



April 14<sup>th</sup>, 2023

Department of The Treasury  
**Via Electronic Mail**

Re: Comments to the Emergency Capital Investment Program ("ECIP") Initial Supplemental Reports and Quarterly Supplemental Reports. OMB Control Number: 1505-0275

Dear Sir/Madam:

We are pleased to offer this Comment Letter to the U.S Department of Treasury ("Treasury"), which includes a short comment for consideration, regarding the Final Rule relating to the ECIP's Initial Supplemental Reports and Quarterly Supplemental Reports.

#### **About Heritage Financial Credit Union**

Heritage Financial Credit Union is a full-service financial institution with 12 locations in our communities. For 83 years now, we have helped tens of thousands of people in our communities along their financial journeys. We can trace our origins back to a group of Newburgh School District employees who formed our credit union with 97 members and \$339 in assets. Today, we serve more than 47,800 members with over \$627 million in assets. Originally chartered to service the local community of teachers, the credit union has grown to provide an array of services to a broader community field of membership and is navigating through the challenges of a diverse and aging population and the flight of younger potential members from a region with a cost of living among the highest in the country. We received our Low-Income Credit Union ("LICU") designation on July 31, 2018, and continue to be guided by our Brand Statement which boasts that our credit union:

"strives to provide consumers within the [Heritage] field of membership the opportunity to take advantage of the full suite of products and services the credit union has to offer. In addition, [Heritage] provides members with sound financial advice that is trusted and needed amongst the communities served."

We are grateful for the Treasury's investment in our credit union through its ECIP. At this time, we offer this Comment Letter to suggest a minor consideration which might strengthen the Rule as proposed.

#### **The Proposed Modification**

As a general matter, we understand Treasury's desire to have the management of each ECIP recipient provide attestations with respect to the processes and controls around the data collected and presented

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to the Treasury. And, we agree that such a certification is both appropriate and reasonable in light of the investment that Treasury has made in the subordinated debt of our credit union. As a practical matter, however, we are concerned that the current version of the Form of Process and Controls Attestation is rather inflexible. More specifically, we are concerned that the proposed version does not account for the fact that much of the information collected in connection with this program will (1) represent a new frontier for our staff and members alike, and (2) will be collected into systems which might not yet be fully equipped to store such information fields. As such, we expect a certain “learning curve” at our institution as our systems and our staff become fully acquainted with the new processes required by the ECIP investment.

Additionally, we suggest a slightly revised form of the attestation which accounts for some appropriate reliance on systems and processes that might be supported by third party vendors and products. For example, as part of the reporting process, we expect to run the collected addresses of our borrowers through professional geocoding tools. Against such a reality, the current version of the “Process and Controls Certification” seems overly conclusory. We respectfully suggest that the Treasury consider changing the statement in paragraph 2 that “[t]he processes and controls used to generate the Supplemental Reports of the Recipient’s fiscal year ending [ ], 20[ ] are satisfactory” to: “***upon my reasonable investigation and to the best of my knowledge***, the processes and controls used to generate the Supplemental Reports of the Recipient’s fiscal year ending [ ], 20[ ] are satisfactory” (emphasis ours). Such a change would require our senior executives to affirmatively investigate the credit union’s processes but would remain flexible enough to allow for reasonable reliance on the process of expert systems beyond our ability to certify with absolute certainty.

## Conclusion

We thank the Treasury for the consideration of this Comment Letter. And, we are grateful for the Treasury’s investment in our credit union and the opportunity to share our views on the ECIP’s Quarterly Supplemental Reports. While we look forward to the Final Rule, we respectfully request that the Treasury give serious thought to the minor improvement we have summarized above.

Should you have any questions regarding our comments, please feel free to contact the undersigned at (845) 561-5607 ext. 134 or [Michael.Ciriello@contacthf.com](mailto:Michael.Ciriello@contacthf.com).

All the best,



Michael Ciriello  
President/CEO