

June 16, 2019

Course Updates – Summary of Changes

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- CU – BOD – Flood Insurance – 45899
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- CU – Flood Insurance - 16373
- Residential Mortgage A-B-C – 49
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Regulations

Private Flood Insurance – Final Rule: The Final Rule implementing the private flood insurance provisions of the Biggert-Waters Flood Insurance Reform Act of 2012 (Biggert-Waters Act) becomes effective on July 1, 2019. This change affects the following courses:

- BOD – Flood Insurance – 13408
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Maintenance

Fair Debt Collection Practices Act (FDCPA) - 12

Formatting issue: *Locating a Customer > Communication Restrictions When Locating a Consumer*

Old version – A line break was found between “strictly about location” and “information,” and another line break was found in the middle of “(home)” in the first numbered item. The margins for some of these lines were also too far to the left.

New version – These line breaks were removed, the margins were adjusted, and the numbered list was reformatted to use the proper Artisan formatting.

Escrow Accounts and Disclosures – 34827

CU – Escrow Accounts and Disclosures – 19884

DB – Escrow Accounts and Disclosures - 48187

(1) Incorrect answer: *Pre- and Post-Test > Question 11*

Old version – Question: “All of the following are true when there is an escrow shortage, EXCEPT that the: Answer A: “Institution can do nothing”; Answer B: “Borrower may be asked to repay the shortage over a 12-month period”; Answer C: “Borrower has to pay the shortage in four days if the amount is less than one month’s escrow”; Answer D: “All of the above”; and Answer E: “A and C above”. The correct answer is C.

New version – Question: “All of the following are true when there is an escrow shortage, EXCEPT that the: Answer A: “Institution has the option of doing nothing”; Answer B: “Borrower may be asked to repay the shortage over a 12-month period”; Answer C: “Borrower has to pay the shortage in four days if the amount is less than one month’s escrow”; Answer D: “All of the above”; and Answer E: “A and C above”. The correct answer is C.

(2) Incorrect answer: *Pre- and Post-Test > Question 14*

Old version – Question: “All of the following are true of the Initial Escrow Disclosure EXCEPT that:” Answer A: “It is issued to a prospective borrower early in the application process”; Answer B: “It helps the borrower to understand the fees and costs that will be involved in the mortgage transaction”; Answer C: “RESPA requires your institution to provide borrowers with an Initial Escrow Account Statement”; Answer D: “The disclosure includes the funds deposited into your escrow account”; Answer E: “Your institution must provide borrowers with an Initial Escrow Account Statement within 45 days of closing”; Answer A is correct.

New version – Question: “All of the following are true of the Initial Escrow Account Statement EXCEPT that:”; Answer A: “It is issued to a prospective borrower early in the application process”; Answer B: “It indicates the amount selected as a cushion”; Answer C: “It itemizes the estimated taxes, insurance premiums, and other anticipated charges being paid from the account during the year” Answer D: “It includes the funds deposited into your escrow account”; Answer E: “It discloses the amount of the borrower’s monthly mortgage payment and the portion of the monthly payment that will go into the escrow account”; Answer A is correct.

(3) Typo correction: *Escrow Analysis and Statements > Initial Escrow Account Statement*

Old version – “According the RESPA, your institution must provide borrowers with...”

New version – “According to the RESPA, your institution must provide borrowers with...”

(4) Added text: *Escrow Analysis and Statements > Initial Escrow Account Statement*

Old version – “Additionally, the statement must itemize the estimated taxes, insurance premiums, and other charges the servicer anticipates being paid from the account during the year, as well as the expected dates for disbursement.”

New version – “Additionally, the statement must:

- Itemize the estimated taxes, insurance premiums, and other charges the servicer anticipates being paid from the account during the year
- Disclose the expected dates for disbursement
- Indicate the amount selected as a cushion
- List a trial running balance for the account”

Bomb Threats and Other Security Issues – 164

CU – Bomb Threats and Other Security Issues – 17180

(1) Content update: Bombs > Bomb Search and Evacuation

Old version – Page title: “Bomb Search and Evacuation” Content: “Because you are more familiar with the surroundings, you may be asked to search a designated area for bombs. In this case, you may be asked to:

- Go to the designated search area with your assigned group
- Stand in one spot in the search area
- Listen for unusual sounds
- Look closely at all parts of the area from floor to ceiling and ask:
 - Are hanging pictures disturbed?
 - Has furniture or anything else been moved?
 - Have ceiling tiles been disturbed?
- Move slowly around the room

Look for anything that's out of place. This could be a box, camera case, aerosol can, backpack, lunchbox, thermos, purse, etc. If you find something, do not touch it. Alert your security officer.”

