

Jordan, Sheron

From: _Regulatory Comments

Sent: Wednesday, May 16, 2007 8:07 AM

To: Jordan, Sheron

Subject: FW: Comment on Proposed Rule: Member Inspection of Credit Union Books, Records, and Minutes

From: Ron Ehrenreich [mailto:ronehrenreich@syrcoopfcu.org]

Sent: Tuesday, May 15, 2007 1:10 PM

To: _Regulatory Comments

Subject: Comment on Proposed Rule: Member Inspection of Credit Union Books, Records, and Minutes

12 CFR Part 701;
RIN 3133-AD33

RE: Member Inspection of Credit Union Books, Records, and Minutes

I am not opposed to the goals of the proposed rule, but I would like to present a problem that the rule poses for our credit union and probably poses for other credit unions. Our existing minutes contain sensitive discussions that were placed in the minutes with the expectation that board minutes were strictly confidential.

In the early days of our credit union (chartered in 1982) we posted the minutes of board meetings in our lobby next to the financial statements. Following an NCUA examination, our examiner directed us to take down the minutes and told us to treat the minutes as confidential records of board meetings, open only to the board, the supervisory committee, and regulators. Members and staff were not to have access to board minutes. I think that this direction was contained in a Document of Resolution. I am sure it was discussed in our joint conference.

In the intervening period of over 20 years, we have treated the minutes as confidential, putting in the minutes sensitive records of discussions of staff performance, staff and officials' personal crises, frank evaluations of our relations with partners and public officials, comments on member behavior and member financial information. Only in the rare instances when a member who was not on the board attended the meetings did we go into "executive sessions" to discuss such sensitive matters.

With volunteer secretaries and rotation of minute-taking in the absence of the secretary, the degree of detail about issues including sensitive matters varies widely in our minutes.

If the rule is adopted, we need more guidance and consideration of these matters in deciding what are confidential and nonconfidential portions of board minutes in releasing these documents.

As a practical adaptation to this proposed rule, if our minutes are available to others, we are likely to be much more circumspect in the details contained in our minutes. We do not have

that luxury with existing minutes from the past that were written with the expectation of confidentiality.

Sincerely,

Ron Ehrenreich

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