



DCUC

# ALERT

ISSUE 8

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CEO UPDATE

**Change: A Necessary  
"Constant" for  
Overall Success!**

CAPITAL CORNER

**September: Promising  
to Be the Busiest and  
Most Consequential  
Month of 2023 in DC**

DCUC NEWS

**DCUC Announces the  
Appointment of DCUC  
Board Chair Jack Fallis**

DCUC CONFERENCE RECAP

**Conference Recap,  
CU of the Year Awards,  
and Conference Photos**







ALBERT

DCUC is the premier resource for credit unions on all military and veteran matters.

## DCUC Latest Accomplishments

- **The Department of the Army, Navy, and Air Force Credit Union of the Year Awards** presented during DCUC's 60th Annual Conference: see page 14
- **DCUC concluded its 60th Annual Conference** in Colorado Springs, CO! See pages 8-14. Visit our Conference website to view and download photos from this year's event!
  - This year's **Conference with a Purpose fundraiser raised a total of \$38,000 for the Robert Irvine Foundation**; the fundraiser included a live and silent auction, DCUC's popular 50/50 raffle, and purchases of mulligans and gimme strings during DCUC's **Annual VADM Vincent Lascara Golf Tournament**
- DCUC President/CEO Anthony Hernandez joined Filene Research Institute webinar: **Building the Next Generation of Credit Union Leaders**
  - this webinar discussed emerging leadership's interests for a return in long-haul commitment, aligning credit unions' branding with team development and career goals, and creating opportunities for reflection

## DCUC Happening Now

- **Working closely with CUNA and NAFCU** on fighting against passage of the Credit Card Competition Act
- Championing efforts on the **Veteran Member Business Loan exemption**
- Working hard to preserve small credit unions serving on military bases
- **The Official 2023 White House Ornament** has been released! Get yours today in support of DCUC's GEM Scholarship!

## DCUC Upcoming Activities

- The launch of **DCUC's new membership platform** is just around the corner! This upgraded system will elevate the members' experience and streamline internal operations.
- **DCUC's Newest Publication, "Veterans Guidebook,"** reviewed by the Veteran Benefits Administration, is now available for free download!
- **DCUC Midwest Sub-Council Conference:** October 3-5, 2023, in Overland Park, KS
- Save the Date! **DCUC's 2024 Annual Conference:** August 13-16 at the Vinoy Resort & Golf Club in Saint Petersburg, Florida!



We were already well on our way in terms of implementing new ideas and value changes as part of our strategic plan. Today, with all the industry changes in terms of mergers, league consolidation, and CEO transitions, we are very excited about the opportunities created by this moment for DCUC and its member credit unions."

– Anthony Hernandez, DCUC President/CEO

**SERVING THOSE WHO SERVE OUR COUNTRY**

# DEFENSE CREDIT UNION COUNCIL, INC.

Championing the interests of credit unions serving our military and veteran communities

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# Change: A Necessary “Constant” for Overall Success!

**W**e all know that change is the only “constant” successful organizations anticipate, plan for, and manage as time marches on. When change occurs or is necessary, the choice is simple: adapt or wither away. How many department stores, communication devices, and video arcades are no longer part of our culture?

In terms of military planning, who remembers “AirLand Battle” vs. “Full Spectrum Warfare” in terms of military doctrine? How about all those weapons systems that evolved over time? One thing is for sure, if you don’t accommodate change properly, it can be very expensive.

As the Defense Credit Union Council (DCUC) enters its seventh decade of service, we have seen a lot of change both in our industry and throughout the military. We celebrated an expected change at last month’s DCUC Annual Conference where the Chairman’s gavel was passed from Bill Birnie to Jack Fallis. Both are extremely qualified leaders with years of credit union CEO experience.

I really enjoy working with Bill and his continued leadership as he remains on the board. I also look forward to working with Jack in his new role as Chairman. Plus, we have a great DCUC Board of Directors who are very supportive and bring additional leadership qualities to our Board. More on that later.

This change comes at a pivotal time for DCUC as we look toward and plan for the next ten years. We were already well on our way in terms of implementing new ideas and value changes as part of our strategic plan. Today, with all the industry changes in terms of mergers, league consolidation, and CEO transitions, we are very excited about the opportunities created by this moment for DCUC and its member credit unions.

As the nation’s third largest credit union association representing over a quarter of the industry, we are experiencing growth in terms of members and partner organizations. This growth is a direct result of DCUC’s implementation of new strategies, resources, and in turn, increased member value over the last 5+ years. Yet, there are many areas in which DCUC and its members can grow and strengthen their presence in.

First, there is a large veteran market with over 18 million current or potential members who could be better served by credit unions who “speak military.” This is where DCUC can provide value and assistance to all credit unions. We already have several programs and resources designed to help you better connect with your members who are currently serving or have served our country and DCUC will be adding more to our resource library in the near future!

Second, advocacy plays an important role in any trade association. We have seen a need for a unique voice on Capitol Hill on not just military-related, but also larger credit union issues. As an independent trade association, DCUC has always viewed these voids as opportunities to bring impactful change and results for credit unions and the industry. Given the current climate on Capitol Hill and within the credit union industry, now is the time for us to pursue and perfect our approach to building a stronger advocacy program.

Finally, collaborating with other credit union system partners is the key to moving our industry forward. Whether it is another trade association, league, or service provider—we want to work with you! If you attended our 60th Annual Conference last month, you saw how this works in real-time. Collaboration has the potential to bring about incredible reward and value; why stop?