New version – Page title: “Identification of a Suspicious Item” Content: “If you encounter a suspicious item unexpectedly or while conducting a search as part of your employer's security procedures, it is important to:

- Remain clam
- Not touch, tamper with, or move the package, bag, or item
- Notify authorities immediately
 - Notify your security officer and follow instructions, which may include calling 9-1-1 or local law enforcement if the security officer is not available
- If there is no guidance provided in any documented security procedures and you feel you are in immediate danger, calmly evacuate the are
 - Distance and protective cover are the best ways to reduce injury from a bomb
- Be aware; there could be other threats or suspicious items

Note: Every situation is unique and should be handled in the context of the facility or environment in which it occurs. Your security officer and/or manger and law enforcement will be in the best position to determine if a real risk is posed and how to respond.”

(2) Question update: Pre- and Post-Test > Question 9

Old version – Question: “Employees are sometimes asked to search a designated area of the building during a bomb threat.” Answer A: “True”; Answer B: “False”. The correct answer is “True.”

New version – Question: “Employees are sometimes asked to search a designated area of the building during a bomb threat.” Answer A: “True”; Answer B: “False”. The correct answer is “False.”

BSA Ops – Miguel’s Discovery – 3792

Redundancy: *Setting the Stage > Meet the Players*

Old version: “**Douglas B. Houser:** Douglas is a customer of Lighthouse Savings and Loan.

Sarah Lillowitz: Sarah is a compliance officer of Lighthouse Savings and Loan.”

New version: “**Douglas B. Houser:** A customer

Sarah Lillowitz: A compliance officer”

CU – BSA Ops – Miguel’s Discovery – 43698

Redundancy: *Setting the Stage > Meet the Players*

Old version: “**Douglas B. Houser:** Douglas is a customer of Lighthouse Credit Union.

Sarah Lillowitz: Sarah is a compliance officer of Lighthouse Credit Union.”

New version: “**Douglas B. Houser:** A member

Sarah Lillowitz: A compliance officer”

IRS Reporting for Real Estate Transactions - 162

(1) Formatting: *Course Root*

Old version: Formatting for “Course Objectives was blue and with too much space.

New version: Formatting in “Source Edit” mode of the “Course Objectives” box cleared and redone.

(2) Missing feedback: *Real Estate Transaction Reporting > Bring It On Home > Knowledge Check*

Old version: *Incorrect Response:* “Incorrect.”

New version: *Incorrect Response:* “Incorrect. A TIN is a taxpayer identification number. The reporting person is the person required to file IRS form 1099-S. A real estate transaction is a sale or exchange of interest in real estate. Gross proceeds are equal to the cash received or to be received by on on behalf of the seller. February 28 is the deadline for filing form 1099-S and providing and information statement.”

LE1 – Introduction to Management Basics – 1880

Wrong slide title color: *The Questions and Answers > Slides 4 – 10*

Old version: HTML code contained “color: #73acc6;”.

New version: Restored to default by removing this color from the code.

LE8 – Sharpening Your Interview Skills – 1887

(1) Wrong slide title color: *Types of Interviews > Spotlight on Interview Approaches*

Old version: HTML code contained “color: #73acc6;”.

New version: Restored to default by removing this color from the code.

(2) Wrong slide title color: *Phases of the Interview > Spotlight on a Good Opening*

Old version: HTML code contained “color: #73acc6;”.

New version: Restored to default by removing this color from the code.

Roth IRA Overview – 3349

Deletion: *Roth IRA Overview > Pre- and Post-Test > Q3*

Old version: “...on April 5, 20XX.”

New version: “...on April 5.”

Currency Transaction Reporting

Incorrect answer: *Pre- and Post-Test > Question 41*

Old version – Question: “Your institution has determined on 2/13/19 that it did not file CTRs on reportable transactions. Your institution needs to:” Answer A: “Begin filing CTRs on 2/13/19”; Answer B: “Contact the IRS Enterprise Computer Center”; Answer C: “Contact FinCEN's Regulatory Helpline to request a determination on whether the backfiling of unreported transactions is necessary”; Answer D: “Do nothing”; and Answer E: “A and D”. The correct answer is E.

