

# THE EXAMINER

Issue 11

Spring has sprung – it's also a time for changes and reminders.



## STAFFING NEWS

Misty Matthews was named Deputy Administrator of the North Carolina Credit Union Division (NCCUD) effective January 20, 2025. Misty possesses almost 20 years of extensive financial institution regulatory experience, with the last seven years with the NCCUD. She enjoys working with our credit union employees and volunteers and appreciates the dedication they exhibit in serving their memberships and communities. Misty is an asset to the Division and the North Carolina state-chartered credit union family, and we're excited to have her serving in this critical position!

## UPDATED NCCUD APPLICATIONS AVAILABLE

If you are notifying us of a branch closure or are requesting approval to open a new branch, amend your bylaws, expand your field of membership, merge another credit union, or pay dividends, please visit our [website](#) for the most current applications. **We will no longer accept outdated applications or forms after March 20, 2025.**

## CREDIT UNION LEGISLATION INTRODUCED

On February 24, 2025, sponsors filed [House Bill 187](#) in the North Carolina General Assembly's 2025-2026 Session. The bill was referred to the House Committee on Finance two days later and contains several updates to Chapter 54 of the NCGS, Credit Union Laws.

### IMPORTANT DATES

- **April 8, 2025** – Spring Credit Union Commission meeting – 10:00 am to 12:00 pm
- **April 18, 2025** – NCCUD Office closed for Good Friday
- **April 30, 2025** – 4<sup>th</sup> Quarter 5300 Call Report is due no later than 11:59:59 pm
- **May 26, 2025** – NCCUD Office closed for Memorial Day

### CU ONLINE PROFILE REMINDERS

The [instructions](#) for the NCUA Form 4501A Profile (Profile) state that the following information must be provided: home address, home phone number, work phone number or cell phone number and an email address for contacts. Contacts include volunteers (board members, supervisory committee members, credit committee members, and officers of those groups) managers/CEOs, CFOs, CIOs, and internal auditors. For certain credit union roles, only specific information is required. The Profile must be submitted to NCUA's CU Online application within 10 days of electing or appointing senior management or volunteers, within 30 days of changing any information required to be reported, and with quarterly 5300 Call Reports. Please refer to the [instructions](#) to ensure that you complete the Profile accurately and timely.

## CYBER SCAMS AND CRIME – STAYING VIGILANT

On February 26, 2025, the Financial Crimes Enforcement Network (FinCEN) reminded financial institutions to remain alert for suspicious activity that could indicate relationship investment scams. Losses due to these scams exceeded \$650 million in 2023, as reported by the Federal Bureau of Investigation (FBI). For 2023, the FBI's Internet Crime Complaint Center (IC3) reported \$12.5 billion in losses related to internet crimes, with most of the complainants and losses occurring in the 60+ age group. The FBI announced recently that the Chinese government is actively using freelance hackers and information security companies to compromise computer networks globally. [Reporting internet related crime](#) as soon as possible to the FBI is critical for investigations, tracking trends and threats, and even recovering losses.



# THE EXAMINER

Issue 12



Summer brings warmer weather, updates, and reminders.

## STAFFING NEWS

We are pleased to introduce our newest examiner, Giovanni Grajales, Jr. He has almost eight years of experience in the financial services industry, with the last seven at State Employees' Credit Union. Giovanni holds a bachelor's and two master's degrees in accounting. Welcome aboard, Giovanni!

## FIGHTING FRAUD – STAYING VIGILANT

As we have seen in the past few months, fraudsters posing as trusted people or entities continue to use business email compromises (BECs) to gain access to credit union and/or member funds and data. Key factors in thwarting these BEC attempts are security awareness training, email security tools, multi-factor authentication, and strong verification procedures. Also, collaboration of financial institutions, law enforcement, local governments, and industry partners is critical in understanding, detecting, and reporting fraud and mitigating losses due to fraud. We encourage you to join the group in your region to help protect your credit union and membership against bad actors. Knowledge is power!

Region	Group Name	Moderator	Email	Frequency
Coast	Bank Watch	Tabitha Johnson	<a href="mailto:tjohnson@marinefederal.org">tjohnson@marinefederal.org</a>	Quarterly
Triangle	Bank Alert	Nikki McCray	<a href="mailto:bankalert@northstatebank.com">bankalert@northstatebank.com</a>	Monthly
Triad	Triad Bank Watch	Christene Whitman	<a href="mailto:christene.whitman@truliantfcu.org">christene.whitman@truliantfcu.org</a>	Monthly
Charlotte	Charlotte Bank Watch	Patrick Williams	<a href="mailto:patrick.williams@tiaa.org">patrick.williams@tiaa.org</a>	Quarterly
Mountains	WNC Bank Watch	Shea Magill	<a href="mailto:shea.magill@ncsecu.org">shea.magill@ncsecu.org</a>	Bimonthly

