

COVID 19 Division of Credit Unions March 30
Missour Department of Finance

Frequently Discussed Topics (March 30, 2020):

1. NCUA Webinar: NCUA will be hosting a webinar on March 31, 2020 at 1 PM Central on their COVID-19 response. You may register at the below link. The attendees are limited and on a first-come, first-serve basis. Information on this webinar and a link to register may be found at: <https://www.ncua.gov/newsroom/press-release/2020/ncua-hosts-march-31-webinar-covid-19-response>
2. Survey of Credit Unions: Division staff will be contacting you at some point this week to survey each credit union regarding questions the NCUA has for each credit union on their COVID-19 response. We are not sure of the questions that will be asked, but please know we will be completing this survey in lieu of each credit union being contacted directly by NCUA. We have not heard what information will be needed, but it sounds like they will be pretty basic in nature. We will provide you with more information in a separate e-mail as soon as we receive the information from NCUA.
3. Annual Meetings: On 3/12/2020, we emailed all credit unions notifying them the statutory deadline for annual meetings to be held by 6/29/2020 would be waived. We will not take exception for a credit union to hold the annual meeting anytime during 2020. We have received a few questions regarding “virtual meetings.” If the credit union has the technological capacity to facilitate virtual meeting attendance, voting, and participation, it would be acceptable for 2020. However, credit unions should understand the costs and challenges involved in a one-time “virtual meeting” and it still may be prudent for many credit unions to simply delay their traditional annual meeting until the second half of the year. As stated earlier, Section 8.2 of most credit union bylaws states “Regular terms of office for directors shall be for periods of three years; provided, however, that directors shall hold office until the election, appointment and/or qualification of their successors.” Thus, current officeholders would remain until their successors are in place.
4. Board Meetings: Most Missouri state-chartered credit union bylaws require a monthly meeting of the Board of Directors. We realize that many boards are meeting, in some form, much more often through this crisis. As always, we also permit virtual participation during such meetings.
5. Branch/Lobby Closures: Most credit unions with drive-thru access have closed their lobby access to members and permitting only drive-thru along with phone or electronic banking. We have communicated with many of you that in Missouri we do **not** have a state-specific requirement to notify us if a branch closes or partially closes.

While there are no state statutory or regulatory requirements that apply to such closures, credit unions must comply with federal regulation as set forth in 12 CFR 748.1(b). Pursuant to that regulation, credit unions do not need to notify NCUA unless there is an interruption in “vital member services” exceeding two days. Per 12 CFR 749.1, “vital member services” is defined as:

Vital member services mean informational account inquiries, share withdrawals and deposits, and loan payments and disbursements.

If you have or are planning to close only lobbies but continue to provide the vital member services listed above, you do not need to notify our office or the NCUA of such lobby closure.

However, In concurrence with NCUA, credit unions do have the flexibility to make prudent and reasonable good faith decisions to close branches and offer members services through other channels such as by phone, automated or virtual tellers, or via online and mobile platforms.

If this occurs, please notify our office and NCUA at westernmail@ncua.gov.

6. Call Reports: The NCUA has given flexibility on the March 31, 2020 call-report deadline.

On March 26, 2020, NCUA stated the following:

The NCUA recognizes that some credit unions may experience disruptions in staffing or operations as a result of the COVID-19 pandemic. The NCUA will not take action against any credit union as long as its Call Report is submitted within 30 days of the official filing date. Credit unions encountering challenges are encouraged to inform the Office of Examination and Insurance at callreportlatefiler@ncua.gov. State-chartered credit unions should also contact their respective state regulator.

The original, and still official, deadline is April 26, 2020. However, NCUA will not take exception until May 26, 2020. We are still awaiting an answer if notification is still needed if the April 26, 2020 deadline cannot be met. We will include that information in a future April update.

7. Division Operations: Division examiners are completing their work remotely, including some examinations. At this time, we will not be performing on-site examinations through at least May 1, 2020. Examiners will be reaching out to determine if upcoming examinations can be completed remotely. If performing your examination will interrupt your ability to serve members, you do not have adequate staff available or it will be too much of a burden please let us know and we will postpone the examination.

Credit unions will be receiving all information from us (examinations, correspondence, etc.) through electronic means until further notice. All phone numbers and e-mail addresses are still responsive during normal business hours. If credit unions encounter any technical problems communicating with our staff you may call (573) 751-3419 or email at cu@cu.mo.gov

8. Member Assistance: Through this crisis, the Division understands that many of your members are or will be affected financially. We encourage credit unions to work with their members in a prudent and reasonable manner while utilizing managed controls and oversight. In the past few weeks we have communicated with many credit unions that have adjusted normal business to accommodate the needs of the membership.

For further information related to assistance to your members, please review the NCUA/Interagency Statement on Loan Modifications and Reporting for Financial Institutions Working with Customers Affected by the Coronavirus at <https://www.ncua.gov/files/press-releases-news/loan-modifications-reporting-coronavirus-v2.pdf>.

As a reminder, when implementing assistance programs such as those listed above, careful consideration needs to be given to ensure the terms of the promotions are non-discriminatory in nature, ensuring all qualified members/borrowers are treated equitably.

9. *Helpful Links:*

<https://www.ncua.gov/coronavirus>

<https://health.mo.gov/living/health>