



ALLERT

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A VIEW FROM THE BOARD ROOM

Reactive Policies; Proactive Strategies

*Dave Davis, Member, DCUC Board
President/CEO, Pacific Marine FCU, CA*

The DoD has proposed changes to regulation 1344.7 dealing with Personal Commercial Solicitation on DoD Installations. These changes come on the heels of newspaper articles exposing problems with the sale of insurance and investment products to young military service members. The practice of selling inappropriate investment and insurance products is not new. 1344.7 required annual registration requirements for life insurance and security companies, but that regulation fell short of stopping “wolves in sheep’s clothing.” There were a few unscrupulous insurance and investment agents that simply disguised themselves as “educators.” They would provide financial insight on various topics, or appear as “sponsors” supporting special events, and use these opportunities to sell their products. The proposed changes to 1344.7 are designed to put a stop to the use of “Financial Education and Commercial Sponsorships” as loopholes to soliciting financial products on DoD installations, and to provide actionable feedback by establishing an evaluation system to monitor solicitations.

When I read the proposed changes to 1344.7, I was impressed with how directly the regulation deals with the issue of commercial solicitation. It provides strict mandates on what types of solicitations are allowed, who is allowed to solicit, when

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CEO UPDATE

“We Can Make Service Members Smarter”

Roland A. “Arty” Arteaga, President/CEO, DCUC

The issue of Payday Lending continues to be of major interest to the Department of Defense. This past month, the Under Secretary of Defense for Military Community and Family Policy, **John Molino** advised of a new effort by DoD to educate and train military personnel on the risks associated with payday loans.

According to Mr. Molino approximately 9 percent of enlisted personnel and approximately 12 percent of mid-level noncommissioned officers use payday loans, and that concerns the Department as the use of payday loans could have a “detrimental effect on mission accomplishment.” Education is a must...it is a key ingredient in addressing payday lending. The more our troops (and their families) learn about payday loans, the better prepared they will be to make the right decisions. It is to that end that DoD has launched a series of financial fairs aimed at educating and informing base personnel.

The objective of the financial fairs is to make our troops savvy on the dangers of payday loans, to avail them of the abundant resources on-base should the need arise for financial assistance, and to make them informed consumers. As noted by John Molino, “We can make (servicemembers) smarter. We can make them better consumers; we can teach them how to save for a rainy day, so when they need to borrow they can—and pay themselves back at no interest.”

We (DCUC) have participated and/or assisted in the five financial fairs held to date...and so have on-base credit unions. Pacific Marine CU (Marine Corps Recruiting Depot, San Diego), ABNB and Navy FCU (Norfolk Naval Station), Pentagon FCU (Walter Reed Army Hospital), Eglin FCU (Eglin AFB), and Fort Bragg FCU and Pentagon FCU (Fort Bragg) all responded to the task at hand and were extremely supportive of the DoD’s and the Command’s efforts. From assisting in the coordination and/or the sponsoring key events...to providing information on products and services, I am proud to say, the feedback received by attendees and DoD thus far has been very positive. Attendees valued the information provided by both DCUC and defense credit unions, and DoD appreciated our overall pledge to support this initiative.

While DoD’s financial fairs are a step in the right direction and your support of the program has been unquestionable, more must be done.

DoD needs to ensure (thru command channels) that on-base personnel are given the time to participate in these financial fairs. They need to get the installation command team on-board early-on in the process and secure command endorsement of the financial fairs from start to finish...and beyond. For without the support of the on-base military



Roland A. Arteaga

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DEFENSE CREDIT UNION COUNCIL, INC.

is an association of credit unions serving Department of Defense personnel, military and civilian, worldwide.

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Fort Belvoir FCU employees participated in the Komen Race for the Cure in Washington D.C. recently. Photo provided by Fort Belvoir FCU.

Fort Belvoir FCU Participates in Komen Race

Jacqueline R.C. Connor, Vice President, Marketing and Business Development

Fort Belvoir FCU participated in the Komen Race for the Cure in Washington, DC recently. The FTBFCU team raised over \$3,000 for the race. Race funds are divided among breast cancer research, meritorious awards and educational and scientific programs around the world.

"FTBFCU employees and families have been affected personally by this disease. We are proud that our employees support this community effort and bring awareness to the fact that now one in every eight women/men are being diagnosed with breast cancer," stated **Patricia S. Kimmel**, President/CEO of Fort Belvoir FCU. FTBFCU employees raise funds and volunteer for a variety of activities that benefit the community.

Biernacki Named New President/CEO Of Arkansas FCU

Rodney Showmar, VP Marketing

Walter L. (Larry) Biernacki Jr. has been selected by the board of directors of Arkansas FCU as the CU's new president/CEO. Biernacki succeeds **Hank Klein** who retired June 30. Biernacki has over 26 years of experience in the financial services industry. For the last nine years he's worked at San Antonio FCU, most recently as the \$1.7 billion CU's senior vice president/lending division manager. Earlier in his career, he was president/CEO of Western Horizons FCU. He also worked on the banking side of the financial services industry in various positions.

