



THE DEFENSE CREDIT UNION COUNCIL

ALERT

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SUPPORT OUR TROOPS!

By: Jim Bright, 2nd Vice Chairman,
DCUC Board
CEO, Scott CU, Colinsville, IL

I met an old friend for dinner a few weeks ago. It was wonderful talking about old times and the good memories we shared. Eventually, our discussion turned to current events and the war in Iraq. It became quite clear after a few moments that we differed very significantly on America's policies on Iraq. I strongly support the President's decisions on Iraq and my old friend was strongly opposed. My friend asked me why I supported the President. I explained that there was no doubt in my mind that Saddam Hussein represented a threat to the safety and security of America and would eventually use the resources of Iraq to harm our nation. My friend started explaining his point of view and sounded like a commanding General and military strategist. The only problem was that he'd received all of his military training via CNN.

I quickly changed the subject when I noticed my friend becoming angry with me after I asked how he felt adequately qualified to evaluate the effectiveness of our military strategy in order to justify his conclusions. As we discussed other things, his anger lingered and things just didn't seem the same as earlier in the evening.

Like most Americans, I am not a military strategist. I am not qualified to pass judgment on the effectiveness of combat operations. I firmly believe that our President and military commanders are doing their best to keep America safe.

(See SUPPORT, p. 7)

"SERVING A WORLDWIDE MILITARY TODAY, WHILE SHAPING TOMORROW'S FINANCIAL FUTURE"

By: Roland A. "Arty" Arteaga
President/CEO, DCUC



"Arty" Arteaga

Well-done Service Credit Union — another superb showing by yet another outstanding defense credit union!

For thirty-two years our overseas' member credit unions have sponsored the European Defense

Credit Union Sub-council conference, and every year, the conference just gets better and better; this year was no exception. Gordon Simmons (President/CEO, Service Credit Union) and his exceptional staff, led by Richard Tolle, Vice President Overseas Operations, pulled together yet another terrific program and agenda...an agenda that not only talked to defense issues but also addressed credit union issues at the national level. When you add location (Zurich, Switzerland) and weather (perfect) to the mix, from the very onset, the results of this year's conference were predictable — Success with a capital "S"!

"Serving a worldwide military today, while shaping tomorrow's financial future" was the theme of this year's conference, and DoD Transformation was the concern at hand. I was asked to start this year's conference, and as I typically do, I painted a picture of the current political, organizational and operational climate at DoD. No secret here folks; when you consider Operation Iraqi Freedom (OIF) and the war against terrorism...the upcoming election (and the possible impact

on current strategy and direction)...Base Realignment and Closure (especially the recent action on the Hill to delay BRAC 2005 for two years - see accompanying article)...DoD Transformation...the re-basing of troops in Europe and the Pacific...the on-going shift from a cold war to an expeditionary force...the shortage of defense dollars...and the environment in general, to date, 2004 has been filled with volatility, uncertainty, complexity, and ambiguity. And here's a revelation, the balance of the year and near future will be no better. *Bottom line:* be prepared to operate in a fluid environment. *Good news:* troop strength will remain stable (possibly increase) in the out-years; *better news:* our troops and their families are committed to serving this great Nation; *best news:* defense credit unions are steadfast and equally committed in supporting the financial needs of the young men and women, military and civilians, serving in over 120 countries worldwide!!

Keith Westby (Defense Financial Institution Services, DFAS) was second on the agenda and, in addition to discussing some of the new initiatives of the Overseas Military Banking Program (OMBP) and the expansion of the OMBP into Italy, he addressed the re-basing of troops in and out of Europe. Current plans call for a 50-60 percent reduction over the next few years, with some troops/units returning stateside and others being re-postured elsewhere in the

(See ARTEAGA, p. 4)

**DEFENSE CREDIT UNION
COUNCIL, INC**

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

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ALERT

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DCUC'S 41st CONFERENCE: AUGUST 16–19, LAS VEGAS, NV

11th Annual VADM Vincent Lascara Golf Tournament to be held at Las Vegas National Golf Club

Join us on a new day and time:
SUNDAY, AUGUST 15
from 7:00 am – 11:00 am

THE LAS VEGAS NATIONAL GOLF CLUB has long been recognized as a premier championship facility. Former host to many PGA and LPGA events, this premium course is only two miles from our conference hotel. The rolling fairways, glistening lakes, and plush greens well-protected by palm, pine and olive trees, have made this course a favorite of golfers that demand the very best!



