**Summary of Content Changes  
2017.4 Update – September 2017**

**General Notes**

Effective on January 1, 2018, significant changes become effective related to the applicability of the [Home Mortgage Disclosure Act (HMDA)](https://www.federalregister.gov/documents/2015/10/28/2015-26607/home-mortgage-disclosure-regulation-c), the types of transactions subject to HMDA, the specific information that credit unions are required to collect, record and report, and the process for credit unions to report and disclose data. Because of the substantial amount of changes, credit unions are encouraged to visit the [CFPB’s website](https://www.consumerfinance.gov/policy-compliance/guidance/implementation-guidance/hmda-implementation/) to view helpful resources to ensure compliance.

Credit unions should also be aware that in addition to NACHA’s Same-Day ACH changes that become effective on September 15, 2017, NACHA also made some changes related to [Third-Party Senders](https://www.nacha.org/rules/third-party-sender-registration) and the need for credit union Originating Depository Financial Institutions (ODFIs) to register those customers. [Third-Party Sender Identification Tool](https://www.nacha.org/system/files/resources/NACHA_InteractiveTool_Flowchart_2016.03.31.pdf) is a useful resource for credit unions.

**Policy Updates Summary**

**Policy 2210 – Accounts**

**2017-4**

This policy was amended to add money market accounts as an option. Credit unions should include this account type and respective account criteria for money market accounts under either share or draft accounts depending on how the accounts are maintained. 3 new Key Fields were added to this policy. (Recommended)

**Policy 2232 – Member Expulsion (TITLE CHANGE)**

**2017-4**

This policy is being revised to address situations in which Federal Credit Unions can expel members (special meeting of membership or nonparticipation). Although this policy only indicates expulsion based on loss (through a special meeting), credit unions are encouraged to customize their policy accordingly, if they allow for termination of membership for other reasons. The title of this policy has been updated from “Loss Expulsion” to “Member Expulsion.” (Recommended)

**Policy 2235 – Member Abuse (TITLE CHANGE)**

**2017-4**

This policy is being revised to address situations of member abuse. This policy should be customized by the credit union to limit services, expel members, or both. Federal credit unions who wish to expel members who are abusive, would be required to go through the process of holding a special meeting of the membership. Therefore, the policy is geared towards limiting services for Federal Charters, although the last section for Board Meetings can be further customized if necessary. The title of this policy has been updated from “Member Harassment Expulsion” to “Member Abuse.” (Recommended)

**Policy 2610 – ACH Operations**

**2017-4**

Effective on September 29, 2017 the [NACHA registry](https://www.nacha.org/rules/third-party-sender-registration) will be available for Credit Union ODFIs to register their Third-Party Senders. NACHA is allowing an implementation period through March 1, 2018 to complete registrations. This policy was revised to reflect the requirement to register these members. (Required)

**Policy 2611 – ACH Management**

**2017-4**

Effective on September 29, 2017 the [NACHA registry](https://www.nacha.org/rules/third-party-sender-registration) will be available for Credit Union ODFIs to register their Third-Party Senders. NACHA is allowing an implementation period through March 1, 2018 to complete registrations. This policy was revised to reflect the requirement to register these members. (Required)

**Policy 2612 – ACH Audit  
2017-4**  
Effective on September 29, 2017 the [NACHA registry](https://www.nacha.org/rules/third-party-sender-registration) will be available for Credit Union ODFIs to register their Third-Party Senders. NACHA is allowing an implementation period through March 1, 2018 to complete registrations. This policy was revised to reflect the requirement to register these members. (Required)

**Policy 3155 – Travel Reimbursement  
2017-4**In order to avoid confusion and duplication within the policy, Section 4B was removed (related to allowance for companion travel) and included with Section 10. Cross-reference was also made in Section 6 to the Credit Union Owned Credit Card Policy (3115). (Recommended)

**Policy 3160 – Unclaimed Property  
2017-4**This policy was revised to remove the record retention requirements and reference the applicable record retention policy. Having one policy to maintain the timeframes for record retention will better mitigate any potential inconsistencies. (Recommended)

**Policy 3165 – Loan Workouts and Nonaccrual Standards  
2017-4**Updates were made in Sections 7 and 8 for clarity and corrections were made for tense and punctuation.  (Recommended)

