

TECHNICAL GUIDE

National Credit Union Administration Share Insurance Distribution

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On February 15, 2018, the National Credit Union Administration Board (Board) voted to declare a \$735,678,797 distribution for the year ended December 31, 2017 in the form of a pro-rata dividend to eligible credit unions, which include:

- Active federally insured credit unions as of December 31, 2017;
- Newly chartered federally insured credit unions that filed at least one Call Report for a reporting period in 2017, which is the calendar year for which the Board has declared a distribution;
- Credit unions that converted to federal share insurance during 2017, provided they filed at least one Call Report as a federally insured credit union for a reporting period in 2017;
- Credit unions that converted to private insurance, provided they filed at least one Call Report as a federally insured credit union for a reporting period in 2017; and
- Liquidation estates provided the liquidated credit unions filed at least one Call Report as a federally insured credit union for a reporting period in 2017.

In the second quarter of 2018, the Board intends to notify each credit union of its pro rata amount and estimates the distribution will be paid in the third quarter of 2018.

The funds available for distribution resulted from the closure of the Temporary Corporate Credit Union Stabilization Fund (TCCUSF). When the Board voted in September 2017 to close the TCCUSF, the remaining funds in the TCCUSF were required to be transferred to the National Credit Union Share Insurance Fund (NCUSIF). The transfer of TCCUSF funds caused the NCUSIF to exceed a “normal operating level.” The Board is legally required to declare distributions to reduce the NCUSIF to a “normal operating level.”

Credit unions should recognize this distribution in the first quarter of 2018 by recording a credit to Other Income and a debit to Accounts Receivables. To estimate the amount of your distribution or if you have any questions, please contact us.



E-mail: info@nearman.com

Website: www.nearman.com

Toll-Free:

1-800-288-0293