



Newsletter

No. 05-20



May 20, 2020



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The Credit Union Department (CUD) is the state agency that regulates and supervises credit unions chartered by the State of Texas. The Department is professionally accredited by the National Association of State Credit Union Supervisors (NASCUS) certifying that CUD maintains the highest standards and practices in state credit union supervision.

Our **Mission** is to safeguard the public interest, protect the interests of credit union members and promote public confidence in credit unions.

Credit Union Commission

The Commission is the policy making body for CUD. The Commission is a board of private citizens appointed by and responsible to the Governor of Texas.

Members:

Yusuf E. Farran, Chair
Sherri Brannon Merket, Vice Chair
Elizabeth L. "Liz" Bayless
Karyn C. Brownlee
Beckie Stockstill Cobb
Steven "Steve" Gilman
Jim Minge
David F. Shurtz
Kay Rankin-Swan

Next Commission Meeting

Friday, August 7, 2020 beginning at 9:00 a.m. in the offices of CUD.

2020 Annual Credit Union Survey

We would like to thank you each of you that participated in the 2020 Annual Survey. The feedback we received from credit unions is valuable, and the Department is committed to continually enhancing its examination and regulatory oversight whenever possible. We are pleased by the positive comments we received and continue to strive to be an effective and efficient regulator.

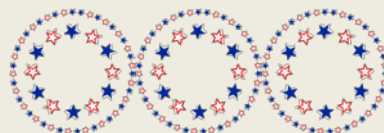
We appreciate all of the views expressed and would like to encourage you to provide additional comments or suggestions throughout the year. The agency relies on your feedback to identify concerns. Your thoughtful comments contribute to the success of our agency.



Changes to NCUA's Central Liquidity Facility (CLF) and Meeting Member Financial Needs

During the current period of uncertainty due to the coronavirus, meeting the loan demand and share/deposit withdrawal needs of your membership is critical. Establishing sufficient contingent sources of liquidity is essential to ensuring that your credit union can meet potentially higher liquidity demands from your membership.

[NCUA Letter to Credit Unions \(20-CU-14\)](#) details that all eleven corporate credit unions have joined the Central Liquidity Facility (CLF), and all credit unions with assets less than \$250 million that are members of a corporate credit union (covered credit unions) are now eligible to apply for a loan from the CLF. These CLF Enhancements provide significant liquidity support to credit unions as they address the impact of the COVID-19 pandemic.



Status of Industry

A great big **“Thank You”** to all Texas State-Chartered Credit Union officials and employees for successfully addressing members’ needs during these unprecedented times!

Since year-end 2019, the operating environment for Texas chartered credit unions and the world has changed drastically. The COVID-19 outbreak has caused widespread concern and economic hardship for consumers, businesses, and communities across the globe.

Despite the risks, credit unions continued to address the needs of their members through expanded drive-thru services and online/digital banking; while effectively working to address pandemic concerns by controlling lobby services and implementing strong sanitization procedures. Additionally, Texas chartered credit unions have worked tirelessly for small business owners and their employees by participating in the Paycheck Protection Program (PPP) approved by Congress in April. The results of a recent survey of Texas credit unions revealed that over 4,200 PPP applications had been processed and approximately \$70 million in loans funded for an average loan amount of approximately \$62,400.

Given their hard work, the Department recognizes the importance of Texas chartered credit union officials and employees and their part in addressing the pandemic directly while mitigating its impact on the communities they serve. On behalf of the Credit Union Commission, Commissioner and all Departmental staff **Thank You** again.



Credit Union Department Remote Examinations

Since the latter part of March, the Department’s examination program has been operating using completely remote processes. Credit unions have adapted well to this change and generally have been able to provide requested documents timely through the Department’s secured methodologies. For credit unions who are notified of an upcoming remote examination, we ask that management assist our examiners by facilitating the timely gathering of documents. Further, please name and number the electronic documents in accordance with the name and number of the items as listed in the examination preparation document (aka request list). We also ask that the first items you provide include:

- the AIREs share and loan download files as of the examination effective date;
- board meeting minutes and packets for the examination period through the most recent board meeting;
- a general ledger trial balance as of the examination effective date;
- the Allowance for Loan and Lease Losses (ALLL) evaluation as of the examination effective date; and
- all requested board approved policies and procedures.