*Anthony Hernandez,  
President and CEO, DCUC*

A lot of this success is due to your Defense Credit Union Council Board of Directors! Each director is highly qualified to make important contributions as they set the strategic focus for our organization. Moreover, their support for the DCUC staff and myself is second to none. I commend our membership for electing each of these directors!

I am incredibly thankful to be your CEO, and I am very excited about our prospects for the future and sustained progress toward our objectives. I not only look forward to working with you, but also talking to you about your credit union’s growth and learning how we can help you overcome obstacles along the way. Most of all, I appreciate your friendship and continued dedication in “*servicing those who serve our country!*” ■









## September: Promising to Be the Busiest and Most Consequential Month of 2023 in Washington

*Provided by John McKechnie*

Several critical issues are on the clock, and DCUC is on top of all of them. Here's a grab bag of what we're watching closely:

### Capitol Hill

- Both the Senate and the House have wrapped up work on their versions of the annual defense bill...but now the fun part begins, as the hard work of reconciling the two versions begins.
- From a credit union perspective, DCUC, in close collaboration with NAFCU and CUNA, once again repelled the (tiresome) banker efforts to get free lease space on military bases. For the tenth time in 10 years. And speaking of keeping bad language out of the must-pass NDAA, DCUC was on the front lines of defending against a last-ditch effort to graft the controversial, retailer-backed Credit Card Competition Act onto the bill as it was prepped for a vote on the Senate Floor in late July. More on that bad bill later.
- One late-emerging NDAA amendment did garner DCUC and credit union trade association support: an amendment, offered by Senator Patty Murray (D-WA), that would create a DoD panel on financial readiness. DCUC worked with Senator Murray and others in support of this and are hopeful that amendment eventually becomes law.

DCUC has also advocated for a slot on such a DoD commission if it is created.

- Here's an update on the Credit Card Competition Act (known colloquially as the Durbin Bill, after its initial sponsor): A vigorous battle over credit card interchange fees is being waged on Capitol Hill pitting credit unions and their financial services allies against the merchant lobby. It shows no signs of a let-up, even as Congress returned home in August for a month-long recess. The retailer lobby failed in their effort to slip their bill into the NDAA, but Senators Durbin and Marshall are vowing to pursue other avenues—look for possible mischief in a Continuing Resolution (which is likely needed before September 30 to keep the government funded), or the must-pass Farm Bill, which requires action sometime this fall. DCUC is on high alert.

### NCUA

- After skipping an August Board meeting (as is traditional), NCUA figures to ramp up its activities in September. Expect Board action on a FinTech final rule and possible rulemaking on NCUSIF coverage of trust accounts. Regarding Fintechs, congressional and media sources say there are rumors of an internet marketplace company exploring a federal credit union charter. Details are sketchy, although at least one bank lobby group has expressed strong opposition to



Senate Banking Committee staff. No word on whether a charter application has been submitted by this group, or if the NCUA Board would be receptive.

- Also, there is continuing buzz from NCUA sources about a beefed-up consumer protection function in the 2024 budget. Chairman Harper has been clear in his focus on enhanced oversight; what isn't clear is how that focus would translate. More specialized exams and examiners? Closer coordination with CFPB? Stay tuned.
- One more familiar issue keeps popping up: look for NCUA to continue its emphasis on third-party vendor examination authority. ■





## DCUC Concludes its 60th Annual Conference



*Anthony Hernandez,  
President and CEO,  
DCUC*

**D**DCUC has officially concluded its 60th Annual Conference. Throughout this year's conference, attendees and guests were a part of valuable discussions and heard from several influential speakers including military and industry leaders.

"This year's conference was really special in not only honoring our 60th anniversary representing and supporting the needs of our member credit unions but also continuing to provide our members with the DCUC Difference," said Tony Hernandez, DCUC's President/CEO. "We had so many great speakers and presentations, as well as insightful discussions with our trade partners and industry associations. I'm really happy with this year's conference and am looking forward to seeing where the conversations we started this week lead us going forward."

DCUC's final session featured three-time U.S. Olympic gymnast, Dominique Dawes, who shared her personal journey to becoming a part of the 1996 gold medalist U.S. Olympic gymnastics team and how she views competitions and the win-at-any-cost mentality now. Dawes brought her gold medal and allowed the audience to pass it around.

In addition to this year's incredible speakers and discussions, DCUC's conference also featured its fifth class of Crashers. This year's enthusiastic group of young professionals shared their takeaways from the DCUC Annual Conference experience and DCUC Difference.

"This experience for me has meant access, professional development, training, and reconfirming my commitment to the credit union industry," said Ashlee Blankenship with Andrews FCU. "I loved connecting back to my roots with my mentor who is the CEO of the CU where I got my start. It's incredible to share this experience with other professionals that will be lifelong partners and mentors going forward."

"As a 'crasher' participant, it has been an exhilarating experience thus far. From meeting my fellow crashers and developing a unique camaraderie early in the process, all the way to being paired with a mentor; the opportunities that DCUC has presented are truly remarkable," said Mel Tenorio from AltaOne FCU. "The networking prospects are well beyond my expectations!"

Next year, DCUC will host its 2024 Annual Conference at the Vinoy Resort in St. Petersburg, Florida from August 12 to August 16. DCUC will continue emphasizing technology, the future of financial services, and why the work that defense credit unions do serving our nation's military is so important. ■

# DCUC ANNUAL



## DCUC Members, Guests, and Sponsors Raise \$38,000 for the Robert Irvine Foundation

Provided by DCUC

**D**CUC is proud to announce its 2023 Conference with a Purpose fundraiser raised a total of \$38,000 for the Robert Irvine Foundation. This brings the total funds raised by DCUC's Conference with a Purpose to \$438,000 since 2003.