"Hank is a fine gentleman and Arkansas FCU has done so much under his leadership. He's set the table so wonderfully for me. I'm very excited to be joining such a distinguished institution as Arkansas FCU," said Biernacki.

Defense Directory Updates

TX: Fort Bliss FCU has changed thier name to FirstLight FCU effective July 1, 2005.

APGFCU Youth Score Big In Savings Challenge

Desiré P. Phelps, Marketing Communications Specialist

Aberdeen Proving Ground FCU (APGFCU) participated in the National Credit Union Youth Week Savings Challenge. The event, which ran April 17 through April 23, was designed to encourage and reward the saving habits of Credit Union members ages 17 and younger nationwide. Saving for everything from Disney World to college tuition, APGFCU youth members took the challenge and made 3,182 deposits totaling \$283,122.46. Twenty-seven youth also joined as new members.

In a special prize drawing designed as an incentive, APGFCU awarded three summer fun packs to **Jazmine Thacker**, 7, from Aberdeen who is saving to buy a car one day, **Tyler Shillman**, 11, from Forest Hills who is saving for the future, and **Tricia Franklin**, 16, from Elkton who is saving for a car.

Global CU 2005 Scholarship Winners Announced

Linda Backland, Sales Manager

Global CU President/CEO, Jack Fallis recently announced the winners of the Merle E. Brumgard Memorial and Founders and Pioneers scholarships. **Sean McGrath**, and **Amanda Ogle**, both of Shadle Park High School, were recipients of the Merle E. Brumgard Scholarships. The Founders and Pioneers scholarships were awarded to **Cari Anne Cranney**, Coeur d'Alene High School, and **Renee Starkey**, Ferris High School.

Global CU recently hosted a luncheon at the Spokane Club in their honor. Each winner will receive a check in the amount of \$1,000.

Commenting on the candidates this year Fallis said, "The quality of the young men and women competing for the scholarships was exceptional. Our judges were extremely impressed with the caliber of applicants and the commitment these students have made to pursue a quality education and to serve their communities."

The Founders and Pioneers Scholarship is dedicated to Global's founders and pioneers who are credited with the establishment and promotion of Global CU.

The Merle E. Brumgard Memorial Scholarship is dedicated to the memory of Chief Master Sergeant **Merle Brumgard**, a 28-year veteran of the Air Force. Brumgard, a veteran of both the Korean and Vietnam wars is recognized for his commitment to the Air Force, Global CU, and to the community in which he lived.

Pen Air FCU Presented with Diamond Award

Patty Veal, Vice President—Marketing

Pen Air FCU was presented with the Covenant Hospice Diamond Award, the highest level award, for contributions over \$5,000. Accepting the award from the Hospice Community Development Manager, **Courtney Humbaugh**, was Pen Air FCU President/CEO, **John Davis** who remarked, "Pen Air FCU is very appreciative of the services that Covenant Hospice provides in our local community."

Pen Air FCU's contribution largely went towards a new generator for the Covenant Hospice to keep the facility functioning during power outages—especially as the Pensacola area gets ready for a new Hurricane season.



John Davis, President/CEO of Pen Air FCU accepts Diamond Award from Covenant Hospice's CDM, Courtney Humbaugh. Photo by Pen Air FCU.

Armed Forces Financial Network Update

Fort Sill FCU & AFFN Join Forces to Serve Members

John Broda, AFFN Executive Vice President

Fort Sill FCU, a valued DCUC member for many decades, announced at this year's Mid-West Sub-council Meeting, their new partnership with The Armed Forces Financial Network (AFFN).

Fort Sill FCU will add AFFN to their current EFT Program to further enhance access at ATMs and Point of Sale (POS) locations worldwide. "At Fort Sill FCU we strive to deliver superior products and services to our military and civilian membership, said **Denise Floyd**, Fort Sill FCU, President & CEO. She added, "With the addition of AFFN to our EFT Program, we will dramatically increase the number of ATM and POS locations available to our membership, allowing members access to their Fort Sill FCU accounts on a national and global scale."

"AFFN is pleased to welcome Fort Sill FCU to our distinguished list of Network Participants, said **David Weber**, AFFN President & CEO. He added, "AFFN is prepared to assist Fort Sill FCU in their mission of delivering superior service to their global membership."



Officials from Hanscom FCU and Hanscom Air Force Base celebrate their \$1,000 matching grant from the AFFN. Pictured left to right are: Colonel Nicholas M. Zallas, Hanscom AFB 66th Mission Support Group commander, David P. Sprague, Hanscom FCU President/CEO, Paul J. Marotta, Hanscom FCU Chairman of the Board, MSGT Glen Marple, Colonel Timothy C. Ceteras, Commander, 66th Air Base Wing, Hanscom Air Force Base, and Hanscom FCU directors Frederick C. Ryan and Alan M. Hart. Photo by Hanscom FCU.

National Program Doubles Hanscom FCU's Grant to Operation Concern

Patricia Warden, Marketing Analyst

Hanscom FCU's \$1,000 donation to Operation Concern has doubled to \$2,000, thanks to a grant-matching program from the Armed Forces Financial Network (AFFN). Operation Concern is a volunteer-based program serving the Hanscom AFB community. The group provides food baskets for those in need, holiday meals for those far from home, and homecoming celebrations for military members returning from deployments and their families. Throughout the year, Operation Concern holds fundraisers and solicits donations to support their activities.