The 11th Annual Vincent Lascara Golf Tournament is sure to please both our experienced golfers and first-timers alike. This year, you'll have the chance to play the course where Tiger Woods won his first pro tournament and many greats have also shared in victory, including Lee Trevino, Chi Chi Rodriguez, Davis Love III and more...

Bus transportation will leave from Caesars Palace starting at 6:00 a.m. for our Shotgun Tournament beginning at 7:00 a.m. Continental Breakfast will be included.

Be sure to sign up today for a golfing experience you'll long remember!

GADDY NAMED TO BE NEXT DFAS DIRECTOR

Acting Under Secretary of Defense (Comptroller) Lawrence J. Lanzillotta recently named Zack E. Gaddy the Director of the Defense Finance and Accounting Service.

The appointment is effective May 30. In taking on these new responsibilities, he moves from DFAS' Director for Accounting Services for the U.S. Air Force and selected unified commands and defense agencies. In that role, Gaddy was also the client executive responsible for delivery of all DFAS services and for evolution of these services to provide the best value possible by considering customer requirements, effectiveness of business practices and cost to these customers.

Gaddy has served in a number of leadership roles in DFAS since joining the agency in 1991. Prior to joining DFAS, Gaddy was the Assistant for Fiscal Con-

trol, Office of the Assistant Secretary of the Air Force (Financial Management and Comptroller). He directed departmental policy for funds distribution and analysis. Gaddy was also responsible for oversight, assessment and corrective actions for problems and deficiencies identified within the Department of the Air Force's fiscal operations.

Prior to his selection as Assistant for Funds Control, Gaddy worked as a program manager with the Air Force Audit Agency. His special areas of responsibility included evaluating and recommending corrective actions for the Air Force's financial management functions for the general, stock, and industrial funds.

Gaddy is a graduate of Old Dominion University, VA, and has a master's degree from Boston University, MA. He is a certified public accountant and certified government financial manager.

REQUESTS FOR NOMINATION FOR CREDIT UNION OF THE YEAR AWARD

It's that time again - Requests for Nominations for Credit Union of the Year Awards are going out from the Military Departments. We have received a copy of the memorandum sent from the Department of the Army (due June 18, 2004), the Department of the Navy (due June 28, 2004), the Department of the Air Force (due June 21, 2004).

If you would like a copy of these memoranda, we will be glad to fax or mail you a copy. Call 202/638-3950, fax 202/638-3410, e-mail dcuc1@cuna.com, or write: DCUC, 601 Pennsylvania Avenue, NW, South Building, Suite 600, Washington, DC 20004-2601.

A History of the Service Credit Union of the Year Award

In 1988, the Department of the Army gave the first "Credit Union of the Year" award for the year 1987. The program was begun in order to honor the Army credit union that best exemplified the following standards:

- ★ One time or continuing service above and beyond normal service
- ★ Services tailored for sure-pay soldiers at reasonable fees
- ★ Progressive, soldier-oriented and professional attitude
- ★ Special services provided at Command's request
- ★ Expansion of services/facilities for sure-pay soldiers
- ★ Support DCUC
- ★ Qualified leadership
- ★ Community support

In 1991 the Department of the Navy became a part of the program and for the first time, at the annual conference in 1992, presented an award to the Navy credit union that best served their personnel. The Air Force followed suit in 1992, presenting the Air Force Credit Union of the Year Award in 1993.