The fundraiser was held for just four days during DCUC's 60th Annual Conference and was a great success thanks to the generosity of DCUC members, guests, and sponsors. Erik Wahl, one DCUC's conference keynote speakers, generously donated the artwork created during his Tuesday, August 8th presentation. This artwork was later presented during a live auction, contributing further funds to the Foundation's cause.

This year's fundraiser also included an online Silent Auction, the popular 50/50 raffle, as well as mulligan and gimme string sales during DCUC's Annual VADM Vincent Lascara Golf Tournament.

At the start of the conference, David Reid, Vice President of the Robert Irvine Foundation, led a welcome lunch for attendees, sharing more about the Foundation's primary focus and what inspired him to join its mission of supporting our Nation's veterans. At lunch, Reid recounted his experience as a former U.S. Army Ranger Regiment Team Leader. He described his path to recovery after sustaining severe injuries while clearing rooms in an enemy compound during one of his deployments in Afghanistan. Despite the loss of his lower left leg, Reid remained resilient and resolute through his journey to rehabilitation. Thereafter, Reid met Robert Irvine during a 54-mile hiking expedition, also known as the Cateran YOMP of the Scotland Highlands, where Irvine shared about his Foundation's purpose and dedication to helping veterans through similar challenges.

Reid shared multiple real-life stories with attendees, illustrating the profound impact the Robert Irvine Foundation has had on veterans' lives. One memorable story was that of a combat-injured veteran who, thanks to the foundation's wellness programs, acquired an iBOT. This enabled him to achieve the heartwarming milestone of dancing with his wife once more.

Both Reid and Donna Cobb, Vice President of the Robert Irvine Foundation's Corporate Development, shared what it meant to the Foundation to be chosen as this year's DCUC Conference with a Purpose charity recipient.

"We really appreciate the collaborative atmosphere offered at DCUC's Annual Conference, as well as credit unions' dedication to our Nation's military and veterans. This has been an incredible opportunity for us to advance the Foundation's mission and continue making a difference in the lives of veterans and their families."

The Robert Irvine Foundation dedicates itself to giving back and supporting service members, veterans, Gold-Star families, first responders, and their families by offering diverse resiliency, health, and wellness programs, in addition to the financial support of top-rated military and first responder organizations. The Foundation continues to advance its programs and create additional resources to further support these communities' evolving needs.

For more information about the Robert Irvine Foundation, please visit [RobertIrvineFoundation.org](http://RobertIrvineFoundation.org) and view the Foundation's 2022 Impact Video. ■

*David Reid, VP of the Robert Irvine Foundation, leads a welcome lunch for DCUC Annual Conference attendees. During the lunch, Reid shares his story as a former combat-injured U.S. Army Ranger Regiment Team Leader and the Robert Irvine Foundation's mission. Photo provided by Alexander Aleman.*







DCUC attendees and Crashers with their 50/50 ticket purchases in support of DCUC's Conference with a Purpose charity, The Robert Irvine Foundation. Photo provided by Alexander Aleman.



Ronda Jones joyful after receiving an IBOT from the Robert Irvine Foundation. Photo provided by the Robert Irvine Foundation.



The Robert Irvine Foundation has many programs and services, such as their "Breaking Bread With Heroes," which provides meals to servicemembers, veterans and first responders gathered in a family-like setting. Photo provided by the Robert Irvine Foundation.



The Robert Irvine Foundation provides military, veterans, first-responders, and their families with life-changing opportunities that unlock the potential in their personal and professional lives through food, wellness, community and financial support. Photo provided by the Robert Irvine Foundation.

# SAVE *the* DATE

## ANNUAL CONFERENCE

AUGUST 13 - 16 , 2024

THE VINOY RESORT & GOLF CLUB  
SAINT PETERSBURG, FLORIDA



# DCUC ANNUAL

VADM VINCENT LASCARA GOLF TOURNAMENT







# DCUC ANNUAL

## SPEAKER PRESENTATIONS & DISCUSSIONS





# DCUC ANNUAL

## HALL OF HONOR GALA





# DCUC ANNUAL

BUILDING LASTING CONNECTIONS







# DCUC ANNUAL

## CREDIT UNION OF THE YEAR AWARDS

### DEPARTMENT OF THE ARMY DISTINGUISHED CREDIT UNION OF THE YEAR AWARD



ANDREWS FEDERAL CREDIT UNION, USAG BENELUX

### DEPARTMENT OF THE NAVY DISTINGUISHED CREDIT UNION OF THE YEAR AWARD



NAVY FEDERAL CREDIT UNION  
NAVAL STATION GREAT LAKES



TOPSIDE FEDERAL CREDIT UNION  
NAVAL SUPPORT ACTIVITY SOUTH POTOMAC

### DEPARTMENT OF THE AIR FORCE DISTINGUISHED CREDIT UNION OF THE YEAR AWARD



WRIGHT-PATT CREDIT UNION  
WRIGHT-PATTERSON AFB



AIR FORCE FEDERAL CREDIT UNION  
JOINT BASE SAN ANTONIO



# DCUC Announces the Appointment of DCUC Board Chair Jack Fallis

Provided by DCUC

**D**CUC recently announced Jack Fallis, President, PNW & International Markets Global CU, as the new DCUC Board Chairman. Fallis has served on DCUC's Board of Directors since 2017, most recently as 1st Vice Chair. Fallis officially assumed the role of Chairman after a "DCUC first-ever" passing of the gavel ceremony held during DCUC's Annual Conference and Hall of Honor gala on Thursday, August 10.