AFFN matched Hanscom FCU's donation through a national program launched last year. "We stand united with Hanscom FCU to serve those who so proudly and bravely serve our great nation," said **David Weber**, AFFN president and CEO. "By providing matching grants, we are increasing the valuable contributions made to our military community worldwide by our participating banks and credit unions."

"We appreciate AFFN's support in recognizing organizations that serve our membership," said Hanscom FCU's Chairman of the Board **Paul Marotta**. "Our relationship with AFFN has always helped us better serve our members. Now we can accomplish more in our commitment to support them as well."

Dynamic Hot Market Issues Scheduled for DCUC Conference on Monday, Aug. 22

Lending Innovations and Issues Impacting Military Credit Unions

Presented by CUNA Mutual Group

Reducing Financial Barriers for Relocating Military Personnel

Presented by Financial Service Centers Cooperative, Inc.

Navy FCU Supports Returning Severely Injured Soldiers and Sailors, and their Families

Susan Brooks, Public Relations

Recently, Navy FCU was a proud participant of the DoD Career Networking Event held at Walter Reed Army Medical Center located in Washington, DC. Sponsored by the Military Severely Injured Joint Support Operations Center, this one-day event showcased employment and career opportunities for injured soldiers and sailors transitioning to civilian life, and their spouses.

Over 100 servicemen and women, their families, and Walter Reed employees attended the career networking event.

In addition to Navy FCU, 21 other companies participated.

ABNB FCU and Fort Norfolk FCU Merge

Madeline Busch, Director of Marketing

On July 1, 2005, Fort Norfolk FCU merged with ABNB FCU. Fort Norfolk represents the Norfolk District of the Army Corp of Engineers, located on Front Street in Norfolk. The combined financial institutions have a joint membership of more than 48,000 members. The current members of Fort Norfolk FCU will now have access to ABNB's 11 branches, 18 ATM locations, online banking, bill payment, mortgage and home equity loans, investment products, free financial counseling and many more convenient services.

Catch up on the latest news at our Web site:

www.dcuc.org



With members of Keesler AFB's Honor Guard are, Connie Ziz, Keesler FCU Branch Manager, Larcher; Donald McCormick, Keesler FCU Board Chairman; MSgt. Reginald Cobb, Superintendent, Keesler Honor Guard; James Taylor, Director, Mortuary Affairs. Photo provided by Keesler FCU.

KAFB Honor Guard Awarded Grant

Sharon Seanor, VP Marketing

Keesler FCU has donated \$1,500 to the Keesler Air Force Base Honor Guard as a participant in the Armed Forces Financial Network's (AFFN) Matching Grant Program. AFFN donated a matching contribution of \$1,500. The KAFB Honor Guard is an elite ceremonial unit that participates in the funerals of U.S. Armed Forces veterans covering the area from the southern half of Mississippi to the west border of Texas. Keesler's Honor Guard is made up of volunteers who spend 20–30 hours per week on the road for details and last year participated in the funerals of 333 American Veterans. They are a special team of individuals called upon to give military tribute to those that have died after nobly serving our country. The \$3,000 will help provide materials for the KAFB Honor Guard memorial, currently under construction, as well as, much needed practice materials and travel uniforms.

The Pentagon FCU Foundation Hosts “Night of Heroes” Gala

Scott Hunter McCleary, Marketing Communications Officer

“Military Heroes Need Heroes Too” was the theme for The Pentagon FCU Foundation's black tie gala at the historic National Building Museum in Washington, DC. The gala drew attendees from all branches of America's armed forces, including more than 70 wounded warriors, their families and those who support them. The American Military Hero Award was presented to LTG (Ret.) **James F. McCall**, USA for his lifetime of advocacy to improving the financial skills of military personnel, especially enlisted. The Military Organization Hero Award was presented to the Army & Air Force Exchange System (AAFES), for its outstanding financial support of quality of life programs for military families.

“Tonight has been the best example of how we as a nation feel about our men and women in uniform—America's true heroes,” said Foundation President **Roderick B. Mitchell**. Master of Ceremonies for the event, which included both silent and live auctions to raise funds for The Foundation, was Medal of Honor recipient, COL H.C. “**Barney**” **Barnum** (Ret.). The Foundation works with military healthcare providers and other military support groups to meet the needs of wounded personnel and their families.

Fort Bliss FCU Changes Name to FirstLight FCU

Michelle Thyfault, Marketing

Fort Bliss FCU changed its name on July 1, 2005 to FirstLight FCU. FirstLight FCU celebrates its 50th year in 2005, and for many years has served the financial needs of Fort Bliss personnel and the education community in Doña Ana County. For the past eight years, the credit union has been expanding its services and is now able to offer financial services to anyone in the El Paso and Dona Ana County.

Over the past year, the management and staff of Fort Bliss FCU spent considerable time reflecting on the credit union's mission. With invaluable input from the membership, today they are renewing a commitment to reach out to the broader community.

