



May 20, 2010

Ms. Mary Rupp,
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria VA 22314-3428

Dear Honorable Members of the NCUA Board of Directors:

RE: Proposed Rulemaking to §701.4

Thank you for this opportunity to comment on the National Credit Union Administration's proposed rulemaking that is intended to clarify the fiduciary responsibilities of Federal Credit Union directors (§701.4). The Board of Directors and Senior Management of the Tampa Bay Federal Credit Union has read, reviewed and discussed the proposed rule. While we generally support the proposed rules regarding the financial literacy of directors, we believe there is need for additional clarification to ensure federal credit union directors better understand and can achieve the level of competency expected by the current NCUA Board, as well as future Agency Boards. Specifically:

Section 701.4 (b) (3) At the time of election or appointment, or within a reasonable time thereafter, not to exceed three month, have at least a working familiarity with basic finance and accounting practices, including the ability to read and understand the Federal credit union's balance sheet and income statement and to ask, as appropriate, substantive question of management and the internal and external auditors; and

Explanatory Notes: Proposed paragraph (b) (3) requires that each board director be financially literate. The directors must have a working familiarity with basic finance and accounting practices, (including the ability to understand the credit union's balance sheet and income statement and to ask, as appropriate, substantive questions of management and the internal and external auditors) or become financially literate within a reasonable time, not to exceed three months, after his or her election or appointment to the board of directors. This financial literacy may be obtained through training provided by the credit union, outside sources, or, for small credit unions, NCUA's Office of Small Credit Union Initiatives, if a director does not possess such financial literacy at the time of his or her election or appointment to the board.

Tampa Bay Federal Comments:

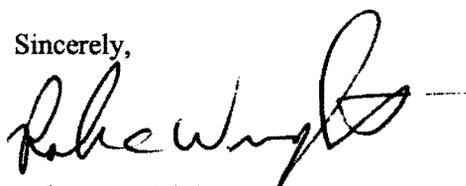
1) There is subjective, descriptive language in the Explanatory Notes that should have additional clarification: *working familiarity; ability to understand; and, substantive questions*. Will the documented completion of programs available through CUES University or the CUNA Volunteer Achievement Program (VAP) be adequate? Is there a specific certification that the Agency Board has in mind that will demonstrate that credit union volunteers have satisfied the requirements? We believe that as much subjectivity should be eliminated as possible.

Suggested Language: *...working familiarity with basic finance and accounting practices, including the ability to read and understand the Federal credit union's balance sheet and income statement and to ask, as appropriate, substantive question of management and the internal and external auditors. This level of competency may be satisfactorily demonstrated by the documented completion of course offered by the Credit Union Executives Society; Credit Union National Association; the National Association of Federal Credit Unions; or, other recognized providers of director financial education.*

2) Another concern that we'd like to address is clarification on who will assess the competency level of each volunteer. Again, there should be little subjectivity in this assessment. If Field Examiners are expected to assess the level of competency achieved, there will be different expectations from Region to Region. We urge the Agency Board to determine how that level of competency will be evaluated. We believe the added language we have suggested above will clarify this issue, as well.

Again, on behalf of the Tampa Bay Federal Credit Union Board of Directors, we applaud the NCUA Board for its leadership in acknowledging the need for credit unions and their directors to change with the times; and, attempting to specify the criteria needed to attain an acceptable level of business related financial literacy for individual directors.

Sincerely,



Robert C. Wright
Board Chairman



Dale F. Schumacher
President