DCUC President/CEO Anthony Hernandez provided attendees and guests with a background of the military change of command tradition and what it signifies. Hernandez then announced DCUC's passing of the gavel ceremony and it serving as DCUC's own change of command for its Board of Directors. Starting the ceremony, Hernandez thanked Bill Birnie, immediate past DCUC Board Chairman and President & CEO of Frontwave CU, for his long-standing dedication and commitment to DCUC and its members.

"Bill is a strong supporter of DCUC and was outstanding in his role as our Chairman," said Hernandez. "His guidance and leadership allowed us to expand DCUC's role and influence throughout the industry and beyond."

Hernandez then extended congratulations to Fallis as the newly appointed DCUC Board Chairman.

"I am equally excited to work with Jack Fallis as our new DCUC Chairman. Jack joined the Board of Directors the same year I started working for DCUC. This means he has seen our strategic plan during its formation and implementation along with all the results as a new board member," said Hernandez. "With Jack as Chairman of the Board, I am confident we can both work together as DCUC continues to grow and further expand our influence."

Birnie followed Hernandez's remarks by sharing his perspective and appreciation for having served on DCUC's Board and defense credit union community.

"It is truly an honor to serve on the Board of Directors of such an incredible organization, and to have served as Chairman over the past two years. During this time, Jack has also brought thoughtful leadership and a deep understanding of our members' needs as DCUC's Vice Chair. I am fully confident Jack will skillfully guide DCUC and its members towards continued success and growth as DCUC's Chairman!"

After directing the room to stand, Birnie held the honor of passing the gavel to Fallis, marking the official appointment of Fallis to the Chairman position. Afterward, Fallis provided his first remarks as Chairman, thanking DCUC, its members, Global CU, and his family for their support. Fallis also made a point to honor Birnie for his contributions and service to DCUC and defense credit unions.



*DCUC's new Board Chairman and President, PNW & International Markets Global CU (AK) Jack Fallis, DCUC President/CEO Anthony Hernandez, and Frontwave CU President/CEO and immediate past DCUC Board Chairman Bill Birnie. Photo provided by Alexander Aleman.*

"Bill has expertly guided DCUC through an exciting credit union industry landscape and some very challenging economic conditions," said Fallis in his remarks. "He has contributed his time, energy, and expertise to the growth and success of this organization and has left a legacy, along with some big shoes to fill!"

Fallis then provided DCUC's Conference and gala attendees with his vision and mission as he assumes the responsibility and honor of DCUC Board Chairman.

"I stand before you [today] with great humility, gratitude, and a deep sense of responsibility toward the task entrusted to me. As Chairman, my primary goal is to lead by example and foster an environment that encourages collaboration, inclusivity, and creativity. I firmly believe that by harnessing the collective wisdom and diverse perspectives of our members, we can achieve even greater heights together. I am committed to fostering open lines of communication, actively listening to your ideas and concerns, and ensuring that everyone has a voice in shaping our future."

Fallis continued, sharing "We will stand united, adapting and innovating to overcome any hurdle that comes our way. Together, we will seize every opportunity, embrace change, and foster a culture of continuous growth and improvement."

Fallis noted the recent news of the potential CUNA and NAFCU merger and how he views it as an exciting opportunity for DCUC as the trade association landscape continues to evolve.

"Together, we will shape a brighter future for DCUC and our member credit unions. With your support and collective efforts, there is no doubt that we will continue to achieve extraordinary accomplishments and make a lasting impact on our members and the credit union industry."

In addition to Jack Fallis being named Chairman, DCUC's Board also includes Maggie Sayer as the 1st Vice Chair, Frank Padak as 2nd Vice Chair, Ron Aoki as Treasurer, Ryan Ross as Board Secretary, and Robin Larsen and Birnie as board members. For more information about DCUC's Board of Directors, please visit [DCUC.org/Board](http://DCUC.org/Board). ■



# AWARDS & RECOGNITION

## Cobalt CU Honored with Better Business Bureau's Torch Award for Ethics

**C**obalt CU proud to announce its recognition as a recipient of the 2023 Better Business Bureau (BBB) Torch Award for Ethics in the Nebraska, South Dakota, Kansas Plains, and SW Iowa region.

The Torch Awards recognizes businesses that have made an exemplary commitment to honest and ethical business practices and member service excellence. All businesses are nominated for this prestigious award by one of their members. Nominees are judged on their character, culture, member service, and community engagement. Judges look for how a business demonstrated ethics, trust, reliability, honesty, service, fairness, and respect. Winners are selected based on how the company demonstrated:

- High ethical standards of behavior towards members, suppliers, employees, and communities in which they do business.
- Ethical practices surrounding their buyer/seller relationship.
- Marketing, advertising, communications, and sales practices which reflect a true representation of what is being offered in the marketplace.
- Acknowledgment of ethical marketplace standards by industry peers and in communities where they do business.
- How ethical policies are effectively communicated to employees.

This Torch Award is a testament to Cobalt's continuous pursuit of ethical conduct, transparency, fair treatment of its members, and a strong commitment to giving back to the community it serves.

