

YOUNG, SHERON

From: _Regulatory Comments
Sent: Thursday, July 13, 2006 10:38 AM
To: YOUNG, SHERON
Subject: FW: Debra Testerman, comments on Notice of Proposed Rulemaking (Suspicious Activity Report)

From: Debra Testerman [mailto:DTesterman@datcu.coop]
Sent: Wednesday, July 12, 2006 12:18 PM
To: _Regulatory Comments
Cc: Suzanne Yashewski; Glen McKenzie
Subject: Debra Testerman, comments on Notice of Proposed Rulemaking (Suspicious Activity Report)

I do not see the need to report the filing of SARs to the Board of Directors. Although this body is ultimately responsible for the decisions and direction of the credit union, they are specifically given the authority (by the Bylaws) to delegate the day to day operations to management and employees. Their main focus should be on the safety and soundness of the institution, not all of the daily details of that operation.

NCUA's claim that it would not add to the regulatory burden is an inaccurate statement, in my opinion. It will necessitate generating yet another report to be completed by a staff member. In this day of everyone trying to consolidate and streamline processes, this works against that premise. I see no added benefit in helping the board in their decision making for overall soundness. It also increases rather than decreases paperwork due to an added report to the board, thus the statement that it will not increase paperwork is also inaccurate.

SAR reporting, although very important, remains in my opinion, an operation that should fall under management, and should be at their discretion when to report to the board.

Thank you for considering my opinion,
Debra Testerman, CUCE
Compliance Specialist
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Denton Texas