New version – Question: “Your institution has determined on 2/13/19 that it did not file CTRs on reportable transactions. Your institution needs to:” Answer A: “Begin filing CTRs on 2/13/19”; Answer B: “Contact the IRS Enterprise Computer Center”; Answer C: “Contact FinCEN's Regulatory Helpline to request a determination on whether the backfiling of unreported transactions is necessary”; Answer D: “Do nothing”; and Answer E: “A and C”. The correct answer is E.

Advertising Compliance – 8

Redundant sentence: *Truth-in-Lending Act Triggering Terms > Open-End Credit*

Old version – “If an advertisement for open-end credit contains "triggering terms," then the advertisement must also contain certain disclosures. Therefore, the specific terms trigger the requirement for disclosures. And if no triggering terms are used, then disclosures are not If an advertisement for open-end credit contains "triggering terms," then the advertisement must also contain certain disclosures. Therefore, the specific terms trigger the requirement for disclosures. And if no triggering terms are used, then disclosures are not required.”

New version – “If an advertisement for open-end credit contains "triggering terms," then the advertisement must also contain certain disclosures. Therefore, the specific terms trigger the requirement for disclosures, and if no triggering terms are used, then disclosures are not required.”

CU – TILA – Open-end Loans – Credit Cards – 24613

Wrong answer: *Change in Terms Requirements > Knowledge Check (3)*

Old version – “If your credit union changes the terms of a member's open-ended loan, it is not required to notify the member in writing.” Correct answer: “True.”

New version – “If your credit union changes the terms of a member's open-ended loan, it is not required to notify the member in writing.” Correct answer: “False.” Incorrect answer feedback: “Incorrect. The correct answer is ‘False.’ It must notify the member in writing.”

Retirement Planning and Saving – 45121

Typo: *Course Root > Course Objectives*

Old version – “By the end of this course, you will be able to: *Explain* the retirement planning process to a cli”

New version – “By the end of this course, you will be able to: *Explain* the retirement planning process to a client”

Accepting Negotiable Instruments – 129

CU – Accepting Negotiable Instruments – 17209

Broken interactivity: *Types of Checks > Virtually as Good as Cash*

Old version – Broken check rollover interactivity

New version – Broken interactivity removed

Flood Insurance – 32

CU – Flood Insurance – 16373

Broken link: *References > References*

Old version – “Inquiries should be directed to 800-611-6122, or using the email inquiry form found at <https://www.fema.gov/webform/national-flood-insurance-plan>.”

New version – “Inquiries should be directed to 800-611-6122, or using the email inquiry form found at <https://www.fema.gov/webform/national-flood-insurance-program>.”

Anti-money Laundering – 66739

CU – Anti-money Laundering – 67338

Typo: *Step 1: Placement > High-end Real Estate Cash Purchases*

Old version – “Anotehr common placement scheme...”

New version – “Another common placement scheme...”

CU – Anti-money Laundering – 67338

Typo: *Course Root > Course Description*

Old version – “...and your credit unionn’s requirements for its anti-money laundering (AML) strategy.”

New version – “...and your credit union’s requirements for its anti-money laundering (AML) strategy.”

.Red Flags of Identity Theft – 94

.CU - Red Flags of Identity Theft – 17155

Answer change: *Program Elements > Knowledge Check (page 13)*

Old version – Question: “Policies and procedures should provide for appropriate responses to the detection of any red flags commensurate with the degree of risk posed. Select all of the following steps that would help prevent or mitigate identity theft.” Answer G: “Not opening a new covered account.” Correct answers are A, B, C, D, E, F, G, and H.

New version – Question: “Policies and procedures should provide for appropriate responses to the detection of any red flags commensurate with the degree of risk posed. Select all of the following steps

that would help prevent or mitigate identity theft.” Answer G: “Not opening a covered account.” Correct answers are A, B, C, D, E, F, G, and H.

Handling Stop Payments – 166

Wording change: *Expiration > Expiration of Order*

Old version – “Be sure to check what your financial institution's account agreements and stop payment orders provide for. Some states, such as Florida and Texas, have laws that do not allow oral stop payment orders.”

New version – “Be sure to check what your financial institution's account agreements and stop payment orders provide for. State-specific requirements may also affect your institution.”

CU – Handling Stop Payments – 17187

Wording change: *Expiration > Expiration of Order*

Old version – “Be sure to check what your financial institution's account agreements and stop payment orders provide for. Some states, such as Florida and Texas, have laws that do not allow oral stop payment orders.”

New version – “Be sure to check what your financial institution's account agreements and stop payment orders provide for. State-specific requirements may also affect your credit union.”