**Summary of Content Changes
2017.2 Update – March 2017**

**General Notes**

There were a few regulatory changes made in the first quarter of 2017 that impacted our policy revisions for this release. The first was related to the NCUA’s [Chartering and Field of Membership Manual](https://www.ncua.gov/regulation-supervision/Documents/Regulations/final-rule-chartering-field-membership-manual.pdf) for federal credit unions, which impacted Policy 1150 – Field of Membership. The second was again specific to federal credit unions and their [Occupancy, Planning, and Disposal of Acquired and Abandoned Premises](https://www.ncua.gov/regulation-supervision/Documents/Regulations/final-occupancy-dec-2016.pdf). These NCUA changes impacted Policy 5500 – Ownership of Fixed Assets.

The FFIEC (Federal Financial Institutions Examination Council) also came out with an updated [Uniform Interagency Consumer Compliance Rating System](https://www.ffiec.gov/press/pr110716.htm) for evaluating financial institutions’ adherence to consumer compliance requirements that becomes effective on March 31, 2017. Although there were no additional regulatory requirements imposed with this revision, Policy 1230 – Regulatory Compliance was updated to address the revised supervisory expectation generally and the expectation for credit unions to have an effective compliance management system.

**Policy Updates Summary**

**Policy 1150 – Field of Membership**

**2017-2**

Policy 1150 was amended to include changes made to the NCUA’s [Chartering and Field of Membership Manual](https://www.ncua.gov/regulation-supervision/Documents/Regulations/final-rule-chartering-field-membership-manual.pdf). (Recommended)

**Policy 1230 – Regulatory Compliance**

**2017-2**

With the FFIEC’s updated rating system to reflect their [current consumer compliance supervisory approaches](https://www.ffiec.gov/press/pr110716.htm), Policy 1230 was updated. There was more detail on the credit union’s compliance management system, including the necessity to be pro-active in identifying potential weakness and properly addressing those weaknesses, compliance review of third-party vendors and staying on top of regulatory changes and training staff accordingly. Additionally, an additional section was added to cross-reference the Credit Union’s Complaint policy, since this is a factor that examiners will be evaluating in the new consumer compliance rating system. (Recommended)

**Policy 5500 – Ownership of Fixed Assets**

**2017-2**

The NCUA relaxed their rules on the [occupancy requirements](https://www.ncua.gov/regulation-supervision/Documents/Regulations/final-occupancy-dec-2016.pdf) for premises acquired for future expansion. Policy 5500 was updated to reflect those changes. (Required)

**Policy 7310 – Construction Loans**

**2017-2**

This policy was revised to include additional considerations when approving construction loans and also compliance with the integrated mortgage disclosures. (Recommended)

**Policy 7520 – Collection Staff Members Responsibilities**

**2017-2**

Policy 7520 was revised to correct an error in “Training/Education” (section 5) that incorrectly indicated that collection staff would receive “regulator” training. The sentence should indicate that collection staff will receive “regular” training that is tailored to the relevant employee and the specific responsibilities of their role. (Recommended)

**Policy 10004 – Table 4 – Electronic Funds Transfer Records**

**2017-2**

Policy 10004 was revised to correct an error of inversed numbers on a regulatory citation. The correct reference to record retention in Regulation E is 1005.13. (Recommended)