## IMPORTANT DATES

- **July 4, 2025** – NCCUD Office closed for Independence Day
- **July 30, 2025** – 2nd Quarter 5300 Call Report is due no later than 11:59:59 pm
- **September 1, 2025** – NCCUD Office closed for Labor Day

## BRANCH APPLICATIONS – NEW, RELOCATIONS, AND CLOSURES

For changes involving branches, including leasing, purchasing, building, or closing, please visit our [website](#) for the most current forms. Credit unions must apply to the Administrator for [approval](#) to open or relocate branches or to change places of business. For branch closures, only [notification](#) to the Administrator is required. Please contact [Caroline Warren](#) if you have questions.

## OTHER REMINDERS

- ✓ NCUA's **Simplified CECL Tool** is updated quarterly and can be downloaded [here](#). The June 2025 version will soon be available.
- ✓ **Regulation CC Funds Availability thresholds** are adjusted every five years based on the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). Update disclosures, policies/procedures, and training manuals. Communicate changes to staff and members. Effective **July 1, 2025**, the thresholds adjust to the following:
  - Next day availability of funds from certain check deposits increases from \$225 to \$275
  - Next day availability of funds from certain check deposits into new accounts increases from \$5,525 to \$6,725
- ✓ **Confidential Information** - including information obtained or compiled in preparation of, during, or as a result of an examination, audit, or investigation is confidential (NCGS § 54-109.105).
- ✓ North Carolina has an **anti-money laundering law** (NCGS §14-118.8) in addition to federal laws and regulations.



# THE EXAMINER

Issue 13

Autumn brings cooler weather, vibrant colors, and credit union updates and reminders.



## STAFFING NEWS

Patrione Perry joined the Division in August 2025 as an IT Intern and has experience working with Dell, HP, NetApp, IBM, AND Lenovo systems. He hails from Tampa, Florida and served our country in the Marine Corps for 13 years. He received an Associates of Criminal Justice Technology degree from Central Piedmont Community College and a Bachelor of Arts in Criminal Justice from UNC Pembroke. He recently graduated from the North Carolina State University Cybersecurity Professional Certificate Program. Join us in welcoming Patrione!

## CURRENT AND EXPECTED CREDIT LOSSES (CECL)

NCUA's Simplified CECL Tool (Tool) is updated quarterly, and the [September 2025 version](#) is now available. Please remember to calculate and include the allowance for off-balance sheet credit exposures, which is not calculated by the Tool. The allowance for off-balance sheet credit exposures is reported on the Call Report on Page 3, Line 3, as a liability. A common methodology to estimate this loss is: [unfunded commitment] x [probability of commitment] x [historical loss rate for similar loans] x [WARM factor for similar loans]. The loss rate and WARM factor are calculated in the Tool. The loss should also include any applicable qualitative adjustments. Please see Accounting Standards Update (ASU) 2016-13 Topic 326 for detail. Lastly, please consult your CECL model provider and auditor for help.

## SECURITY BREACHES AND CYBER INCIDENTS

Ensuring timely and accurate reporting of breaches and cyber incidents to the appropriate authorities is a critical step in protecting your and your members' information. North Carolina General Statutes §75-2A, the [Identity Theft Protection Act](#), requires businesses, including credit unions, to [report security breaches](#) to the Consumer Protection Division of the Attorney General's Office "without unreasonable delay."

NCUA requires notification as soon as possible and no later than 72 hours after discovery of a reportable cyber incident. Their Cyber Security [webpage](#) contains many helpful resources, including an online cyber incident report. In addition, credit unions can [download](#) NCUA's Automated Cybersecurity Evaluation Toolbox (ACET) and conduct its own cybersecurity assessment.

## IMPORTANT DATES

- **October 8, 2025** – Credit Union Commission meeting, NCCUD Office and via telephone, 10:00 am
- **October 30, 2025** – 3rd Quarter 5300 Call Report is due no later than 11:59:59 pm
- **November 11, 2025** – NCCUD Office closed for Veterans Day
- **November 27-28, 2025** – NCCUD Office closed for Thanksgiving
- **December 24-26, 2025** – NCCUD Office closed for Christmas

## APPROVALS AND NOTIFICATIONS

Credit unions are required to request approval from or to notify the NCCUD Administrator for various purposes such as bylaw amendments, office facilities, dividend payments, mergers, management changes, core system conversions, hours of operation, etc. Please refer to our [Approvals and Notifications](#) webpage for specific requirements and citations. If you have questions or would like additional information, contact [Caroline Warren](#).