Following are the credit unions that have won, since its inception, the Defense Credit Union of the Year Award:

YEAR	CREDIT UNION	ARMY	NAVY	AIR FORCE
1988	Fort Eustis FCU, VA	x		
1989	Fort Campbell FCU, KY	x		
1990	Army Aviation Center FCU, AL	x		
1991	Fort Knox FCU, KY	x		
1992	Army Aviation Center FCU, AL	x		
	Defense Activities FCU, PA		x	
1993	Army Aviation Center FCU, AL	x		
	Amphibious Base, VA		x	
	Randolph-Brooks FCU, TX			x
1994	Fort Knox FCU, KY	x		
	Kitsap FCU, WA		x	
	Niagara Falls FCU, NY			x
1995	Fort Sill FCU, OK	x		
	NRL FCU, MO		x	
	Border FCU, TX			x
1996	Fort Campbell FCU, KY	x		
	Marine Corps West FCU, CA		x	
	Global CU, WA			x
1997	Fort Campbell FCU, KY	x		
	ABNB FCU, VA		x	
	Lackland FCU, TX			x
1998	Fort Sill FCU, OK	x		
	Navy FCU, Naval Air Station, Willow Grove Branch, PA		x	
	Travis FCU, CA			x
1999	Fort Campbell FCU, KY	x		
	ABNB FCU, VA		x	
	Keesler FCU, MS			x
2000	Fort Sill FCU, OK	x		
	Navy FCU, Naval Air Station, Willow Grove Branch, PA		x	
	Red River FCU, OK			x
2001	Service CU, NH	x		
	ABNB FCU, VA		x	
	Hanscom FCU, MA			x
2002	Hanscom FCU, MA	x		
	Pen Air FCU, FL		x	
	Travis CU, CA			x
2003	Fort Bliss FCU, TX	x		
	VyStar CU, FL		x	
	Hanscom FCU, MA			x

ARTEAGA

(continued from p. 1)

European theater. As to financial services, Keith was quick to note that due to limited infrastructure and six-month rotations, plans do not call for either credit union or banking services at the new training and staging bases overseas. Military disbursing officers and smart card technology, such as that being used in Bosnia and Kosovo, specifically, *Eagle-Cash*, would be the standard. If, however, a need for credit union service arises in the future, Keith reminded us that the rules outlined in the DoD Financial Management Regulation, Volume Five, Chapter 34 would apply. There would be no pre-selections; a solicitation would take place.

The DoD panel, consisting of Jodie Davis (AF, Pentagon), Desiree Murray (AF, Europe), Melvin Becker (Navy, Europe), Major Adam Butler (266th Finance Command, Europe), and Captain Tony Taylor (Army, Pentagon) picked-up where Keith left off, and reiterated and emphasized some of Keith's points. While each panelist added value to the program, Jodie Davis' comment regarding the different cultures of the military departments was on target! When it comes to financial services, one size does not fit all. What is good for the Army (EagleCash) might not be good for the Air Force. Fact is that infrastructure requirements of the Air Force differ from those of the Army and the Department of Navy, and as such, so do the requirements for financial services and support. Defense credit unions can help fill that void, and Jodie asked attendees to step-up to the task.

With that said, the new Chairman (then Vice Chair) for NCUA, JoAnn Johnson, took the stage and discussed financial education. As NCUA's representative on the Financial Literacy and Education Commission, Ms. Johnson's message of financial self-sufficiency and understanding the basics (of financial readiness) were well received. The challenge to defense credit unions: help military members and their families get their finances in order...teach our troops credit management...teach them the basics of savings...encourage them to enlist in the

Thrift Savings Plan...talk to them about home ownership...and work with them to establish retirement goals. Although financial literacy has not been a priority in the U.S., Ms. Johnson noted that working collectively, we could make a difference...a difference in the financial well being of our military personnel.

And speaking of difference, what a difference LTC Tom Galvin (Special Assistant to the Commander, US Army Europe) made at this year's event. Our scheduled luncheon keynote speaker was Lieutenant General William "Kip" Ward, Deputy Commanding General, U.S. Army Europe; however, due to a higher priority (taking care of the soldiers and families of the 1st Armored Division), LTG Ward had to cancel his visit...literally at the last minute. The good General sent his regrets, offered his regards, and he conveyed his thanks for the quality support provided his troops by credit unions. In addition to his note, General Ward asked LTC Tom Galvin to make the day trip and do the presentation on his behalf. What a great gesture from General Ward and what an effort from Tom Galvin. Super.... just super! For 30 minutes LTC Galvin discussed "*America's Army in Europe*", speaking freely of USAREUR's mission, which encompasses 93 countries from Russia to the Cape of Good Hope, and USAREUR's involvement in Operation Iraqi Freedom (OIF). The good news: in addition to the mission, quality of life is a top priority in Europe, and as such, reenlistment rates are exceeding goals. Good leadership and taking care of soldiers, that is what it is all about, and Tom asked for our continued support in both areas.

