

December 17, 2013

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

RE: Comments on Proposed Interagency Standards for Assessing Diversity Policies and Practices

Dear Gerald Poliquin,

Dear Sir or Madam:

I am writing on behalf of Xceed Financial Credit Union, a workplace credit union that focuses on meeting the needs of working adults employed by our many Select Employer Group (SEG) partners. We have over \$1 billion in assets under management, over 67,000 members nationwide, and operate 15 Financial Centers in six states. We appreciate the opportunity to provide comments to the National Credit Union Administration (NCUA) on the Proposed Interagency Standards for Assessing the Diversity Policies and Procedures of Regulated Entities.

Xceed Financial Credit Union appreciates the intent of the proposed joint standards and the fact that they do provide areas of focus for credit unions aiming to promote diversity and inclusion; however, we are concerned that the draft standards are quite broad. Before the standards are finalized, we would like them to be more narrowly focused, especially with regard to when and how the information is disseminated.

We would also like to see considerably more guidance for credit unions. In particular, we would like to see specific metrics to track and benchmarks to mirror. In addition, it would be useful for us to be provided with statistics with which to compare ourselves to other credit unions of similar asset size and member demographics. Finally, we think it is important to take into consideration the census/demographics for a credit union's areas of operation.

With regard to assisting smaller entities' diversity and inclusion efforts, we would suggest that larger credit unions could have a role in both educating and mentoring smaller credit unions. For example, credit unions that are subject to EEO-1 reporting could share templates with smaller entities, providing them with the opportunity to track the same data. Another option would be for this education and mentoring to be a function of local chapters or state leagues.

Considering the proposed standards as a whole, we note that there are four areas to be assessed:

1. Organizational Commitment to Diversity and Inclusion
2. Workforce Profile and Employment Practices
3. Procurement and Business Practices – Supplier Diversity
4. Practices to Promote Transparency of Organizational Diversity and Inclusion

While three of these four (points 1, 2 and 4) are areas credit unions can control, reporting on Supplier Diversity (point 3) is probably not feasible since the desired information may not be readily accessible. Furthermore, reporting in this area could be cumbersome and limit a credit union's operations to the detriment of its members' interests. Therefore, though we agree that Supplier Diversity information would be valuable, reporting on it should be optional. For credit unions that prove able to report on Supplier Diversity, we would like to see further guidance and specific metrics to track.

Overall, it is Xceed Financial Credit Union's view that the advantages to our industry, the economy and society at-large of a diverse and inclusive workplace outweigh the disadvantages of standards and reporting. At the

same time, standards should be clear and assessment should be easy, so we can be assured of consistency across the industry. We believe that when credit unions are provided with the necessary tools and guidance to implement and track diversity and inclusion, it will positively impact both the bottom line and the organization's culture – that has certainly been the case at Xceed Financial Credit Union, where diversity at all levels of the organization has been a long-time commitment.

Thank you for the opportunity to comment on the Proposed Interagency Standards and for considering our views on Assessing the Diversity Policies and Procedures of Regulated Entities.

Sincerely,

Teresa Freeborn
CEO
Xceed Financial FCU

cc: CCUL