



# Newsletter

No. 10-22



October 19, 2022



## Credit Union Department

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The Credit Union Department (CUD) is the state agency that regulates and supervises credit unions chartered by the State of Texas. The Department is professionally accredited by the National Association of State Credit Union Supervisors (NASCUS) certifying that CUD maintains the highest standards and practices in state credit union supervision.

Our **Mission** is to safeguard the public interest, protect the interests of credit union members and promote public confidence in credit unions.

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## Credit Union Commission

The Commission is the policy making body for CUD. The Commission is a board of private citizens appointed by and responsible to the Governor of Texas.

### Members:

Jim Minge, Chair  
Sherri Brannon Merket, Vice Chair  
Elizabeth L. "Liz" Bayless  
David Bleazard  
Karyn C. Brownlee  
Beckie Stockstill Cobb  
Yusuf E. Farran  
David F. Shurtz  
Kay Rankin-Swan

## Next Commission Meeting

Friday, November 4, 2022 beginning at 9:00 a.m. in the offices of CUD.

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## Examination Responses and Correspondence from Credit Unions

Over time, many credit unions have been provided the direct email addresses of both office and field staff at the Department. Because of this, we have seen a greater influx of examination and other regulatory related correspondence from credit unions being sent directly to certain staff in the office or field. In some instances, this may slow the Department's ability to respond timely as the recipient may be out of the office for an extended period (i.e. vacation, other leave, etc.). Moving forward, we are respectfully requesting that examination responses and correspondence, etc. being provided to our office by email, be sent to the following:

[cudmail@cup.texas.gov](mailto:cudmail@cup.texas.gov)

Your assistance with this matter will help us to route and respond to your correspondence more expeditiously. Thank you.

## Board Meeting Attendance

Critical to the long-term success of a credit union is an active, involved board that provides proper oversight of operations and a sound strategic direction for the future of the credit union. One of the keys to ensuring that a board is successful is regular, participatory attendance. Missed meetings may seriously diminish the effectiveness of the entire board, and a director's inconsistent meeting attendance could result in removal from the board.

Texas Finance Code Section 122.055 provides that the office of a director becomes vacant if the director has been absent from more meetings than the total number of absences permitted by commission rule. Under 7 TAC Section 91.501(g), any director who fails to attend three consecutive regularly scheduled meetings without an excuse approved by a majority vote of the board is

## **Board Meeting Attendance (Continued)**

automatically removed from office. As a result, it is important for board meeting minutes to reflect if a director's absence is excused or unexcused. The lack of a record of an affirmative vote by the board is construed as an unexcused absence. Furthermore, 7 TAC Section 91.501(g) also states that any director who fails to attend six regularly scheduled meetings during any twelve-month period (***whether the absences are excused or not***) is **automatically removed** from office. Once the position becomes vacant, the board must fill the vacancy with a new person, within sixty days of the date of the meeting that led to the automatic removal.



## **From the Desk of the Commissioner (Michael S. Riepen)**

I am honored to have the opportunity to serve the Commission, the credit union industry, and the citizens of Texas. I have always believed that Texas credit unions provide significant benefits to our citizens. I look forward to continuing a long tradition of maintaining a safe and sound Texas credit union industry which allows our credit unions to innovate and meet the ever-changing financial needs of Texans.

I have spent virtually my entire career in the Texas credit union industry, primarily as a long time Credit Union CEO, and most recently as Director of Examination Support at the Credit Union Department. I will utilize my credit union and regulatory experience to maintain a flexible and effective supervisory framework for credit unions.

I look forward to working with the Department's staff, and credit union executives, board members and policy makers. Texas has a well-established reputation as a national leader, with credit unions that have traditionally provided innovative, competitive products and services for their members.

As the financial services marketplace continues to quickly evolve, credit unions will need to pursue more rapid adoption of technology to remain relevant to members, and effectively compete in an environment where financial technology companies are actively vying for your members' business. My goal is to work collaboratively with industry representatives and regulators to provide an appropriate regulatory environment which allows credit unions to develop and provide innovative products and services to their members.



## **Publication Deadlines**

In order to meet the submission deadlines for the applicable issues of the Texas Register, it is necessary for the Department to establish the schedule shown below. Completed applications received after the deadline for the month cannot be published until the following month.

<b><u>Publication Date</u></b>	<b><u>Application Deadline</u></b>
November 2022	Friday, November 11
December 2022	Friday, December 16



## **Applications Approved**

There were no applications approved.

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## **Applications Received**

The following applications were received and will be published in the **October 28, 2022** issue of the *Texas Register*.

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### **Field of Membership**

**Eastex Credit Union** (Evadale) – Persons who live, work, worship, attend school in, businesses and other legal entities located in Tyler and Orange Counties, Texas to be eligible for membership in the credit union.

### **Merger or Consolidation**

An application was received from **T &FS Employees Credit Union** (Port Arthur) seeking approval to merge with **Associated Credit Union of Texas** (League City), with the latter being the surviving credit union.

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## **Upcoming Holiday Schedule for CUD**

The Department's office will be closed on **November 11, 2022** in observance of Veteran's Day.

*This newsletter is produced monthly as a part of the Department's continued communication outreach with the credit unions it regulates. Delivery is generally provided by electronic notification of its availability on the Department's website.*

*Suggestions and comments concerning the newsletter or its content are welcomed.*

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To learn more about CUD click <http://www.cud.texas.gov> or contact us at 914 E. Anderson Lane, Austin, TX 78752



**BREAST CANCER AWARENESS  
MONTH**

Help fight breast cancer.