Closing the morning session and rounding out the second day were presentations on shared branching from Sarah Canepa-Bang (President/CEO, Financial Service Centers Coop), "*Serving a Mobile Military*"; an ATM network industry update by the President/CEO of the Armed Forces Financial Network, Dave Weber, "*An Eye to the Future*"; some do's and don'ts regarding credit union law suits from Dave Cry, Senior Vice President, CUNA Mutual Group, "*Meeting the*

Members' Needs"; and an update on strategic and legislative issues impacting credit unions (at the National level) from both CUNA, Tom Dorety - CUNA Executive Committee and President/CEO of Suncoast Schools FCU and Fred Becker - President of NAFCU. Tom and Fred did a superb job outlining challenges being faced by the credit union movement and their candor was very much welcomed and appreciated.

Overall, the 32nd annual DCUC Overseas Conference was a huge success...and our overseas membership owes a debt of thanks to Gordon Simmons and his folks on the ground for making that happen. Special thanks to all our speakers for making the long trip to share some words of wisdom with us, and to Armed Forces Financial Network, Financial Service Center Coop, and CUNA Mutual Group for their financial support and sponsorship. Now it's on to Budapest, Hungary for our 33rd annual event, April 21-23, 2005, sponsored by Jack Fallis, President/CEO Global Credit Union. As always, we are looking forward to another super conference. Until then, ***think Las Vegas and register now for DCUC's 41st Annual Conference, August 16-19th at Caesars Palace!***

DoD – YOU SHOULD KNOW

...that on Wednesday, May 12th, the House Armed Services Committee tagged an amendment onto the DoD FY 2005 Authorization Bill to delay the 2005 BRAC until 2007. While the amendment basically mirrored that of the subcommittee (see accompanying article), it sets the next BRAC round for 2007 and does not impose a requirement on DoD to conclude their studies by calendar year 2005. We'll keep our eyes on this amendment and keep you informed should it pass the House and be introduced on the Senate side. More to come.

...that earlier this month, the Acting Comptroller for the DoD approved full funding for the Navy Cash Card. Based

(See DoD, p. 12)

PENTAGON MAY CUTBACK ON COMMISSARIES

Military families, already stressed because of loved ones serving overseas, are fighting at home to stave off Pentagon cutbacks at commissaries.

Late last year the Defense Department announced that 33 of the 275 commissaries in the United States, Germany and 12 other foreign countries could be closed.

The commissaries — essentially military grocery stores — sell food at cost plus 5% to active and retired military and their dependents. National Guard and Reserve members also have unlimited access to commissaries, which save a family of four about \$2,700 a year — or \$225 a month — over civilian grocers.

Customers consistently rank commissaries as the military's top or second-highest noncash benefit, according to military surveys.

Master Sgt. Amanda C. Ogle, stationed at Hickam Air Force Base in Hawaii, said living on base with her husband, who is also in the Air Force, and two preteen sons, has shown her the importance of commissaries. A gallon of milk costs \$6.99 at a local supermarket but only \$3.99 at the commissary.

"On average, I save over \$300 per month purchasing groceries at the base commissary," she said. "I'm telling you, my commissary is a lifesaver. It really is."

In a further attempt to save money, the Pentagon has ordered a \$500,000 study on introducing commercial-style pricing for commissary products that would cap customers' savings at 30% below retail and use the additional money to offset operating costs such as electricity and cashiers' salaries. The Pentagon also wanted a political appointee to lead the Commissary Operating Board instead of an active-duty, three-star general or admiral.

The objective: Save a portion of the \$1.2 billion a year in taxpayer money used to run the commissary system.

The 5% surcharge already collected at commissaries is used for store construction, repairs and equipment to keep the annual taxpayer subsidy as small as possible.

Charles S. Abell, principal deputy

undersecretary of defense for personnel and readiness, said the department is working "to provide the commissary benefit in the most efficient and cost-effective manner to be able to guarantee that each dollar that Congress provides from the American taxpayer is well spent."