One of the first steps in this process was to change the name to FirstLight FCU. This name gets to the heart of what the credit union means to the membership and the community, and reflects: a fifty-year heritage, which has served members so well to date; a desire for everyone in our community to understand that membership is open to them; a commitment to increase membership and resources to build more branch locations and ATMs to serve members.

Karl Murphy, President and Chief Executive Officer of FirstLight FCU explained, “With this name change, we pledge to build on our strengths and to strive to serve our members better, creating even greater advantages over traditional banks. As FirstLight FCU, we remain member-owned, not-for-profit, and more committed than ever to our members, their families, and their financial future.”

FirstLight FCU has six locations in El Paso and Las Cruces. Membership is open to anyone who lives, works or worships in El Paso or Doña Ana County.

For information about
BRAC, visit DCUC at
www.dcuc.org



Photo provided by First Flight FCU

First Flight Sponsors Bi-annual Air Show

Shannon Wabshall-Hudzinski, Public Relations Representative

Since 1999, First Flight FCU has been a proud sponsor of the bi-annual Marine Corps Air Station-Cherry Point Air Show in Havelock, NC. As one of nearly 30 sponsors, First Flight's support of the Air Show helps the community by enabling the air station to promote the show and draw spectators to Eastern North Carolina. "Our sponsorship of the MCAS-Air Show is a major contribution to the local community and the local economy," stated **Debra Stanton**, Director of Marketing, "This sponsorship strengthens the credit union's relationship with Marine Corps Community Services (MCCS) and serves as a way to thank employees, the military, and our corporate business partners for their support of First Flight during the year."

In addition to the Air Show sponsorship, First Flight is an active sponsor of East Carolina University sporting events, regional Chamber of Commerce activities, local military affairs groups, Habitat for Humanity, and Marine Corps Community Service activities through MCAS-Cherry Point.

The Air Show customarily draws between 100,000-150,000 people who come to the show primarily to see the Navy & Marine Corps premiere F/A 18 flying team, the Blue Angels (pictured above). In addition to the Blue Angels, the crowds are treated to airborne acrobatics, static airplane displays, and children's activities. Planes on display included the EA6-B Prowler, the Harrier, and "Pedro," the rescue helicopter often seen flying over the beaches in Eastern North Carolina.

Marine FCU Hosts First-Ever Teen Financial Boot Camp

Wendy McGill, VP of Marketing

Enlistment began in the spring for teens throughout Jacksonville and surrounding areas! Marine FCU held the first-ever Teen Financial Boot Camp, recently at its Corporate Headquarters. Between 9 a.m. and 3 p.m. each day, 19 "recruits," ranging in age from 12 to 16, gathered in a training room decorated in a military theme. The Senior Drill Instructor was Marine FCU's Financial Instructor, **Pete Gante** (USMC SgtMaj Ret.). The curriculum was based on the NEFE High School Program. Pete and many credit union staff had their jobs cut out for them to get the recruits into financial shape on such topics as checkbook balancing, saving, insurance, financial planning and responsibility, and car buying, along with morning physical training (PT). Chow was provided, which most recruits said was the highlight of the day! On the last day, a ceremony was held and "recruits" graduated from the week-long financial boot camp!

Marine FCU provided the boot camp free of charge. The only requirement was that recruits were members of the credit union. Due to the success, two boot camps are being planned for 2006.

Ent Federal Takes A Walk Against Cancer

Over \$24,500 Raised During the American Cancer Society's Annual Relay for Life Fundraiser

Curtis Fox, Marketing

Ent FCU was the top fundraiser for the 2005 American Cancer Society's Relay for Life events in Colorado Springs and Fountain, CO. Ent employees and members raised over \$24,500 to support cancer research and local American Cancer Society programs, including counseling and informational sessions for both cancer patients and their families.

"Our employees and members unselfishly gave of their time and resources to support a cause that touches nearly everyone in our community," said **Charles Emmer**, President and CEO of Ent FCU. "Ent's management, staff and members generously support local charities because this is our community and we believe in making a difference."

Ent raised money by hosting employee barbecues, bake sales, auctions and jeans days, as well as conducting a cellular phone drive. Nearly 200 employees participated on *Relay for Life* teams and took turns walking the 12 hours throughout the night in support of the ongoing fight against cancer.

NSWC FCU Employees Raise Money for the Arthritis Foundation

Sandy Autrey, Business Development Officer

NSWC FCU's team of twenty-five walkers hit the pavement in the 2nd Annual Arthritis Foundation Walk, in Fredericksburg, VA. The team raised over \$3,600 with Jeans Fridays, T-shirt and bracelet sales, donations from friends and family, and by auctioning off Personal Assistants and life sized celebrity cut outs. NSWC FCU was also one of this year's corporate sponsors. A total of three hundred walkers participated and donations totaled \$35,000 at the event.