"We are pleased and honored to be a winner of the 2023 BBB Torch Awards," said Robin Larsen, CEO of Cobalt CU. "At Cobalt, we have always prioritized integrity, honesty, and accountability in every aspect of our operations. This recognition highlights our team's efforts to uphold the highest standards of ethical behavior." ■



*Deck your tree  
with history!*

All proceeds benefit  
THE *George E. Truys*  
SCHOLARSHIP  
Fund

[WWW.DCUC.ORG/ORNAMENT](http://WWW.DCUC.ORG/ORNAMENT)

**\$25**





# The Importance of Balancing Compensation

Provided by IZALE Financial Group

The Covid pandemic ushered in an era of workplace changes that may prove as disruptive as the industrial revolution. The introduction of remote work allowed employers to retain key people who could not otherwise make it to an office and expanded the area from which to recruit new talent. As the economy regained momentum, this fed into larger-than-normal increases in cash compensation. For many, this has resulted in an imbalance in other forms of compensation.

It is critical to balance current cash compensation with the long-term goal of wealth accumulation. Boards often don't know where to begin, and sometimes they're pitched a solution in search of a problem. The best practice is to start with a "retirement income analysis" (RIA). If you've done an RIA before, it is best practice to recalibrate it every 3-4 years.

The goal of an RIA is to reasonably estimate the percentage of income that could be replaced by current employer-funded programs. The RIA should capture the 401k match potential, expected profit-sharing contributions, projected pension benefits, existing executive benefits, and ½ of the projected social security benefit. Reasonable rates of return during the accumulation and distribution phases are applied, arriving at an estimated benefit in retirement.

This estimate is then compared to the final average cash compensation (FACC) at retirement. When estimating FACC, use reasonable short-term and long-term growth rates. The most common long-term rate is 3.5%, although there is some trend toward 4%. The short-term rate should be the same for "seasoned" executives, however, it should reflect more rapid increases typical for those new to the role.

For example, the cash compensation of a first-time CEO is often 85% of the mid-point for the position. As experience is gained, the cash compensation is adjusted to reach the mid-point by the 4th or 5th year. This means increases could be 10% for the first few years.

Next, divide the estimate of future benefits by FACC. The result is a projected replacement ratio, and that should be compared to the target replacement ratio. There is considerable art in setting a target replacement ratio with two key elements:

- Know where an executive's current cash compensation is relative to the market. We have clients who are below market in current cash compensation, and they adjust the target upward. Conversely, those who are above market adjust the target downward.

- We encourage use of a "factor per year of service," comparable to the factors of a non-executive employee who would serve your organization for 30+ years (ie. aSVP who serves your organization for 30 years could have a higher target replacement ratio than the CEO hired at the age of 55 serving only 10 years.

If the target ratio exceeds the projected ratio, there's a shortfall. (If there's no shortfall, some clients desire a minimum benefit level anyway.) The question from the RIA should be: If we do nothing more and there's a shortfall or some minimum benefit, what do we do about it? Only then should you consider one or more of the four solutions for providing supplemental benefits.

- 457(b): annual contribution limit (\$22,500 for 2023) which can be invested or given some rate of return. There can be vesting before retirement without triggering ordinary income tax, however, there can be no in-service distributions. At termination, you can offer an election in how vested amounts are paid.
- 457(f) or SERP: no annual limit except reasonableness. A SERP generally has the highest expense and results in a growing balance sheet liability. Vesting causes immediate recognition for income tax purposes, which should also trigger a lump sum payment to avoid a cash flow crunch for participants. May be impacted by the Tax Cuts and Jobs Act of 2017.
- REBA or Restricted Executive Bonus Arrangement: uses a life insurance policy owned by and insuring the executive. Life insurance enjoys no tax on accumulation, ability to structure tax-free distributions, and income-tax-free death benefits while providing greater benefit security to the executive. Premiums are expensed annually and taxed as ordinary income, often with a tax gross-up bonus. The cumulative expense is comparable to a 457(f), however, there is no balance sheet liability.
- SDL or Split-Dollar Loan. SDL also uses life insurance. However, premiums are treated as a loan for income tax and accounting purposes. The policy is assigned to the employer and is often the only source of repayment of the loan. This results in significantly lower income taxes for the executive and an asset for the employer. Interest on the loan accrues, is imputed to the executive, or some combination of both. SDL has the lowest P&L impact of the options, as a tradeoff to using liquidity on the balance sheet.

Don't put the cart before the horse. To conduct a no-cost RIA and learn more about these options, contact us today! ■



## CREDIT UNION PEOPLE IN THE NEWS

BILOXI, MI—Keesler FCU has named **Lawrence Dupont** as Chief Risk Officer. Dupont will oversee Keesler Federal's Risk Management Department, including a team of professionals focusing on Enterprise Risk Management, Vendor Management, Operational Risk Management, Collections and Loss Mitigation, Fraud Services, Physical Security, and internal investigations.

LAUREL, MD—Tower FCU is pleased to announce the promotion of **Jay Russell** as its new SVP/CIO. Russell will be responsible for leading Tower's technology strategy; overseeing the Information Technology, Project Management, and Deposit Operations teams; and spearheading initiatives to further advance the credit union's position as a leader in serving its over 220,000 members worldwide with exceptional value and trusted expertise.