But Defense Secretary Donald Rumsfeld has long talked about privatizing commissaries along with housing, Defense Department elementary and secondary schools, base exchanges and other services because he believes the services can be performed more efficiently by the private sector.

Lee Lange, a retired Marine colonel and deputy director of government relations for the Military Officers Association of America in Alexandria, VA, said most military retirees and active-duty personnel are skeptical of Pentagon claims that it is trying to give the same benefit for less money.

"Every time we hear that kind of thing, we have our warning antennas go up," he said. "How do you do that? We don't know how you do that."

Commissaries are a worthwhile benefit to people like Barbara Czajkowski, whose husband, Maj. William Czajkowski, is a physics instructor at the U.S. Military Academy in West Point, NY

"If you have a family with four kids, you have to keep two gallons of milk on hand," she said. "Here at West Point, if you don't go to the commissary, you have to drive a good 15 or 20 minutes to get to the next big store. I think it's a necessity."

The Pentagon's effort to close so many commissaries at a time when a large number of troops are in danger away from home set off a firestorm of protest from Congress, military and veterans service organizations, families and even commanders of troops in the field.

Gen. B.B. Bell, commander of the U.S. Army in Europe, said closing the targeted commissaries in Germany "would only be viewed as an erosion of the commitment of our nation to embrace military families who are making personal sacrifices and demonstrating extraordinary commitment during this

time of war."

Since the outcry, the Defense Department has backed off — somewhat.

Abell, testifying before a House Armed Services subcommittee last month, said that after a further review, "There are no current plans to close those commissary stores."

But he warned that commissaries were not out of danger and would continue to be reviewed. Stores no longer justified by their customer bases may close or be scaled back, he said.

"While this scrutiny may make some uncomfortable, this annual review of the commissary system will be increasingly important," Abell said.

The Defense Department also appointed a three-star admiral to the commissary operating board but is still working on the pricing study.

Joyce W. Raezer, director of government relations for the National Military Family Association, said her organization was concerned that the Defense Department's emphasis is on efficiency and not quality of life in communities that rely on commissaries.

"We're watching it," she said. "We want the commissary agency to be efficient, but we also know that it provides a benefit ... that is especially important in some of the small, isolated communities."

Rep. John McHugh, R-NY, chairman of the House Armed Services Total Force Subcommittee that has jurisdiction over commissaries, said it's a wait-and-see game on the commissary closings and the pricing study.

"Clearly, if not done correctly, the end result of some of these initiatives could well be erosion of the benefit, and we are adamantly opposed to that," he said.

Jan Tyson, whose husband is a chief master sergeant stationed at Travis Air Force Base, CA, northeast of San Francisco, said the base commissary is a very good deal, especially for local military retirees.

"If you take away the commissary here, the retirees would probably go hungry because they don't have the money to shop in this economy," she said. "It's an expensive place to be."

AIR FORCE ANNOUNCES THRIFT SAVINGS PLAN OPEN SEASON

Air Force News

Civilian and military employees can sign up for, or change, their Thrift Savings Plan contribution amounts during the open season April 15 to June 30.

"TSP is a long-term retirement savings plan which everyone should consider," said Senior Master Sgt. Felipe Ortiz, superintendent of the Air Force Personnel Center contact center here. "It's a great supplement to military- and civilian-retirement plans.

"It's also important to note that TSP is not limited to investing in stocks," Sergeant Ortiz said. "People can choose safer government securities as well."

This open season applies only to regular contributions. It does not include catch-up contributions, as they are not tied to open seasons, said Janet Thomas, of AFPC's civilian benefits and entitlements service team.

The plan offers investors the chance for lower taxes each year they contribute while not having to pay taxes on earnings until they reach retirement.

"Eligible employees can take out loans and make in-service withdrawals from their TSP accounts," Ms. Thomas said. "And you can keep your account, even if you leave military or federal civilian service."

Investment money is deposited directly from each paycheck "so you never have to think about it," Sergeant Ortiz said. "That makes it easy to 'pay yourself first' while only investing what you deem appropriate."

