



Washington State Department of Financial Institutions

Division of Credit Unions

WINTER 2020 UPDATE

STRATEGIC INITIATIVES FOR 2020

The Division's main strategic initiatives and objectives for 2020 are:

1. **Expand IT Security Exams** – In 2020, the Division will evaluate how to enhance and reconfigure its IT security exam program. This will include evaluating whether to use the InTREx (Information Technology Risk Examination) software program as the platform for its IT security exams.
2. **Perform More Offsite Exam Work** – Division examiners will have increased flexibility to do more examination work remotely in 2020. This will help decrease the footprint in credit unions, which CEO's have suggested as a change they would like to see. In addition, it will decrease travel time and costs.
3. **Successfully Implement Using the New NCUA MERIT Exam Software Program** – MERIT (Modern Examination and Risk Identification Tool) will replace AIREs (Automated Integrated Regulatory Exam System). Division examiners have been extensively involved in assisting our federal partner, National Credit Union Administration, with testing MERIT, and Division management and examiners are looking forward to using MERIT on all credit union exams starting in mid-September 2020.

EXAMINATION FOCUS FOR 2020

The Division of Credit Unions at the beginning of the year issued [Bulletin 20-01](#) highlighting areas which examiners will be focusing on. Examination focus for 2020 will include:

1. Cybersecurity
2. Consumer Protection Law Compliance
3. Liquidity
4. Business Continuity/Disaster Recovery Testing

Credit Union Numbers as of Sept. 30, 2019

52

State Chartered Credit
Unions

3.79 Million

Washington Credit Union
Members

\$56 Billion

Total Assets of
Washington State
Chartered Credit Unions

SEEN AND HEARD

Banking Marijuana in Credit Unions

- Amy Hunter, Director of Credit Unions, and Myriam Powers, Financial Examiner Supervisor, met with regulators from the State of Maine and National Association of State Credit Union Supervisors (NASCUS) on October 7th and 8th showcasing Washington’s successful approach to banking marijuana. The delegates from Maine were interested in Washington’s regulations and the financial institutions’ compliance with various laws. The group first met with staff from Washington’s Liquor and Cannabis Board and then traveled to Spokane to meet with Numerica Credit Union (pictured here) and a cannabis related retailer.



Credit Unions’ Community Involvement

- Credit unions are always looking for ways to support the communities they are part of. Many credit unions hold reality fairs and provide other resources to help their members. Amy Hunter joined hundreds of Boeing



Employee Credit Unions (BECU) employees for a Reality Fair at West Seattle High School on October 13, 2019. BECU's "Bite of Reality" targets high school juniors and seniors. This year BECU employees were at 17 schools across the state, reaching between 10 and 12,000 students. The students are given personas and have to make real life budgeting decisions. It is common for the young adults to overspend initially and then go the credit union for financial counseling and an opportunity to make new spending decisions.

- Money Smart Week is a national weeklong campaign dedicated to reaching the public with free, non-promotional financial capability lessons

throughout the United States. Washington’s Money Smart Week Reading Days (offered March 23 – April 24, 2020) are opportunities that give our community leaders and volunteers a chance to step into local schools and take time with students to read a storybook with a financial education theme. If you would like to read at a local school, please contact DFI employee Melody Cahill at (360) 902-8789 or melody.cahill@dfi.wa.gov.

RECENT CREDIT UNION MERGER

Merging Credit Union	Continuing Credit Union	Date of Merger
Oregon Pioneer Federal Credit Union	HAPO Credit Union Richland, WA	December 1, 2019