Two Branches of the Armed Forces Celebrate Birthdays

The United States Coast Guard is this nation's oldest maritime agency, getting its start on August 7, 1789. The history of the Service began with the Revenue Cutter Service, the Lighthouse Service, the Steamboat Inspection Service, the Bureau of Navigation, and the Lifesaving Service, all agencies that were originally independent, but had overlapping authorities and were shuffled around the government. They sometimes received new names, and they were all finally united under the umbrella of the Coast Guard. The multiple missions and responsibilities of the modern Service are directly tied to this diverse heritage and the magnificent achievements of all of these agencies.

The Air Force celebrates its 56th birthday on September 18. World War II had been over for two years and the Korean War lay three years ahead when the Air Force ended a 40-year association with the U.S. Army to become a separate service. The Department of the Air Force was created when President **Harry S Truman** signed the National Security Act of 1947. It became effective September 18, 1947, when Chief Justice **Fred M. Vinson** administered the oath of office to the first secretary of the Air Force, W. Stuart Symington. DCUC wishes the Coast Guard and Air Force very Happy Birthdays!

Report on the George E. Myers Fund

2005 White House Christmas Ornaments Available

The Council is again offering the 2005 White House Christmas ornament as a fundraiser for the GEM Scholarship Fund. The 2005 Ornament is the 25th Anniversary Holiday Ornament of the White House Historical Association and will be available at the 42nd Annual Conference in Charleston.

The ornament honors President James A. Garfield, a preacher, educator, soldier, and politician. The last of the log cabin presidents, he attacked political corruption and restored a measure of prestige the presidency had lost during the Reconstruction period. The ornament is gold-plated brass with a round ceramic stone that features an illustration inspired by a period engraving of the South Front of the White House. The color scheme and highly decorative wreath design are derived from art objects in the collection at Lawnfield, the historic Garfield house in Mentor, Ohio, including the family china, needlework, and historic frames. The JAG monogram on the ornament was styled after that used for Garfield's inaugural ball decorations, which now hang at Lawnfield. The pattern on the 2005 ornament box is based on high Victorian flocked wallpaper in the Garfield house. *Photo used with permission from the White House Historical Association.*



Defense Credit
Union Council

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VIEW FROM THE BOARD ROOM *continued from page 1*

and where they can solicit, and establishes the authority of installation commanders to monitor and deal with these issues. However, as we all know, risk mitigation usually comes at the cost of convenience and service. The more protections we enact, the more difficult it is to provide convenient and efficient service. The more difficult it is to implement "non-mission critical activities," the more likely it is these activities will be ignored. How can we as on-base credit unions help the installation commander establish effective financial education sessions and fully comply with the new regulations?

At PMFCU, we have decided to take a proactive approach. A letter was sent to our base liaison officer asking the installation commander to "expressly request" our services to provide financial education on board the installation. The letter addresses the fact that as an on-base credit union we are "required" by DoD regulations to offer financial counseling as an "integral part of our financial services offering." We continue to ensure compliance with any and all regulations, and the credit union is more than willing to provide full disclosure of our educational materials in advance of any training, and we welcome a DoD representative at all educational sessions provided for military service members and their families. All of these issues are directly derived from the proposed DoD regulation.

PMFCU has long been involved in the financial education area on board our military installations, and has a good rapport with our base liaison. We participate in the Command Financial Specialist training done via Marine Corps Community Services, and participate as sponsors of numerous events on our bases. All of the training programs we provide are customized to the specific needs of the group being educated, and none have ever been solicitous in nature. Our mantra during training is, "we are not here to sell anything...we are here to educate." The changes to this regulation should help provide sanctuary for our least financially savvy members while they are living and working on the base. But, the best way to protect our members is to give them the tools and knowledge necessary to make sound financial decisions.

A Sneak Peek at This Year's Conference!

Our Corporate Partners come to our conference each year to support defense credit unions. We encourage you to spend time talking with each of our exhibitors and thanking them for their participation. Once again, there will be some informative and stimulating presentations for you on Sunday afternoon. Here are some titles to pique your interest!

Balance Sheet Management
for Credit Unions
The Credit Card Business:
Keep It or Sell It?
A Southern Bell Of An Ideal!
How to Effectively Extract and Use
Data from the Online Channel
More Loans, Less Risk, Higher Yields—
The Alternative Lending Solution
Remote Branch Capture
Membership Benefits of Co-Op Network
The Future of Self-Service Banking
in the U.S. Military
Merger: Factors that can derail
the Process
Indirect Auto Lending: Is it right for you?

Remember to attend and be eligible to win prizes!



Jeanne Santillanez (R) receives \$1,000 cash from Jennifer Andrew, Service Center Manager of Security Service FCU's Highway 50 West location. Santillanez won the cash as a result of a sweepstakes at the service center held in conjunction with recent grand opening festivities. Dennis Kraft was also a winner of the \$1,000 cash sweepstakes at the service center. Photo provided by Security Service FCU.



Clarksville Mayor Don Trotter (left) presents John Moorhead with a proclamation declaring June 29, 2005, as John H. Moorhead Day in Clarksville. Photo provided by Fort Campbell.

Fort Campbell FCU President/CEO Retires

Annette Kalinowski, VP Marketing & Business Development

Fort Campbell FCU held a retirement reception for President/CEO John H. Moorhead recently. At the reception, Clarksville Mayor **Don Trotter** presented Moorhead with a proclamation declaring June 29, 2005 as John H. Moorhead Day in the City of Clarksville.

