



DCU BULLETIN

Division of Credit Unions

Washington State Department of Financial Institutions

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New IS & T Contractor and IS& T Exam Fee Waiver

New Contractor For IS & T Exams

Effective July 2, 2003, the Division of Credit Unions (Division) began using a new contractor to perform the Information Service & Technology (IS & T) portion of our examination. Trust Consulting and Compliance (Trust CC) is the new contractor and will be represented by either Tom Schauer or Jack Luu. Both individuals have significant experience working with financial institutions on information service projects and risk evaluations. Their experiences will help in identifying best practices or areas of weakness in state chartered credit unions.

Credit union managers told us the IS & T exams have been very informative and we were pleased with DHK and Associates' work. The reason we changed to a new contractor is a result of the normal two-year bid process for state contracts. Trust CC's contract runs through June 2005.

IS & T Exams For Remainder of 2003

For credit unions with exams through October 2003, we plan to continue the current exam process using the NCUA's EC-1 (Electronic Commerce)¹, EC-2, and EDPR (Electronic Data Processing Review) forms. During the next few months, we will be working with the contractor to evaluate a more risk-focused IS & T exam format. In addition, we are exploring approaches to reduce the IS & T exam impact for smaller credit unions, that have had no changes to their electronic service delivery since the last exam. We will publish a bulletin when IS & T exam changes are finalized.

IS & T Exam Fee Waiver Continues Through September 2003

The Director will continue to waive the IS & T exam fees on the on-site examinations completed during July 2003 through September 2003. By October 2003, the Division will finish its analysis of its 2004 budget and cash fund to determine whether the Division can afford to continue waiver of the IS & T exam fees from November 2003 through June 2004. We plan to provide more information about future IS & T exam fee waivers in October 2003.

Please contact Doug Lacy-Roberts at (360) 902-0507 if you have questions.

¹ These forms are available on the NCUA website