



February 9, 2026

Ms. Melane Conyers-Ausbrooks
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314

RE: Supervisory Committee Audits and Verifications (Docket No. NCUA-2025-1303; RIN 3133-AF74)

Dear Ms. Conyers-Ausbrooks:

On behalf of its member credit unions, the Cooperative Credit Union Association, Inc. ("Association") appreciates the opportunity to comment on the National Credit Union Administration (NCUA) Board's proposed rule on Supervisory Committee Audits and Verification, which is part of NCUA's Deregulation Project. The Association is the state trade association representing approximately 170 state and federally-chartered credit unions located in the states of Delaware, Massachusetts, New Hampshire, and Rhode Island, which further serve over 4.4 million consumer members. The Association developed these comments in consultation with our members.

This proposed rule is one of four proposals issued as "Round One" of the NCUA Deregulation Project which the Association is commenting on. The Association supports this proposal and urges the Board to finalize it as proposed, which should reduce compliance burdens on federally-insured credit unions (FICUs). In addition, the Association supports the NCUA Deregulation Project's shift away from overly prescriptive rules and towards a more flexible, principles-based credit union regulatory framework.

1. Proposed Amendment to 12 C.F.R. § 715.2(h): Definition of "Internal Control"

The Association supports the Board's proposed revision to the definition of "Internal Control" in Section 715.2(h). As proposed, the amendment would delete the second sentence of this subsection that "five components of an internal control structure." We agree with the Board's analysis that the language in question is overly prescriptive and should be deleted.

Doing so would reduce regulatory burdens on federally-insured credit unions without impacting safety and soundness because credit unions will remain subject to the regulatory principle that the institution have internal controls which "provide reasonable assurance of reliable financial reporting and safeguarding of assets against unauthorized acquisition, use, or disposition." We urge the Board to finalize this amendment as proposed.

2. Proposed Amendment to 12 C.F.R. § 715.8: Credit Union Records

The Association supports the Board's proposal to delete references to the "treasurer's records" in Section 715.8 as unnecessary. We agree with the Board's assessment that "the treasurer's records belong to the credit union."

The Board should finalize this amendment as proposed.

3. Proposed Amendment to 12 C.F.R. § 715.9: Auditor Engagement Letters

The Association supports the Board's proposal to delete from Section 715.9 that federally-insured credit unions using compensated auditors include regulatory-mandated language in the applicable engagement letter for that scope of work. Currently, Section 715.9 enumerates eight requirements for these engagement letters.

We agree with the Board's assessment that "[w]ithout this description, the provision is clear that the supervisory committee must enter into a contract with the outside compensated author" and that "[p]rescribing this process in greater detail adds to the body of regulations that FICUs must follow without any clear benefit."

Reducing prescriptive regulatory requirements such as these will cut down credit union paperwork burdens without reducing the stringency of Generally Accepted Auditing Standards (GAAS) or other standards applicable to these scopes of work. The Association urges the Board to finalize this rule as proposed.

4. Proposed Amendment to 12 C.F.R. § 715.10(a): Copies of Audit to NCUA

The Association supports the Board's proposal to remove, as redundant, the requirement in Section 715.10(a) that the supervisory committee must provide the NCUA with a copy of the credit union's audit upon request. We urge the Board to finalize this amendment as proposed because, as the Board notes, the "Board has broad statutory authority to access all books and records of any FICU during its examination and supervision activities...", making the proposed-to-be-deleted language unnecessary.

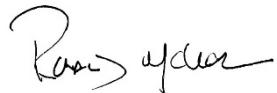
5. Proposed Amendment to 12 C.F.R. § 715.12(b): Audit Objectives

The Association supports the Board's proposal to delete from Section 715.12(b) language on the "objectives of an audit" and that an "adverse opinion or disclaimer of opinion should be the exception rather than the norm." We agree with the Board that this "language is unnecessary because GAAS already establishes the objectives of a financial audit." The Board should finalize this amendment as proposed.

Thank you for the opportunity to comment on the NCUA Board's proposed rule on Supervisory Committee Audits and Verifications. If you have any questions or desire

further information, please do not hesitate to contact the Association at (508) 481-6755 or govaff-reg@ccua.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Ronald McLean".

Ronald McLean
President/CEO
Cooperative Credit Union Association, Inc.
rmclean@ccua.org