



**Administrative Guideline for Credit Unions 20-1**  
**Issued March 25, 2020**  
**Updated April 8, 2020**

Dear Board of Directors and Credit Union Management:

The Division of Financial Institutions (the “Division”) will be working remotely until further notice. As a result, we ask for credit unions to send their information to the Division electronically to the extent possible. We expect operations to proceed with little interruption. Credit unions will be evaluated over the coming months and examiners will consider the extraordinary circumstances credit unions are facing when reviewing the credit union’s financial and operational condition. Examiners will work with credit union staff to facilitate the secure exchange of information needed to conduct offsite examination and supervision work. The Division will be mindful of the impact of information requests on any credit unions experiencing operations and staffing challenges.

**1. What flexibilities exist for state-chartered credit unions (“SCUs”) regarding planning its annual meetings?**

The Division encourages SCUs to help members limit face-to-face interactions during the state of emergency declared by Governor Mike DeWine. Ohio Revised Code (“R.C.”) section 1733.12 permits flexibility in allowing credit unions to hold a special meeting up to 60 days after the date of its regularly scheduled annual meeting in unique circumstances. *Any special annual meeting held later than sixty days after the regularly scheduled meeting requires Division approval.* Should an SCU wish to postpone its annual meeting later than 60 days from the regularly scheduled date, please submit a written request to the Superintendent that includes the date and time of the proposed annual meeting. As of the date of this writing, the Division has received several written requests to postpone annual meetings for longer than 60 days. The Division’s policy during the COVID-19 outbreak is to process such requests and return approvals to SCUs as quickly as possible.

**2. What if an SCU does not want to postpone its regularly scheduled annual meeting? Can the SCU hold its annual meeting via webinar or conference call?**

An SCU should review the procedure provided in its Code of Regulations to determine whether it can hold its annual meeting by use of communications equipment, as well as to determine how to take attendance at meetings conducted by the use of communications equipment. R.C. 1733.12 requires meetings of members to be called and conducted in the manner and at the time and place stated in the Code of Regulations. An SCU must review and interpret its Code of Regulations to determine whether the Code allows flexibility to hold an annual meeting by the use of communications equipment. Should an SCU determine that its Code of Regulations does not permit it to hold its annual meeting by the use of communications equipment, the SCU could amend the Code of Regulations and submit the amended code to the Division for review.

### **3. If an SCU delays its annual meeting and election, what happens to the SCU's Board?**

R.C. 1701.11 addresses emergency provisions for corporations. Credit unions should refer to their Code of Regulations for any emergency provisions or refer to its internal planning policies.

### **4. What flexibility exists for regularly scheduled Board meetings?**

R.C.1733.16(B) says that regularly scheduled meetings of the directors shall be held in the manner prescribed by the credit union's code of regulations, but not less frequently than quarterly. If an SCU does not have the capability to meet monthly, it should amend its Code of Regulations by submitting a Certificate of Amendment to the Division for review and formal approval. Depending on an SCU's language in its Code of Regulations, directors may be able to participate in board meetings by video, teleconference, or communications equipment.

### **5. Does flexibility exist with respect to the opinion audit requirement?**

R.C. 1733.28 allows the Superintendent to exempt an SCU from the requirement to obtain an opinion regarding the SCU's financial statement signed by the Supervisory Audit Committee or the SCU's outside auditor when appropriate. Should you wish to request an exemption pursuant to R.C. 1733.28 please submit a written request for an exemption to Corporate Administrator Dina Messina at [dina.messina@com.ohio.gov](mailto:dina.messina@com.ohio.gov).

### **6. May an SCU restrict access or close its facilities?**

The Ohio Credit Union Act does not address branch restrictions or closures. Therefore, credit unions have flexibility to make reasonable, good faith decisions to determine the best way to offer its members services while practicing social distancing and minimizing person-to-person contact. Some possible communication channels are drive-thrus, Automated Teller Machines, phone, appointments, online and/or mobile platforms. Credit unions should try to make special arrangements to assist customers who may have safe deposit boxes at branch locations being closed or who need other specialized banking services. Please notify Dina Messina should an SCU to close a lobby or branch location.