TYSONS, VA—PenFed CU announced the promotion of four leaders who will oversee home lending technology, the PenFed Foundation, payments, and home lending operations:

- **Brian Kukwa**, VP of mortgage technology, has been promoted to senior vice president of home lending technology;
- **Andrea McCarren**, VP of PenFed Digital, has been promoted to senior vice president of PenFed Digital and president of PenFed Foundation;
- **Brad Patterson**, VP of payments, has been promoted to senior vice president of payments;
- **Mary Rzucidlo**, VP of home loans, has been promoted to senior vice president of home loans operations and culture.

SUITLAND, MD—Andrews Federal is proud to announce the recent promotions of **James Aldredge** to AVP of Deposit Strategy, **John Masterson** to VP of Retail Delivery, and **Jonathan Hernandez** to VP of Lending Operations. ■

## CREDIT UNIONS IN THE NEWS

WATERTOWN, NY—**AmeriCU CU's** Watertown Financial Center has undergone a remarkable transformation to better serve their members and the North Country community. The newly remodeled location reflects the modernization of the financial industry while fostering meaningful and personalized relationships. AmeriCU employees and community members celebrated the Financial Center's renovation with a ribbon cutting ceremony on Tuesday, July 25.

"We value the importance of investing in the future of our community. As we look ahead, the renovation of this financial center signifies our commitment to fostering growth, development, and a place where individuals and businesses can achieve their financial goals," said Ron Belle, president/CEO of AmeriCU CU. "The connections we develop between our members, our team, and the community we serve allows us to grow as an organization and expand the financial services we offer to meet our member's needs." ■



# MIDWEST CONFERENCE

OCTOBER 3-5, 2023

MARRIOTT KANSAS CITY OVERLAND PARK HOTEL  
OVERLAND PARK, KANSAS

[FRONTIERCCU.ORG/DCUC-MIDWEST](https://FRONTIERCCU.ORG/DCUC-MIDWEST)



Hosted  
by





# Hanscom FCU Charitable Foundation to Honor Legendary WWII Veteran at 1st Annual Honorary Breakfast

Provided by Hanscom FCU

**H**anscom FCU Charitable Foundation is proud to announce its first annual Honorary Breakfast, honoring the life and legacy of Brigadier General E. “Woody” Woodhouse II, one of the last remaining members of World War II’s legendary Tuskegee Airmen.

The event will be held Monday, September 18, 2023, at 8:00 a.m. at the Red Tail Golf Club in Devens, Mass., followed by the Foundation’s annual Alan M. Hart Memorial Golf Classic starting at 9:00 a.m.

The Honorary Committee, co-chaired by James T. Brett, president/CEO of The New England Council, and Brigadier General (ret.) Jack Hammond, Executive Director of Home Base, chose to honor Woodhouse for his significant contributions to our country and his service as a member of the Tuskegee Airmen during World War II. The committee includes Thomas J. Lyons, a Board Council Member of Hope for the Warriors, which provides comprehensive support programs for service members, veterans, and military families, and Coleman Nee, a senior executive and strategic communications professional who served as the Massachusetts Secretary of Veterans’ Services from 2011 to 2015.

“At this inaugural honorary breakfast, we are honored to acknowledge the remarkable service of General Woodhouse, a distinguished veteran with a rich history,” said Brett. “As a Black Airman in WWII, his experiences deserve our attention, along with deep respect and gratitude. General Woodhouse is a role model to inspire us all, and we’re dedicated to ensuring his legacy endures.”

The Honorary Breakfast ties into the Foundation’s mission to serve the needs of our nation’s veterans through programs that focus on narrowing and easing the separation gap they cross once leaving active duty. Since 2014, the Foundation has donated more than \$1.6 million to Home Base’s clinical care programs that heal the invisible wounds of war for veterans of all eras, as well as service members, military families, and families of the fallen.

“I’m honored to be part of this unique event commemorating Gen. Woodhouse,” said Home Base Executive Director Retired General Jack Hammond. “His remarkable journey is a source of inspiration for all military personnel, both past and present. At Home Base, we are honored to help the many veterans facing visible and invisible challenges when transitioning to civilian life and give them a sense of hope, and Gen. Woodhouse’s resilience in the face of adversity provides a valuable example of how to overcome and flourish.”



## SAFE FCU Assisting Maui Residents After Wildfires

Provided by SAFE FCU

**S**AFFE FCU launched a donation drive in response to the devastating impact of the Maui Wildfires that took place in early August. From Friday, August 25 through Monday, August 28, the Credit Union invited members and non-members to contribute at any of SAFE’s eighteen branches or by donating online at [www.SAFEded.org](http://www.SAFEded.org).

“We understand the impact and importance of extending a helping hand to those affected by the Maui Wildfires,” said President/CEO Michael Baker. “Through this donation drive, with the help of our community, we aim to give hope to the residents who need it most in Maui.”

All funds collected during the donation drive are tax-deductible and will go to the Valley Isle Chapter of the Hawaii Credit Union League to directly assist Maui residents in rebuilding their lives.





## Service CU Impact Foundation Raises Over \$460,000 for Veterans

Provided by Service CU

On August 29, the Service CU Impact Foundation hosted its 4th Annual Golf Charity Classic, which raised over \$460,000 for local and national causes that support veterans and military members. The day featured honored guests such as Chef Robert Irvine and his team at the Robert Irvine Foundation, and Travis Mills, founder of the Travis Mills Foundation.



Travis Mills, founder of the Travis Mills Foundation and Chef Robert Irvine during the opening remarks for the tournament. Photo provided by Service CU.



Service CU Board Director James Fishbein and wife Myra Fishbein, with DCUC President/CEO Anthony Hernandez and his wife, Jennifer Hernandez. Photo provided by Service CU.



