Financial Officer briefed the Board on the performance of the National Credit Union Share Insurance Fund during the first quarter of 2023.

Board Approves Proposed Rule Adding "Veterans Organizations" to the Definition of a Qualified Charity

The NCUA Board unanimously approved a [proposed rule](#) that would add "war veterans' organizations" to the definition of a "qualified charity" that a federal credit union may contribute to using a charitable donation account.

[Read More](#)

CFPB Blog: Mortgage data shows that borrowers could save \$100 a month (or more) by choosing cheaper lenders

This blog, written by Alexei Alexandrov and Elizabeth Saunders, looks at how "mortgage rates paid by consumers vary across lenders. This phenomenon, called price dispersion, exists in virtually every segment of the mortgage market, including loans backed by Fannie Mae and Freddie Mac, Federal Housing Administration loans, U.S. Department of Veterans Affairs (Veterans Affairs) loans, as well as jumbo loans."

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What if your building
suddenly becomes
inaccessible?

Are you
prepared?

RecoveryPro ✓
can help!



Questions, Comments, Concerns? We are here to help! Email us at
info@leagueinfosight.com