



OTS Minority Depository Institutions Advisory Committee  
Public Meeting  
November 3, 2010  
**Minutes**

OTS Minority Depository Institutions Advisory Committee (MDIAC) Members:  
John Hamilton, Advance Bank; Paul Hudson, Broadway Federal Bank; Judith Kennedy, National Association of Affordable Housing Lenders (NAAHL); Saurabh Narain, National Community Investment Fund (NCIF); Denise Scott, Local Initiatives Support Corporation (LISC); Norman Williams, Illinois Service Federal Savings and Loan Association; Deirdre Foley, Designated Federal Official.

Others:

John Bowman, OTS; Mary Garvin, OTS; Jeffrey Geer, OTS; Marc Goldstrom, OTS, Nicola Kelly, OTS; Kianga Lee, Independent Community Bankers of America; Joel Palmer, OTS; Fred Phillips-Patrick, OTS; Russell Rumelt, OTS; and Barry Wides, Office of the Comptroller of the Currency.

I. Welcome and Opening Remarks

The meeting was called to order by Ms. Deirdre Foley, Designated Federal Official, at 9:00 a.m. Ms. Foley made welcoming remarks, and updated the Members on the November 2, 2010 OTS MDIAC Bankers Subcommittee meeting.

**Recommendation:**

- The OTS MDIAC Bankers Subcommittee recommended that OTS organize a meeting between the MDIAC and the Comptroller of the Currency (OCC) to discuss the benefits of retaining the MDIAC after the OTS/OCC transition.

II. Director's Comments

Mr. John Bowman, Acting Director, OTS, provided an update on the Dodd-Frank Wall Street Reform and Consumer Protection Act and the impact the merger of the OTS into the OCC will have on the OTS and the thrift industry. Mr. Bowman also answered questions from the Members on the transition, and concluded his remarks by saying that he would ask Acting Comptroller John Walsh to attend the next MDIAC meeting to be scheduled early in 2011.

III. Purpose and Future of the MDIAC

Mr. Paul Hudson, Co-Chairman, led discussion on the need to preserve the MDIAC because of its value in providing a forum for discussing minority depository institutions (MDIs) issues. He emphasized that the Committee's purpose extends beyond preserving

MDIs to more generally promoting the financial and community development needs of the minority and the other underserved communities served by MDIs. The Members agreed, and added that the Committee's success was due in part to the diversity of organizations represented on the committee, thrifts as well as community development and consumer advocacy organizations. The Members also agreed that there needs to be a more deliberate effort in supporting MDIs and low-income and underserved communities.

The Committee recommended that:

**Recommendation:**

- The MDIAC recommended that community development organizations and Socially Responsible Investors be considered for membership during the membership renewal process.

IV. Public Comments

Mr. Hudson noted no public comments were received for this meeting.

V. Accounting Update

Mr. Jeffrey Geer, Chief Accountant, OTS, gave an update on the Financial Accounting Standards Board (FASB) recently adopted and proposed changes to the financial treatment of various instruments as well as balance sheet and other financial statements.

VI. Small Business Lending Fund

Mr. Russell Rumelt, Regional Analyst, OTS, provided information on the \$30 billion Small Business Lending Fund signed into law in late September 2010 as part of the Small Business Jobs Act. The purpose of the fund is to spark lending in communities across the country. The Treasury Department heads the program and is currently developing the program requirements.

VII. Overview of Dodd-Frank Wall Street and Consumer Protection Act

Mr. Marc Goldstrom, Legislative Counsel, OTS, gave a general overview of the bill and provided an in depth discussion of titles X, Bureau of Consumer Financial Protection, and XIV, Mortgage Reform and Anti-Predatory Lending, both of which will have a direct impact on thrifts.

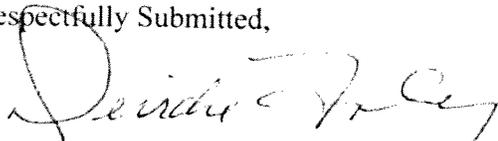
VIII. Risk Management Systems

Mr. Fred Phillips-Patrick, Director, Credit Policy, OTS, discussed the Enterprise Risk Management system and the new procedures that went into effect November 2010. As part of the examination process, the OTS will review thrifts' risk management systems and procedures governing such areas as asset quality, liquidity, and interest rate risk.

IX. Closing Remarks/Meeting Adjourned

Mr. Hudson and Ms. Foley stated that the date for the next MDIAC meeting will be within the first quarter of 2011.

Respectfully Submitted,



Deirdre Foley, Designated Federal Official

We hereby certify these minutes for the November 3, 2010 OTS Minority Depository Institutions Advisory Committee meeting are true and correct to the best of our knowledge.



John Hamilton, Co-Chairman  
Advance Bank



Paul Hudson, Co-Chairman  
Broadway Federal Bank