Left to right: Nicole Banegas, Benjamin Henrique, Drew Squires, Rebekah Freeman. Photo provided by Kirtland CU.

## Kirtland CU Awards \$10,000 in Scholarships

Provided by Kirtland CU

Kirtland CU has awarded \$10,000 to its annual college scholarship program winners. Kirtland CU awarded four New Mexico high school graduates a \$2,500 scholarship for the upcoming fall semester.

“One of Kirtland Credit Union’s Core Values is the community and aligns to the credit union initiative of ‘people helping people,’” said KCU President/CEO Matt Rarden. “An integral part of the community is our youth; we must invest in them as they are our future. We are honored to support these four New Mexico high school graduates by easing some of the financial burdens of higher education. These scholarships will positively impact their careers and future in the communities where they live and work.”

Applicants must be members or sponsored by a Kirtland CU member to be eligible for the scholarship, accepted into a two- or four-year college or university, and enrolled in the upcoming fall semester. Applicants submitted a nonprofit idea for Kirtland CU to support.

This year’s scholarship winners included:

- **Benjamin L. Henrique**, Volcano Vista High School, attending the University of New Mexico. Henrique wrote about financial literacy in the community.
- **Drew A. Squires**, East Mountain High School, attending Brigham Young University-Idaho. Squires’ essay detailed a non-profit supporting music education for the youth in the community.
- **Nicole Sierra Banega**, Hope Christian High School, attending Grand Canyon University. Banega’s essay outlined a non-profit to support children who have experienced domestic violence or who have experienced a loss of a parent due to drug addiction.
- **Rebekah Freeman**, Piedra Vista High School in Farmington, attending Arizona Christian University. Freeman wrote about having a non-profit entitled “Meals with Seniors.” Her proposed non-profit will allow homebound seniors to visit with the person who delivers meals.





At the time this photo was taken, the Global CU Foundation Fairway Friends Golf Tournament raised \$50,000 for two Alaska nonprofits. At the close of the tournament, an additional \$10,000 was raised for an overall total of \$60,000. Photo provided by Global CU Foundation.

## Global CU Foundation Fairway Friends Golf Tournament Raises \$60,000 for Local Nonprofits

Provided by Global CU

Golfers of all skill levels descended on the Moose Run Golf Course near Eagle River, Alaska, for the annual Fairway Friends Golf Tournament. Two hole-in-ones and a helicopter-ball drop highlighted a day that raised \$60,000 for two hard-working Alaska nonprofits; Armed Services YMCA (ASYMCA) and Big Brothers Big Sisters of Alaska.

“The Global Credit Union Foundation is committed to raising funds and supporting needs-based organizations that work to improve the lives of military families and children in our communities,” said Geoff Lundfelt, president of the Global CU Foundation. “We like to have fun with our Fairway friends while we’re doing it. We’re incredibly grateful for all of the credit union’s business partners who jumped at the chance to sponsor the tournament in support of these organizations and the critical work they do every day.”

\$30,000 was distributed to ASYMCA, whose mission is to enhance the lives of military members and their families in spirit, mind, and body through programs relevant to the unique challenges of military life. \$30,000 also went to Big Brothers Big Sisters of Alaska, which uses a volunteer mentoring network to develop positive relationships that have a direct and lasting effect on the lives of young people.

The Global CU Foundation Fairway Friends Golf Tournament is an annual event that brings together business partners, credit union leaders and volunteers, and the community to support Foundation nonprofit partners.

## PenFed CU Gives Major Donation to Support Service Dogs for Veterans

Provided by PenFed CU

PenFed CU announced a \$50,000 donation to Canine Companions, the first and largest service dog organization in the U.S., providing life-changing, highly skilled dogs to veterans and others with a disability. The PenFed grant will allow a veteran on the waiting list to be matched with a service dog.

“It’s simply not enough to thank veterans for their service,” said PenFed CU President/CEO and CEO, PenFed Foundation James Schenck. “We must demonstrate our gratitude through action. PenFed is proud to donate to Canine Companions, and we encourage corporations and individuals to join us by contributing what they can. Together, we can make a positive impact in our communities by supporting veterans.”

PenFed employees have raised eight service dogs with a ninth puppy expected to join the company later this year. The donation came as Canine Companions honored Schenck with its Hero Award for his national advocacy inspiring corporate America to support service dogs.

“Canine Companions is thrilled to partner with the PenFed family. CEO James Schenck has become a true leader on behalf of our mission and PenFed, a model for America’s business community,” said Executive Director of the Northeast Region of Canine Companions Debra Dougherty. “We understand that not every workplace can host a service dog in training, but others can certainly match PenFed’s generous donation and give a veteran greater independence.”

Air Force veteran Josh Gage of West Springfield, Massachusetts spoke at the ceremony describing how his service dog, Maverick, saved his life following a severe injury during his time in service. Maverick was raised and trained at PenFed.


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## Navy Federal CU Partners with Final Salute to Support Women Veterans

*Provided by Navy Federal CU*

**N**onprofit partnerships are one way the credit union goes beyond banking to empower diverse voices and support military communities. Navy Federal team members donated professional attire for the Women’s History Month campaign in March to support Final Salute’s mission. With over 9,000 items donated, the nonprofit was blown away and needed to rent additional storage space for the collections.

In celebration of Women’s Equality Day in August, Final Salute hosted a Next Uniform event to support transitioning military service members. Navy Federal’s donations were distributed to female veterans across Northern Virginia who are pursuing their next career. Dottie Day, VP, Winchester & Contact Center Operations at Navy Federal and military veteran, spoke at the event and saw firsthand the impact the partnership made on local veterans and military families.