Moorhead joined the U.S. Army in June, 1959, and served 24 years on active duty, retiring with the rank of Colonel in 1983. After a brief career as a real estate professional, Mr. Moorhead joined the staff of the Fort Campbell FCU in January, 1987 where he held positions as the Mortgage Loan Manager and Executive Vice President. He was selected as President/CEO in June, 1992. In the last thirteen years, under John Moorhead's leadership, credit union assets grew from \$65.8 million to more than \$211 million; and the number of potential members increased from 60,000 to more than 249,000.

Both the Spring Street and Fort Campbell branches were replaced by new facilities, and the corporate headquarters was relocated to a Clarksville address, in a new building that rivals any financial institution in the area. The Credit Union also changed its logo to a more modern design, but kept the name that is tied to their proud heritage.

A community charter was approved for Montgomery and Stewart counties in Tennessee, and Christian, Todd and Trigg counties in Kentucky; and an underserved charter was approved in Bowling Green, Kentucky. The Credit Union received the Distinguished Credit Union Service Award four times.

Mayor Trotter said, "Mr. Moorhead is committed to aiding his fellow citizens and has gone above and beyond the call of duty to assist countless citizens of all walks of life who have benefited greatly from his expertise, friendship and guidance."

"We thank you, John Moorhead, for all that the Credit Union accomplished under your guidance and leadership. We honor and pay tribute to your many successful years of service to members, staff, and volunteers of the Fort Campbell FCU," said **JoAnn Dunn**, Vice President of Lending.

leadership, attendance at future financial fairs will be minimal and the impetus to educate our troops will be lost.

We, in turn, need to provide more than just information...more than just education. We need to develop a loan product that meets the demands of those who use payday lenders. We need to offer an alternative to payday loans that is convenient, quick, and painless to our troops. Whether it be low cost short-term loans; small unsecured signature loans; advances on direct deposits (early payday loans); early payday checking; lines of credit; or special loan programs, such as Langley FCU's "QuickCash" program, Randolph Brooks FCU's "Lend-a-Hand" loan, Pentagon FCU's "ARK" program or Global CU's "MyDay" military program, we need to offer our troops quick and easy cash, **when** they are faced with a financial crisis. The alternative is unacceptable, and I would ask and encourage each of you to be creative and take the risk. When you put it in perspective, it is the right thing to do—and for the right people (our troops and their families)!

The Department of Defense is committed to address payday lending, but they need our continued support and assistance. Education is key, as it will permit our troops to be in control of their financial well-being and make informed decisions; alternatives to a payday loan are a must, as they will keep our troops out of financial harm's way.

DoD — DID YOU KNOW THAT...

...the GAO recently advised (in their 30 June 2005 report 05-696) that DoD solicitation regulations are being violated and that DoD personnel are not adhering to allotment regulations, as they pertain to processing supplemental life insurance allotments to the Defense Finance and Accounting Service. While proposed Directive 1344.7 (Personal Commercial Solicitation on DoD installations) should tighten controls in these areas, it is still pending final approval and we do not expect that approval until early Fall. Both the GAO report and proposed 1344.7 can be viewed on our website at www.dcuc.org

...notwithstanding the approval and release of the revised DoD Directive 1344.7, interim policy memorandum of the Under Secretary of Defense (Personnel and Readiness) dated April 29, 2002 mandates the Military Departments to provide educational programs for military members and limits the use of non-governmental organizations to fulfill that requirement. Among the many provisions contained in this interim policy is the Under Secretary's direction that on-base credit unions (and banks) may be used to "provide the educational programs and information" required by interim policy. No need to await the final approval of revised Directive 1344.7, when it comes to conducting financial educational programs on personal financial affairs. That guidance already exists and is in effect. A copy of this interim policy can also be found on our Web site, and should be provided base commanders should a question arise.

...DoD Instruction 1015.10 (Programs for Military Morale Welfare and Recreation), which permits commercial sponsorship agreements, stipulates that any public recognition and/or advertising (permitted as a result of the agreement) **must** be consistent with other DoD and Military Department policies—which includes consistency with *DoDFMR Vol 5 Chapter 34 and DoDD 1000.11*. Specifically, MWR sponsorships must be consistent with your exclusive privilege to provide financial services on base...and the prohibition of off-base institutions/organizations from distribution of competing financial services literature. The DoD Office of General Counsel rendered such an opinion in November of 2002, and the proponent office for DoD Instruction 1015.10 concurred with the same.

NOTES ON DEFENSE CREDIT UNIONS — AND THEIR PEOPLE...

Credit Union People In the News

Global CU, WA has welcomed **Keith Mires** to their Member Business Service Center in Spokane as a Credit Analyst and **Kevin Bacon** as Vice President of Commercial Banking... Langley FCU is pleased to announce the promotion of **Brett Noll** to Senior Vice President/Chief Marketing Officer. Noll currently oversees Marketing, Public Relations, Business Development and Member Education for LFCU...

