

THE EXAMINER

Issue 6

As 2023 comes to an end, the NCCUD staff would like to wish everyone a wonderful holiday season and a happy New Year. This issue of our newsletter has information regarding rules, late call report filings, and new beneficial ownership requirements. We look forward to seeing you again in 2024!



VACATION TIME RULE

04 NCAC 06c .0302 (28) states, “Annual vacations of at least five consecutive working days (during periods when proofs of subsidiary ledgers are being made) shall be taken by each employee having access to cash and the general ledger. During the vacation, the employees shall remain absent.” Examiners will be reviewing credit union policies and practices to ensure compliance with the vacation time rule. The purpose of the rule is to strengthen internal controls relating to cash and transaction risk.

IMPORTANT DATES

- December 25-27, 2023 – NCCUD Office closed for Christmas
- January 1, 2024 – NCCUD Office closed for New Year’s Day
- January 15, 2024 – NCCUD Office closed for Dr. Martin Luther King, Jr. Day
- January 30, 2024 – 4th Quarter 5300 Call Report is due no later than 11:59:59 p.m.
- March 29, 2024 – NCCUD Office closed for Good Friday

DECENNIAL RULES REVIEW

Speaking of rules, 2024 will be a busy year for the Division as we review all active rules codified in 04 NCAC 06. This is required for covered state agencies every 10 years to determine whether each rule is necessary or unnecessary. For more information on this process, please visit <https://www.oah.nc.gov/rules-division/periodic-review-and-expiration-existing-rules>.

NCUA REINSTATES CIVIL MONEY PENALTIES (CMP) – LATE CALL REPORT FILINGS

On November 28, 2023, NCUA announced it would reinstate CMP assessments for late 5300 Call Reports. The effective date of the reinstatement is January 1, 2024, and the first reporting cycle affected will be the December 31, 2023, Call Report due by 11:59:59 p.m. on January 30, 2024. NCUA will send a reminder to credit unions with outstanding reports one week prior to the due date.

NEW REQUIREMENTS FOR BENEFICIAL OWNERSHIP INFORMATION (BOI)

Effective January 1, 2024, many companies in the United States will be required to report information on beneficial owners – individuals who own or control companies – to FinCEN. This requirement is part of the Corporate Transparency Act and is designed to make it harder for money launderers, terrorists, and other bad actors to hide or benefit from shell companies or other non-transparent structures. Examiners will be reviewing your Bank Secrecy Act and Member Due Diligence programs for compliance with FinCEN requirements. For more information, visit the following: <https://www.fincen.gov/boi> and <https://www.fincen.gov/boi-faqs>.