## TowerCares Foundation Awards \$150,000 in College Scholarships

Thirty college students studying STEM-related fields each received a \$5,000 scholarship from the TowerCares Foundation. More than half of this year’s winners have parents who are affiliated with the Department of Defense or serve in the U.S. Military.

*Provided by Tower FCU*

**T**owerCares Foundation scholarship winner Marc DiGregorio has a special reason to be thankful for being selected as one of this year’s scholarship recipients.

“I was thrilled to find out that I was a recipient of the TowerCares scholarship,” he says. “My grandfather is my inspiration for my career aspirations. He passed away this past summer after battling leukemia so this scholarship holds special meaning as I like to believe he had a hand in it. I am thankful for [the TowerCares Foundation’s] investment in me to help reach my professional goals of solving real world problems by providing practical solutions through engineering. It gives me great pride to share that I finished my spring semester at James Madison University with President’s Honors.”

Mr. DiGregorio is one of 30 college students who each received a \$5,000 scholarship from the TowerCares Foundation for the 2023–24 school year.

The annual scholarship program starts in April and is open to all current high school seniors and college freshmen, sophomores and juniors who are studying STEM or Foreign Language Linguistics majors. Winners are selected by an independent judging organization based upon academic performance, leadership and participation in school/community activities, work experience and career/educational goals and objectives.

Additional consideration is given to children/dependents of active-duty military and Veterans from all branches of the Armed Forces, including Reserve and Guard units.

More than half of this year’s winners have parents who are affiliated with the Department of Defense or who currently serve or have served in the U.S. Military. Scholarship winner Daniel Horvath said: “[Through] my mechanical engineering studies at George Mason University, I hope to bring the skills and experiences I gain to a future career in the military and later as a high school teacher. My parents are both U.S. Army Veterans, and many of my best teachers were Veterans too. Veterans have been some of the most inspiring and encouraging people in my life, so I greatly appreciate the Foundation’s commitment to those who have served our nation.”

Since 2018, TowerCares has awarded \$360,000 in scholarships to college students pursuing majors in Science, Technology, Engineering, and Mathematics (STEM) fields or Foreign Language Linguistics. This year, the Foundation expanded the program from 15 to 30 scholarships.

“Every year, I am so impressed by these young men and women, not just for their achievements but for their vision for the future and desire to make the world a better place,” says TowerCares Foundation President Rick Stafford. “The cost of higher education is expensive, and we are thrilled to double the number of scholarships awarded this year to relieve some of the financial burden for even more college students pursuing STEM-related degrees and their families.”

Says scholarship winner Arisa Chue, who is studying Computer Science & Programming at Stanford University: “This scholarship holds immense significance in my life... Your belief in my potential has ignited a renewed determination within me. I am committed to excelling in my studies and using this opportunity to create a positive impact for young girls who are interested in STEM education and careers.”

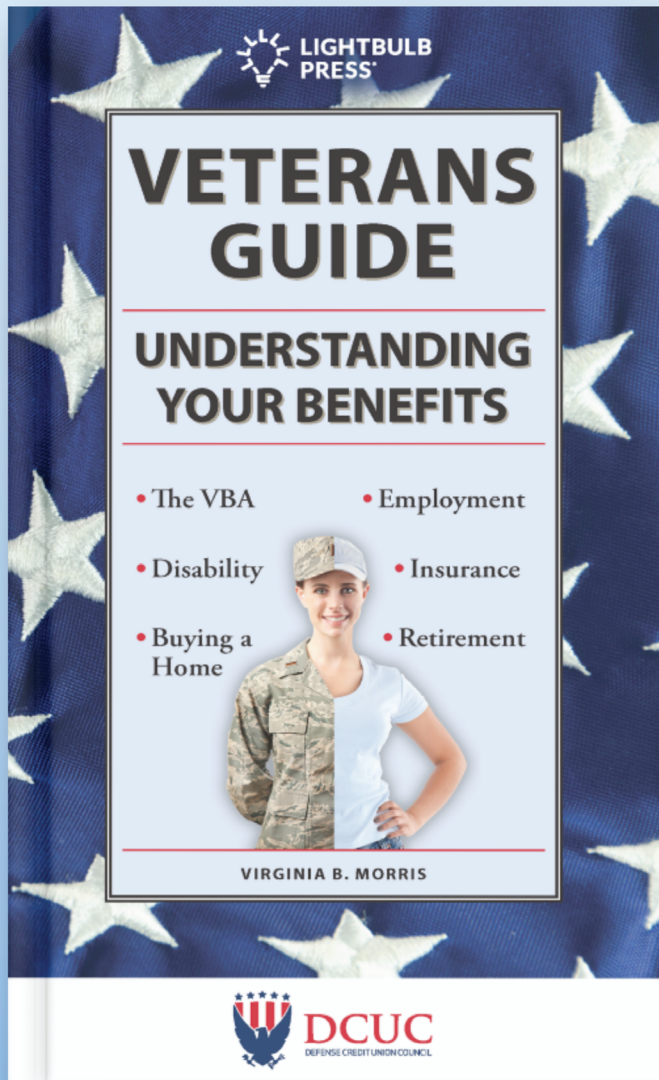
For a full list of the 2023-2024 TowerCares Foundation College Scholarship Program winners, please visit <https://www.towercaresfoundation.org/scholarship-program/>.



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