The Citadel Cadet Chorale

DCUC is proud to announce that the Citadel Cadet Chorale will be performing at the 42nd Annual Conference in Charleston, SC. The Chorale will entertain those attending the 6th Annual Hall of Honor Banquet to be held Tuesday, August 23. Founded in 1976, the Citadel Cadet Chorale is the Citadel's official touring choir. Members are selected by competitive audition. To commemorate the bicentennial that same year, a select group of singers formed the "Original Thirteen" to represent the original thirteen colonies. Both of these groups perform music of all types, including patriotic, sacred, popular, and classical music, as well as novelty and show tunes. They have performed for audiences all over the East Coast including the former Charlotte Hornets, The Detroit Tigers, The Miss USA Pageant, ABC's *Good Morning America*, former president **Ronald Reagan**, General **Norman Schwarzkopf**, General **Colin Powell**, former Soviet president **Mikhail Gorbachev**, **Ted Turner**, and the U.S. Army Reserve Command in Las Vegas. The Cadet Chorale is directed by **Nancy Lefter**, Director of Choral Activities at the Citadel, and is accompanied by Col. **Mark Bebensee**, Associate Dean of the School of Business at the Citadel.

DCUC Conference Updates

We have some exciting entertainment planned during the course of our conference: from bluegrass, to southern Americana, to the Citadel choir, not to mention a stirring patriotic opening for our Monday General Session. Prepare to be WOWed!

Attend the final General Session on Wednesday morning to welcome back **Mike McKinley** as he shares more of his home-spun insight and motivational humor. All Conference Registrants and Guests are welcome! The Final Grand Prize will be selected at this Session – don't forget to turn in your conference name tag for this very special drawing!



Fort Lee FCU and AFFN to Contribute 830 Calling Cards For Deployed Soldiers

Thanks to the grant by Fort Lee FCU and AFFN, soldiers will be able to call home. The calling cards were accepted with open arms by Fort Lee. Fort Lee FCU and AFFN were excited to be able to give of calling home to soldiers and their loved ones. Left to right: Command Sgt. Maj. Gary Green, 49th Quartermaster Group command sergeant major, Lt. Col. Chris Lamoureux, 240th QM Battalion commander, Col. Jack Vance, 49th QM Group commander, Patsy Stuard, CEO, Fort Lee Credit Union, Brig. Gen. Scott West, QM Center and School commanding general, Walter Dane, Vice Chairman, Board of Directors, Fort Lee Credit Union, and Command Sgt. Maj. Jose Silva QMC&S command sergeant major, hold some of the 830 calling cards that were donated to the Fort Lee Soldiers from the Fort Lee Credit Union and Armed Forces Financial Network during a presentation Monday, June 20 at the Army Community Service Center at Fort Lee, Va. Photo by Fort Lee FCU.

Correction: DCUC printed the following article and photo in the June 2005 Alert and inadvertently stated that Governor Bill Richardson was from Nevada. Governor Richardson is from New Mexico and we apologize for the error.



Governor of New Mexico Visits America's Credit Union Museum

Governor Bill Richardson of New Mexico visited America's Credit Union Museum in support of NH credit unions serving the underserved and immigrants there. He addressed those in attendance in English, Spanish and French, because he is also interested in the Franco American connection between Quebec and New Hampshire. Pictured, from left to right are: Peter Hildreth, NH Banking Commissioner; Dan Egan, President/CEO NH Credit Union League; Gordon Simmons, Chairman, America's Credit Union Museum (ACUM) and President/CEO Service CU; Gov. Bill Richardson, NM; Peggy Powell, Executive Director, ACUM; and Van McLeod, NH Commissioner of NH Cultural Resources.

Fort Bragg FCU "Adopts" Army Company Stationed in Iraq

Karen Strickland, Marketing Director

Fort Bragg FCU employees might not be serving overseas, but they have taken on the honor of supporting those in Iraq.

Earlier this year, the credit union adopted an Army company in Iraq. Under the "Companies Adopting Companies Program," sponsored by members of the Fayetteville Chamber of Commerce/ MAC (Military Affairs Council) and the Braxton Bragg Chapter of AUSA, the credit union was assigned the 18th Soldier Support Group out of Fort Bragg.

"Our credit union primarily serves those in the Fort Bragg community or those somehow related to the Fort Bragg community," President and CEO of Fort Bragg FCU **David Elliott** said. "We wanted to find a way to somehow give back to those serving and sacrificing for us. We felt that lending support through packages and letters was a good way to do that."

The 18th Soldier Support Group has been communicating with the credit union on a regular basis. They have sent pictures that now hang on the walls in the employee section of each branch.

"We have received several emails and pictures from the group, which has been really beneficial," **Karen Strickland**, Marketing Director for Fort Bragg FCU, said. "The pictures and letters allow us to relate to the soldiers and put a face and name to those we are supporting."

Through the e-mails, the soldiers shared that they would love to receive toiletry items and sweat pants. For the past month, employees at the credit union collected toiletry items to send to the group. Fourteen boxes were sent to the group of approximately 75 soldiers last week. The boxes included sweatpants, shampoos, deodorants, body wash, candy, socks and several other items.

The 18th Soldier Support Group, stationed in Iraq will be there for a year-long tour.