**Policy 7100 – General Lending Policy  
2017-4**This policy was updated to include general information surrounding preventing and detecting fraud, including the [segregation of duties](https://www.ncua.gov/Legal/OpinionLetters/OL2002-0520.pdf) for credit unions using automated underwriting systems. (Recommended)

**Policy 7120 – Fair Lending  
2017-4**  
This policy was updated to correct a reference to NCUA rules. (Recommended)

**Policy 9200 – Home Mortgage Disclosure Act – Regulation C**

**2017-4**

Policy 9200 was revised to comply with the [HMDA changes](https://www.federalregister.gov/documents/2015/10/28/2015-26607/home-mortgage-disclosure-regulation-c) that are scheduled to become effective on January 1, 2018. In order to assist credit unions prepare and obtain Board approval, this policy was revised ahead of the effective date, but shouldn’t be adopted by the Board until the actual effective date. ***NOTE: Policy 9200 was revised so extensively that essentially the entire policy was re-written. Because of this, a redlined version is not being provided.*** (Required)

**Policy 10002 – Collection and Delinquency Records**

**2017-4**

This policy was revised to include the correct citations for retention timeframes. Additionally, the requirement to retain paid collection files was increased to 7 years after the debt is paid. (Required)

**Policy 10004 – Electronic Funds Transfer Records**

**2017-4**

This policy was revised to include the correct citation under NACHA Rules for certain ACH transactions. (Recommended)

**Policy 10005 – General Accounting Records**

**2017-4**

This policy was revised to coincide with [NCUA Rules part 749](https://www.ecfr.gov/cgi-bin/text-idx?SID=5b8e0d8075adc2f72db1367ea0463cd3&mc=true&node=pt12.7.749&rgn=div5) related to the permanent retention of vital records, which include a list of the credit union’s investments. Timeframes were also adjusted to 5 years to comply with [BSA record retention](https://www.ffiec.gov/bsa_aml_infobase/pages_manual/OLM_116.htm) requirements and 3 years to comply with the [Fair Labor Standards Act](https://www.dol.gov/whd/regs/compliance/wh1261.pdf) requirements for certain records. (Required)

**Policy 10006 – Insurance & Bond Records**

**2017-4**

This policy was revised to provide further clarification on the particular records being requested for retention. Additionally, it was clarified that in accordance with [NCUA Rules part 749](https://www.ecfr.gov/cgi-bin/text-idx?SID=5b8e0d8075adc2f72db1367ea0463cd3&mc=true&node=pt12.7.749&rgn=div5) the credit union’s bond claims and insurance policies should be maintained permanently. (Required)

**Policy 10007 – Lending Records**

**2017-4**

This policy was revised to update the retention timeframe and reference for consumer loan documents in accordance with [Regulation Z.](https://www.ecfr.gov/cgi-bin/text-idx?SID=b6c2a05036f1c503100fbf6b74776caa&mc=true&node=se12.9.1026_125&rgn=div8) (Required)

**Policy 10008 – Negotiable Instruments Records**

**2017-4**

Timeframes were also adjusted to 5 years to comply with [BSA record retention](https://www.ffiec.gov/bsa_aml_infobase/pages_manual/OLM_116.htm) requirements. Additionally, references for certain instruments were changed to reference the [Uniform Commercial Code, Article 4.](http://www.uniformlaws.org/Act.aspx?title=UCC%20Article%203,%20Negotiable%20Instruments%20and%20Article%204,%20Bank%20Deposits%20(2002)) (Required)

**Policy 10009 – Personnel & Employment Records**

**2017-4**

Addition was made to add “401K” under “Pension Plan documents.” (Recommended)

**Policy 10010 – Security Records**

**2017-4**

Correction was made to the reference for Currency Transaction Reports. (Recommended)

**Policy 10011 – Member Account Records**

**2017-4**

Correction was made to the citation for certain remote banking notices/disclosures and transfer authorizations to comply with the requirements within [Regulation E.](https://www.ecfr.gov/cgi-bin/text-idx?SID=23e7e4c111f1fb7669c7ec39328783be&mc=true&node=se12.8.1005_113&rgn=div8) Changes were also made to the retention time period for Signature Guarantees. (Required)