

# InfoSight Newsletter

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## League InfoSight Highlight: Third Party Service Providers – More scrutiny in 2024?

It's no secret that the NCUA has been trying to gain authority over third-party vendors that provide services to federally insured credit unions. In addition to direct comments from NCUA board members, there have been multiple publications. A few of the most recent include a [report issued in March 2022](#) by the NCUA and another [report in June 2023](#) to the Committee on Financial Services of the House of Representatives and to the Committee on Banking, Housing, and Urban Affairs of the Senate on Cybersecurity and Credit Union System Resilience.

Because credit unions rely significantly on third parties to provide a range of core business functions, products, services, and activities, there are various risks the credit union must consider and mitigate. While this article won't go into detail on the debate of the NCUA's vendor authority, it will discuss the priority across multiple regulatory agencies and the options that credit unions have to be successful in leveraging third-party expertise while managing risk.

The Office of the Comptroller of the Currency's Committee on Bank Supervision has already set forth their 2024 [annual supervision and priorities](#). While not directly providing oversight to credit unions, it's interesting to read the focus on the banking side. Of particular interest was the significant focus of review for examiners on third party relationships and service providers, including related controls and risk management.

With the increased focus and scrutiny on third parties, how is your credit union handling the due diligence of these critical vendors? Many credit unions have told us that what was once an internal process, is becoming too much to track and manage. League InfoSight and CU Risk Intelligence partner with [CUVM \(previously Credit Union Vendor Management\)](#) to offer credit unions affordable options for both self-service and full-service vendor management options. It's important for credit unions to consider the increased use and reliance on third

parties and to also have some candid conversations about the current process and if it is sufficient to mitigate the credit union's risk most effectively. Know your options! Unfortunately, if you aren't proactive in having these conversations now, you may be having them with the examiner during your next exam. We are here to help!

**Glory LeDu,**  
*CEO, League InfoSight and CU Risk Intelligence*

## Celebrating Indigenous Peoples Day! Monday, October 9th

There are 574 Federally recognized tribes in the US, which have government-to-government relationships with the United States, like other sovereign nations.

Many tribes do not have federal recognition though, and are ineligible for government programs and support.

The Haudenosaunee Confederacy, also called the Iroquois, is one of the oldest living democracies in the world, and influenced the creation of the United States Constitution.

Many Native American tribes practiced agriculture, domesticating the crops we still eat today. In 2016, it was estimated as much as 60% of the global food supply was based on crops that originated in the Americas.

Corn was first cultivated by Indigenous farmers in southern Mexico and Guatemala approx. 10,000 years ago. By the time European colonists arrived, Native Americans had been growing it for thousands of years.

Native Americans also cultivated beans, squash, potatoes and tomatoes.

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## News and Alerts!

### **NCUA Awards \$3.1 Million Through Expanded CDRLF Grants**

The National Credit Union Administration awarded \$3.1 million in Community Development Revolving Loan Fund grants to 142 low-income and minority depository institutions, the agency announced today. The NCUA awarded grants ranging from \$1,000 to \$50,000 to credit unions in 40 states and the District of Columbia. Forty-two awardees were MDIs, and 23 were first-time applicants.

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## **NCUA Chairman Harper Welcomes Otsuka Nomination**

National Credit Union Administration Chairman Todd M. Harper issued a statement welcoming President Joseph R. Biden's nomination of Tanya Otsuka of Virginia to the NCUA Board

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## **CFPB Blog: The law requires companies to delete disputed unverified information from consumer reports**

Credit reports are used to make decisions that affect every facet of peoples' lives. Credit reports compiled by consumer reporting companies are used by lenders, insurers, employers, landlords, and others—yet these reports frequently contain errors. By one estimate, one in five Americans has an error on at least one credit report. Accordingly, it is critical that people have a meaningful opportunity to correct inaccuracies on their reports. That's why Congress—when it passed the Fair Credit Reporting Act (FCRA)—required credit reporting companies, and the companies that give them information, to respond appropriately when notified of errors.

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## **CFPB Blog: Four million complaints- More than just a milestone**

At the Consumer Financial Protection Bureau, consumer complaints help drive our work. They give us insight into what individuals and families are experiencing in the financial marketplace: the problems they face, what's happening at certain companies or with financial products, and the places where we might need to focus our supervisory and enforcement efforts. Each week, we send more than 20,000 complaints to companies for response, and last month, we published our four millionth complaint.

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**[Upcoming Events:](#)**

## DEI Summit 2023 November 1–2

**There is Still Time to Register!** Join your peers in Washington D.C. at the NCUA's 2023 DEI Summit to explore the value proposition of diversity, equity, and inclusion in the credit union industry, share best practices, develop solutions to industry-specific challenges, and network with your fellow leaders.

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