If you encounter any difficulties in providing the requested data or have questions related to such, please do not hesitate to contact your examiner, or the Department.



4 New NASCUS Webinar Series!

Compliance Lending Webinar Series

2-hour sessions covering the following topics:

- Ability to Repay/Qualified Mortgages (May 7 @ 9:30am ET)
- Mortgage Servicing (May 12 @ 9:30am ET)
- HMDA and Section 1071 of the Dodd-Frank Act (May 14 @ 9:30am ET)
- Privacy (May 19 @ 9:30am ET)
- COVID-19 Guidance on Real Estate Lending (May 21 @ 9:30am ET)

[Register Here](#)

Loan Modifications, Troubled Debt Restructuring & Accounting Issues Webinar Series

Free

1-hour sessions covering the following topics:

- COVID 19 & Loan Mods for Credit Unions (May 12 @ 2:00pm ET)
- COVID 19 & the Allowance for Loan Losses (May 19 @ 2:00pm ET)
- COVID 19 & Credit Review (May 26 @ 2:00pm ET)

[Register Here](#)

Cybersecurity Roundtable w/CUNA: The COVID-19 Pandemic & Credit Unions Webinar Series

Free to NASCUS & CUNA members

- CUs less than or equal to \$120M ([recorded](#))
- CUs between \$120 and \$500M (May 12 @ 4pm ET or [recorded](#))
- CUs greater than \$500M (May 19 @4pm ET or [recorded](#))

[Register Here](#)

Cybersecurity in the Face of COVID-19 Webinar Series

Free

1-hour sessions covering the following topics:

- IT Operations/Cyber Hygiene for a Remote Work Force (May 13 @ 2pm ET)
- IT/Cybersecurity Risk Assessment Fundamentals during Pandemic Business Continuity (May 20 @ 2pm ET)
- What to Expect from Cyber Criminals and Fraudsters (May 27 @ 2pm ET)

[Register Here](#)

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## ***Publication Deadlines***

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In order to meet the submission deadlines for the applicable issues of the Texas Register, it is necessary for the Department to establish the schedule shown below. Completed applications received after the deadline for the month cannot be published until the following month.

| <u>Publication Date</u> | <u>Application Deadline</u> |
|-------------------------|-----------------------------|
| June 2020               | Friday, June 12             |
| July 2020               | Friday, July 10             |

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Applications Approved

Applications approved since April 15, 2020 include:

<u>Credit Union</u>	<u>Changes or Groups Added</u>
Field of Membership Change – Approved:	
Plus4 Credit Union (Houston)	See Newsletter No. 02-20
Mobility Credit Union (Irving)	See Newsletter No. 02-20
First Central Credit Union (Waco)	See Newsletter No. 03-20
Articles of Incorporation Change – Approved:	
My Credit Union (Watauga)	See Newsletter No. 03-20

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## ***Applications Received***

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The following applications were received and will be published in the **May 29, 2020** issue of the *Texas Register*.

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### **Field of Membership Expansion:**

**Texell Credit Union** (Temple) – Persons who live, work, worship or attend school in Limestone, Hill and Bosque Counties, Texas, to be eligible for membership in the credit union.

### **Articles of Incorporation:**

**Coastal Community And Teachers Credit Union** (Corpus Christi) – The credit union is proposing to change its name to CoastLife Credit Union.

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Upcoming Holiday Schedule for CUD

The Department's office will be closed on **Monday, May 25th** in observance of Memorial Day.

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*This newsletter is produced monthly as a part of the Department's continued communication outreach with the credit unions it regulates. Delivery is generally provided by electronic notification of its availability on the Department's website.*

*Suggestions and comments concerning the newsletter or its content are welcomed.*

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To learn more about CUD click <http://www.cud.texas.gov> or contact us at 914 E. Anderson Lane, Austin, TX 78752

