



Office of the Chairman

July 15, 2016

The Honorable Dean Heller
United States Senate
324 Hart Senate Office Building
Washington, DC 20510

Dear Senator Heller:

Thank you for your letter commenting favorably upon my commitment to return to the practice of holding a public briefing on the National Credit Union Administration's draft budget before the Board considers these matters each November. I very much appreciated your kind words.

The decision to hold an annual budget briefing is part of my continual quality improvement initiative to improve all aspects of NCUA's operations and procedures. This initiative requires staff to continuously seek to improve the agency's efficiency and effectiveness while fulfilling our mission. This commitment includes ensuring greater transparency and more public engagement. The budget briefing we will hold in October accomplishes each of these objectives.

The new budget briefings will be more comprehensive than the briefings previously held by the agency. For example, we will release information about the proposed budget before the briefing. In doing so, stakeholders will be able to review and analyze the information in advance of the briefing. This, in turn, will allow for a more meaningful discussion during the briefing.

This briefing also will provide best-in-class transparency on NCUA's proposed budget and supplements the detailed budget information already posted on the agency's online budget resource center.¹ In providing more budget information than the agency has ever released before, NCUA will continue to make available more and better budget information than other federal financial institutions regulators.

At its November 2015 open meeting, the NCUA Board returned to the practice of approving a rolling two-year budget. This rolling two-year budget provides all interested parties detailed projections on expenditures for two years, not just one. As a result, stakeholders already have online access to a great deal of preliminary information about the agency's 2017 budget. As noted above, NCUA will revise and supplement this material before this year's budget briefing. When we release our draft budget for 2017 and 2018, credit union members and stakeholders will have a clear view two years into the future.

By pursuing budget hearings through agency action and outside of a statutory mandate, NCUA will have greater flexibility in organizing future budget briefings. NCUA also will be better able to respond to stakeholder concerns about the budget as they arise from year to year.

¹ See <https://www.ncua.gov/About/Pages/budget-strategic-planning/supplementary-materials.aspx>.

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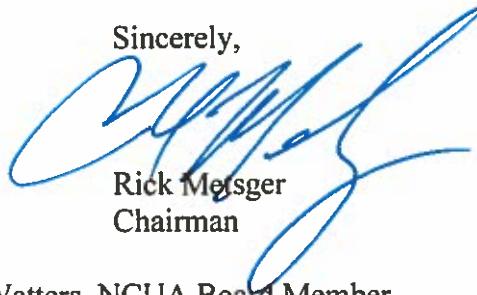
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Holding a briefing does not mean that everyone who participates will get what they want, but they will get an opportunity to be heard. The NCUA Board still has a responsibility to make the final decision to ensure that the agency fulfills its mandate from Congress under the Federal Credit Union Act to protect the safety and soundness of the credit union system, ensure compliance with applicable regulations, and protect consumers. The Board also has a fiduciary duty to protect the National Credit Union Share Insurance Fund and the nearly \$1 trillion dollars it insures for more than 103 million credit union members.

Again, thank you for your letter in favor of actions I have taken to open up the budget process. Please do not hesitate to continue to contact me on this or any other issue that interests you.

Sincerely,



Rick Meisger
Chairman

cc: The Honorable J. Mark McWatters, NCUA Board Member