



**DCUC**  
DEFENSE CREDIT UNION COUNCIL

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**January 27, 2026**

Melane Conyers-Ausbrooks  
Secretary of the Board  
National Credit Union Administration  
1775 Duke Street  
Alexandria, VA 22314-3428

Delivered electronically via: <https://www.regulations.gov>

RE: Supervisory Committee Audits and Verifications [NCUA-2025-1303]

Dear Ms. Conyers-Ausbrooks:

On behalf of the Defense Credit Union Council (DCUC),<sup>1</sup> thank you for the opportunity to comment on the National Credit Union Administration's (NCUA) proposal to amend its regulations governing supervisory committee audits to eliminate unnecessary, redundant, and overly prescriptive provisions.<sup>1</sup> DCUC represents credit unions that serve active-duty military, veterans, and their families worldwide.

DCUC supports this proposal to amend regulations that govern the supervisory committee audit and verification responsibilities for federally insured credit unions (FICUs). The purpose of the regulatory requirements is to ensure FICUs meet required financial reporting objectives and have practices and procedures to safeguard members' assets from error, conflicts of interest, self-dealing, and fraud. The NCUA states its intended purpose with this proposed rulemaking is to simplify compliance for credit unions without compromising the integrity of the audit process.

The current proposal seeks to partially or wholly eliminate several sections of this part. Below is our feedback on the NCUA's proposed changes.

### **1. Section 715.2**

DCUC supports the NCUA's proposal to broaden the definition of "Internal control" in § 715.2(h) by removing the five components of an internal control structure to make the requirement more flexible for changing times. We agree that this change will keep the requirement from becoming dated.

We also agree with the removal of the third sentence, which defines reliable financial reporting by referencing only the preparation of Call Reports, as this is unnecessarily narrow.

### **2. Section 715.8**

DCUC also agrees with the NCUA's proposal to amend § 715.8(a), which details specific methods for the verification of member accounts. The Federal Credit Union Act (FCUA) imposes a clear and self-executing duty on the supervisory committee to verify member accounts at least once every 2 years, whereas the regulation requires members' accounts to be verified against the records of the treasurer of the credit union.<sup>1</sup> We agree that the regulation can be more flexible in this regard by stating that members' accounts must be verified against the credit union's records.

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<sup>1</sup> The Defense Credit Union Council represents more than 200 defense-affiliated credit unions and over 40 million members—including active-duty servicemembers, Guard and Reserve personnel, veterans, Department of Defense civilians, and military families.

<sup>2</sup> See [12 CFR Part 715](#).

### 3. Section 715.9

DCUC agrees that the current § 715.9(b) is too prescriptive. We support the NCUA's proposed changes to simplify the provisions by eliminating the details on how the engagement letter must be signed by both parties. This part is unnecessary and contributes nothing to the requirement. This is a clear example of regulatory detail that is superfluous and time-consuming with no benefit. We also agree that the NCUA's amendment will reduce administrative burden and not compromise audit integrity.

### 4. Section 715.10

DCUC supports the NCUA's proposed removal in § 715.10(a) of the sentence that requires a supervisory committee to provide the NCUA with a copy of audit reports upon request, as providing access to books and records upon Board request is already mandated by the FCUA. This is another example of how duplicative regulatory text can be streamlined to ease compliance for credit unions.

### 5. Section 715.12

DCUC also supports the NCUA's proposal to remove the final two sentences from § 715.12(b) that describe the objective of a financial statement audit compelled by the NCUA and state that an "adverse opinion or disclaimer of opinion should be the exception rather than the norm." We agree that this language is unnecessary as Generally Accepted Auditing Standards establish the objectives of a financial statement audit. This language is also more explanatory and not suitable for regulatory text. Furthermore, we agree that removing these two sentences will clarify and streamline the section without compromising audit integrity.

DCUC looks forward to reviewing additional efforts by the NCUA to streamline and update its regulations. The NCUA's current approach is encouraging and one that we greatly support. As the NCUA finalizes its rulemakings, we encourage it to post summaries in a separate highlighted section on its website, so that credit unions can easily track regulatory changes, immediately update their policies and procedures, and effectively train their teams.

Please contact me at [Jason.Stverak@dcuc.org](mailto:Jason.Stverak@dcuc.org) with any questions on this rulemaking or other matters that impact the credit union industry.

Sincerely,



Jason Stverak  
Chief Advocacy Officer  
DCUC

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<sup>3</sup> See [12 U.S.C. §1761d](#).