

From: [Mary Carnarvon LaHousse](#)
To: [Regulatory Comments](#)
Subject: Mary Carnarvon LaHousse, Unified Communities FCU Comments on Notice of Proposed Rulemaking for Part 701, FCU Ownership of Fixed Assets
Date: Tuesday, October 07, 2014 12:10:04 PM

Secretary of the Board, Gerard Poliquin,

I am writing on behalf of Unified Communities Federal Credit Union, which serves the communities of Belleville, Sumpter and Van Buren Townships all located in the State of Michigan. We have 3500 Members and \$12,100,000 in assets. Unified Communities FCU appreciates the opportunity to provide comments to the National Credit Union Administration (NCUA) on its proposed rule, Federal Credit Union Ownership of Fixed Assets.

I am pleased to see the NCUA addressing changes to the fixed asset rule. I think this an area that is long overdue for change. My concerns are as follows:

- First and foremost, I do not believe that a data processing lease should be included in the calculation of fixed assets. Under this circumstance the credit union does not own any portion but merely pays for a service. The best example I can give is should the credit union fail to pay the payment for the service, the vendor can and will cancel the service. Nor do I believe the believe the NCUA should be able to put up a road block to a credit union being able to secure a service that is vital and necessary to it's operation.
- I believe there should also be some type of safe harbor to allow the purchase of necessary equipment. An example of this would be the purchase of a file cabinet, or a computer. The amount of work that needs to go into a plan is certainly not commensurate with the actual dollar amount of the fixed asset purchase.

Another example I can give of this is the credit union was in need of a repair to the parking lot. There were large holes that pose a danger to members and a liability to the credit union. In this particular case, the repair was at a cost of \$5,000.00. Again the amount of work to go into a plan for something that is necessary is not commensurate with the dollar amount of the fixed asset being purchased.

- Another way of looking at this would be to have different requirements based on the complexity of the organization and the asset being requested. How can the requirement to purchase a \$5,000 file cabinet be the same as the requirement to purchase a \$1,000,000 building?

In closing, I would like to again state that I believe the fixed asset rule is outdated and the NCUA needs to evaluate the purpose and scope of what the intent of the rule is designed to do.

Thank you for the opportunity to comment on this proposed rule and for considering our views on credit union ownership of fixed assets.

Mary Carnarvon LaHousse
Chief Executive Officer
734-485-3300 Ext. 211



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