



BOARD ACTION MEMORANDUM

TO: NCUA Board
DATE: September 4, 2019
FROM: Office of General Counsel
SUBJ: Part 715 Supervisory
Office of Examination and Insurance Committee Audits

ACTION REQUESTED: Board approval to issue the attached final rule regarding supervisory committee audits.

DATE ACTION REQUESTED: September 19, 2019.

OTHER OFFICES CONSULTED: N/A

VIEWS OF OTHER OFFICES CONSULTED: N/A.

BUDGET IMPACT, IF ANY: None.

SUBMITTED TO INSPECTOR GENERAL FOR REVIEW: Yes.

RESPONSIBLE STAFF MEMBERS: Staff Attorney, Marvin Shaw and Chief Accountant, Alison Clark, Office of Examination and Insurance.

SUMMARY: The rule amends the NCUA's regulations governing the responsibilities of a federally insured credit union (FICU) to obtain an annual supervisory committee audit of the credit union. The rule implements recommendations outlined in the agency's Regulatory Reform Task Force's Regulatory Reform Agenda and will provide flexibility to FICUs. Specifically, the Board is: (1) replacing the Supervisory Committee Guide with a simplified Appendix to Part 715; (2) eliminating two audit types that FICUs seldom use; and (3) eliminating a specific deadline for outside, compensated persons to deliver written audit reports to FICUs.

RECOMMENDED ACTION: Recommend the Board approve publication of the final rule.

ATTACHMENT: Final rule.