### **7. What happens if an SCU is unable to file its quarterly Call Report on time?**

Please email the NCUA at [CallReportLateFiler@ncua.gov](mailto:CallReportLateFiler@ncua.gov) and the Division's Chief Examiner Ida Neely at [ida.neely@com.ohio.gov](mailto:ida.neely@com.ohio.gov). Your message should include the reason for the delay.

### **8. What options do credit unions have to help manage potential liquidity issues?**

Liquidity management is vital during events such as we are experiencing presently. Your credit union's Contingency Funding Plan may become an important part of your daily operations and this may be an excellent time to perform a test to ensure access of the lines are available. Your institution should monitor cash levels that are available at all locations and ATMs if applicable. Management should ensure open locations have sufficient cash on-hand to handle increased activity. Institutions may need to determine if additional cash orders should be made to the Federal Reserve in order to account for potential increased demand

Management is asked to work with all departments of the institution to model stressed liquidity cash flow projections, considering stressed customer withdrawal limits, increased line of credit

usage, and stressed external funding availability. Management should also ensure contingency funding lines have been tested.

### **9. When and where will the credit union's examination take place?**

The Division is developing a secure platform that will allow credit unions to provide examination information electronically to the credit unions' Examiner in Charge. Once developed, the Division will provide that information to your credit union if your exam has been scheduled. The Division is also taking into consideration each institutions' electronic capabilities. We will work with our credit unions in scheduling examinations and be mindful of their available resources to respond to information requests.

### **10. Where can credit unions find available resources for financial institutions?**

The five federal financial regulatory agencies (NCUA, CFPB, FDIC, Federal Reserve, and the OCC) together with the Conference of State Bank Supervisors (CSBS) said in a release that their agencies "recognize the potential impact of the coronavirus on the customers, members, and operations of many financial institutions and will provide appropriate regulatory assistance to affected institutions subject to their supervision."

Regulators note that financial institutions should work constructively with borrowers and other customers in affected communities. Prudent efforts that are consistent with safe and sound lending practices should not be subject to examiner criticism.

The agencies understand that many financial institutions may face current staffing and other challenges. In cases in which operational challenges persist, regulators will expedite, as appropriate, any request to provide more convenient availability of services in affected communities. The regulators also will work with affected financial institutions in scheduling examinations or inspections to minimize disruption and burden.

Additionally, the following resources may be helpful:

- American Share Insurance: <https://www.americanshare.com/2020/03/17/press-release-american-share-insurance-takes-action-in-response-to-the-coronavirus-outbreak/>
- Corporate One Federal Credit Union: <https://www.corporateone.coop/>
- Credit Union National Association: <https://www.cuna.org/Webassets/Pages/Search.aspx?searchtext=coronavirus&type=all>
- FHFA has established a dedicated webpage with relevant updates and resources available here: [www.fhfa.gov/coronavirus](http://www.fhfa.gov/coronavirus)

Additionally, Fannie Mae and Freddie Mac have their own dedicated webpages for homeowners, with online tools for determining if your mortgage is owned by Fannie Mae or Freddie Mac:

[Fannie Mae: Coronavirus \(COVID-19\) Help](#)

- Use Fannie Mae's [Loan Lookup Tool](#)

- Or call 1-800-2FANNIE (1-800-232-6643)

[Freddie Mac: Extending Help to Homeowners Impacted by COVID-19](#)

- Use Freddie Mac's [Loan Lookup Tool](#)
- Or call 1-800-FREDDIE (1-800-373-3343)
- Federal Deposit Insurance Corporation: <https://www.fdic.gov/coronavirus/faq-fi.pdf>
- FHLB Cincinnati: <https://www.fhlbcin.com/news/2020/march/fhlb-cincinnati-coronavirus-preparedness/>
- National Association of State Credit Union Supervisors: <https://www.nascus.org/pandemic-planning-coronavirus/>
- National Credit Union Administration: <https://www.ncua.gov/files/letters-credit-unions/20-cu-02-ncua-actions-related-covid-19.pdf>
- Ohio Credit Union League: <https://www.ohiocreditunions.org/covid-19/>
- Ohio Department of Health: <https://coronavirus.ohio.gov/wps/portal/gov/covid-19/home/resources/covid-19-and-community-spread>
- Small Business Administration: <https://www.sba.gov/page/coronavirus-covid-19-smallbusiness-guidance-loan-resources>