

DATE: September 20, 2021
BULLETIN: 2021-KDCU-CUB-19
TO: Kansas Chartered Credit Unions
SUBJECT: KDCU Transition to MERIT

KDCU TRANSITION TO MERIT

In the [September 7, 2021, KDCU Bulletin](#), information was provided on the new examination tool from the National Credit Union Administration (NCUA) entitled Modern Examination & Risk Identification Tool (MERIT) and Data Exchange Application (DEXA).

Questions have arisen as to when KDCU staff plan to implement the MERIT program and where credit unions may find additional information. Currently, consideration is being given to beginning use of MERIT in late October or early November; this will be decided in coordination with NCUA.

The NCUA gateway to information on MERIT can be found in their [Enterprise Solution Modernization \(ESM\) Program](#) section, which includes the following:

- [NCUA Connect & Admin Portal](#);
- [MERIT](#); and
- [DEXA](#).

Training and user guides are available for each of these programs. The DEXA page provides additional information on vendor testing and the ability for data processing vendors to submit test loan and share download files to NCUA's Office of Business Innovation. A [training video](#) showcasing the various applications of MERIT is also available. As the transition time approaches, these resources will be added to the KDCU home page.

However, as a **reminder**, credit unions **should not request** MERIT registration from NCUA Connect until being notified by KDCU of a MERIT exam. Credentials will expire if not used in a certain period of time.

In anticipation of the transition, and also wanting to provide Kansas credit unions with a local resource, KDCU has designated two points of contact for MERIT-related questions: [Daylene Wittman](#), Financial Examiner Administrator, and [Gail Bright](#), Financial Examiner Advisor. Both attended MERIT training with the examination staff last month. Once your MERIT examination begins, the Examiner-in-Charge will also be a resource

NOTE: In accordance with Governor Laura Kelly's [guidance](#), KDCU Administrator [Vickie Hurt](#) continues to review the feasibility of resuming the on-site examination program. This is being done in coordination with the NCUA.