Hawaiian Tel FCU Sends Its Aloha to the Troops

Paulette Ito, VP Marketing

In an effort to show its appreciation for the men and women of the U.S. Armed Forces, especially those who are stationed in Hawaii, Hawaiian Tel FCU became involved with the Association of the United States of America's Adopt-A-Platoon program. In 2004, the Credit Union was joined together with the troops of the 25th Infantry Transportation Division (aka the Roadmasters) from Schofield Barracks. Not wishing to limit their involvement with their newly-adopted platoon to sending letters and well-wishes, credit union employees and members alike rose to the occasion to demonstrate how much the efforts of our soldiers overseas meant to them.

A bake sale was held, and the monies raised went toward providing the troops of Roadmasters with items from their "wish list," namely DVD players, DVD's and video games. The credit union also opened a special account for the Roadmasters, to collect donations from its members wanting to show their support. In October, Hawaiian Tel FCU dedicated National Credit Union Day to the Roadmasters, passing out 'support the troops' magnets, and collecting donations to buy other items from the troop's wish list.



The troops of Roadmasters were presented with gifts, and received a standing ovation at the credit union annual dinner. Photo provided by Hawaiian Tel FCU.

The response was overwhelming. Credit union members really opened their hearts and gave generously to the cause. Enough money was raised to send the Roadmasters a care package brimming over with DVD's, video games, and even items like a miniature Christmas tree and special holiday treats to help them celebrate the season.

Upon the Roadmasters return, Hawaiian Tel FCU invited the soldiers from the platoon to join them as their honored guests at the 68th Annual Meeting and Dinner, held at the Hilton Hawaiian Village in April 2005. At the dinner, the soldiers were given their moment in the spotlight, and presented with more gifts from Hawaiian Tel FCU. The 800-plus people in attendance then rose to their feet in applause.

"It was truly a heartfelt moment," said **Paulette Ito**, Vice President of Marketing & Information Technologies of Hawaiian Tel FCU. "It was an opportunity for these men and women who so selflessly served our country to see the outpouring of appreciation from members of the community who may not have any connection or relation to them whatsoever. We gave both the military and our members an opportunity to show each other their aloha."

Mark Your Calendars!

DCUC's 42nd Annual Conference Charleston, SC August 21-24



Got News?

We'd love to hear from you! Send e-mail to **Beth Thompson** at bthompson@cuna.com

2005 DCUC Midwest Sub-council Conference — Outstanding!

Arty Arteaga, DCUC

The 2005 DCUC Midwest Conference was held June 22-25 in Kansas City, Missouri and hosted by RG FCU. Hats off to **Tom Menzies** and his staff for coordinating this year's event and pulling together a premiere event that included a number of formal presentations, networking opportunities, and a visit and tour of Whiteman Air Force Base (to include a tour of Oscar One—a Minuteman II ICBM launch control facility, and an A-10 and Apache Helicopter static display).

Among the major topics addressed were Base Realignment and Closure... the Department of Defense environment (present and future)... the challenges that lie ahead in supporting a mobile and expeditionary military force... the Federal Reserve Bank's efforts as they pertain to Check 21... the need for financial insurance services... the importance of monitoring and overseeing our children's activity on the internet... and a roundtable discussion on counterfeit checks and share draft's. Relevant, meaningful, and timely... all presentations were well-received and supported the conference's overall objective—education.

Thanks again to Tom Menzies for ensuring a special welcome to all attendees (from Mid-Missouri CU, SAC FCU, Scott CU, Fort Sill FCU, R.I.A. FCU, Tinker FCU, RG FCU, DCUC and AFFN) and for providing us the opportunity to experience Missouri hospitality and the best barbeque in the country. Special thanks to MJB Insurance Services and Financial Insurance Corporation for sponsoring this year's hospitality suite.

DCUC's 41st Conference

Helpful Hints for your Trip to Charleston, SC

Breaking news! *U.S. News & World Report* named Charleston as one of the top 20 vacation destinations in America! And Charleston Place Hotel is the premier hotel in the city, located just minutes from famous homes, museums and churches. You can't lose—a great destination city and a fabulous hotel!

As you prepare for the upcoming 42nd Annual DCUC Conference, here are some last-minute tips to assist you: Charleston weather—the Charleston area has a semi-tropical climate with an average temperature in August of 80.6 degrees! Good news—air conditioning is abundant! Be sure to pack comfortable, cool clothing and comfortable walking shoes.

Charleston International Airport is located about 25 minutes from downtown Charleston and our conference hotel. Taxi Service is not the best way to get from the airport to the hotel. Absolutely Charleston is the way to go! Call 1-800-747-0689 or visit www.absolutelycharleston.com to arrange your round-trip transportation. This must be planned in advance.

Conference Attire is Business Casual for all educational sessions. Tour attire is very casual, with shorts and sandals recommended for the warm weather. The 6th Annual Hall of Honor Awards Dinner is a special evening and we request that gentlemen wear a coat and tie for this one event.



Charleston

August 21 – 24, 2005 • Charleston, South Carolina • Register on-line at www.dcuc.org

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