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December 18, 2013

Mr. Gerald Poliquin  
Secretary of the Board  
National Credit Union Administration  
1775 Duke Street  
Alexandria, Virginia 22314-3428

RE: Proposed Interagency Policy Statement Establishing Joint Standards for Assessing the Diversity Policies and Practices of Regulated Entities

Dear Mr. Poliquin,

The Georgia Credit Union League (GCUL) appreciates the opportunity to comment on the Proposed Interagency Policy Statement establishing Joint Standards for Assessing the Diversity Policies and Practices of Regulated Entities. As a matter of background, GCUL is the state trade association and one member of the network of state leagues that make up the Credit Union National Association (CUNA). GCUL serves approximately 139 Georgia credit unions that have over 1.9 million members. This letter reflects the views of our Regulatory Response Committee, which has been appointed by the GCUL Board to provide input into proposed regulations such as this.

GCUL understands the reasoning behind the proposal for joint standards for assessing the diversity policies and practices, and many credit unions already have existing policies and practices in place that are consistent with the general concepts of the proposed standards. While credit unions continue support for appropriate diversity within the workplace, they are concerned that the joint proposal doesn't take into consideration that credit unions are member-owned, not-for-profit financial cooperatives and are quite different from most other types of financial service providers. In light of these differences, we feel that it would be more effective if each Agency provided tailored guidance for the entities they regulate. Therefore, we cannot support the diversity standards as they are currently proposed.

We are also concerned that the broad language used "In a manner reflective of the individual entity's size and other characteristics" is too broad and doesn't provide enough direction for credit unions for compliance purposes. Regarding the Proposed Standards...

- **Organizational Commitment to Diversity and Inclusion:** We see no benefit to requiring that regulated entities develop policies and procedures that adhere to the factors proposed. We ask the Agencies to state that the proposed standards are solely for informational purposes and that regulated entities would not be required or expected to have policies that directly address each standard. **Workforce Profile and Employment Practices:** Here, we ask the Agencies to clarify their expectations for all entities that report to the Equal Employment Opportunity Commission (EEOC) especially in regard to non EEOC-reporting entities. Also, we urge NCUA and the other Agencies to carefully consider the challenges that regulated entities are likely to encounter in complying with any new standards, let alone standards that would require manually gathering diversity related

data from employees, contractors, and suppliers. We believe this information gathering will likely require significant time from institutions that are already struggling to comply with the recent and forthcoming regulations, including those under the Dodd-Frank Act.

- Procurement and Business Practices – Supplier Diversity: GCUL is very concerned with this proposal. Credit unions have no way of assessing or measuring diversity in their relationships with contractors and/or suppliers as such information is generally not readily available or easily obtainable. Credit unions tend to serve small, rural communities where populations are less diverse than those of larger cities. Therefore, we urge NCUA and the Agencies to exclude data relating to contractor and supplier relationships from the assessment standards. If the Agencies will not exclude this assessment, we ask that reporting for this standard be optional.
- Practices to Promote Transparency of Organizational Diversity and Inclusion: GCUL strongly disagrees with this standard. We do not feel that requiring an entity to publicly disclose its diversity policies will aid the Agencies in assessing diversity policies and procedures. This could actually be confusing to the public and could end up being misinterpreted. We urge the Agencies to exclude from the final diversity standards any requirement or recommendation regarding public disclosure of this information.

We understand that NCUA and the Agencies must develop standards for assessing the diversity policies and procedure for credit unions under Section 342 of the Dodd-Frank Act. However, we urge NCUA and the Agencies to implement the standards in a manner that will minimize the information gathering and reporting burden on credit unions. We are very concerned that diversity-related assessments could lead to additional and unnecessary burdens for credit unions. While we favor a self-assessment approach over an examination-based approach, even self-assessment of the proposed standards will be very burdensome to credit unions, including those already reporting diversity data to the EEOC.

GCUL appreciates the opportunity to present comments on behalf of Georgia's credit unions. Thank you for your consideration. If you have questions about our comments, please contact Selina Gambrell or Cindy Connelly at (770) 476-9625.

Respectfully submitted,

A handwritten signature in cursive script that reads "Selina M. Gambrell".

Selina M. Gambrell  
Compliance Specialist