The plan's five funds are: the Government Securities Investment (G) Fund; the Common Stock Index Investment (C) Fund; the Fixed Income Index Investment (F) Fund; the Small Capitalization Stock Index Investment (S) Fund; and the International Stock Index Investment (I) Fund.

"As with any individual retirement account, the sooner you begin contributing, the better," Ms. Thomas said.

Contribution elections/changes made between April 15 and June 12 take effect June 13, for both military and civilian people. Changes made on or after June

13 become effective at the beginning of the pay period following the one in which the election is made for civilians and the following month for military.



Some of the specifics of the program include:

Military

- ★ Airmen can contribute up to 9 percent of their base pay, as long as the annual total of tax-deferred investment does not exceed \$13,000 for 2004. Airmen also have the ability to invest all or part of their bonuses or special pay.
- ★ Those serving in tax-free combat zones are allowed up to \$41,000 in annual contributions.
- ★ Airmen can enroll through the Defense Finance and Accounting Service Web site at www.dfas.mil/emss/. They can also enroll by filling out a form TSP-U-1 at local military personnel flights, finance offices and family support centers.
- ★ Contribution allocations (how an employee chooses to invest money among the five funds) can be made by calling the automated Thrift-

Line at (504) 255-8777 or on the Web at www.tsp.gov/. For general questions, call the Air Force contact center at (800) 616-3775.

- ★ Specific TSP information is available for Airmen at www.afpc.randolph.af.mil/mpf/TSP/thrift_savings_plan.htm.

For civilians, contribution limits are based on which retirement system an employee has. For the current open season, the following contribution rates apply:

- ★ Federal Employees' Retirement System employees may contribute up to 14 percent of basic pay each pay period. Once eligible, the government provides matching funds of up to 4 percent as well as an automatic 1 percent each pay period, whether the employee contributes or not, making the government's contribution 5 percent.
- ★ Employees covered by the Civil Service Retirement System may contribute up to 9 percent of basic pay, but they do not receive any agency contributions.
- ★ The percentage civilian employees may contribute will be restricted by the Internal Revenue Service's annual limit of \$13,000 this year, Ms. Thomas said.
- ★ Specific information is available for civilian employees on the TSP Web site at www.tsp.gov/ or the BEST home page at www.afpc.randolph.af.mil/dpc/BEST/menu.htm.
- ★ All Air Force civilian employees can make their TSP contribution elections or changes through the BEST automated phone system at (800) 616-3775 or the Employee Benefits Information System Web application at www.afpc.randolph.af.mil/dpc/BEST_GRB/EBIS.htm. Hearing impaired employees can contact BEST by calling TDD (800) 382-0893 or commercial 565-2276

(See SAVINGS PLAN, p. 7)

SAVINGS PLAN

(continued from p. 6)

within San Antonio. Overseas employees enter the direct-access number for the country they are calling from and then enter 800-997-2378. Counselors are available weekdays 7 a.m. to 6 p.m. CDT.

- ★ Contribution allocations (how an employee chooses to invest money among the five funds) are made by calling the automated ThriftLine at (504) 255-8777 or on the TSP Web site.

Thrift Savings Plan officials have announced several changes to the loan program effective July 1. They are:

- ★ A \$50 fee will be deducted from the amount of each new loan.
- ★ Participants will no longer be able to have two general-purpose loans at the same time; however, participants will still be able to have one general-purpose and one residential loan.
- ★ When participants pay off one loan, they will not be eligible to apply for another loan for 60 days.

More information about TSP can be found in the booklet "Summary of the Thrift Savings Plan" on the TSP home page under civilian or uniformed services TSP Forms and Publications.

SUPPORT

(continued from p. 1)

The President's and our commanders' families live in America too! America has the finest, best-equipped soldiers in the history of the world. I have faith that our military commanders know their business and are conducting battlefield operations to the best of their ability. Nonetheless, war is still an ugly business and lots of things can and will go wrong.

Adding to the fervor of divisiveness is the politics of election-year campaigning. It seems to me that this year's political campaigning is more mean-spirited than ever. Frankly, I'll be glad when this presidential election season is over. Maybe then, more Americans will put the well being of our troops ahead of "politics".

America is a nation where expressing opposing points of view is encouraged. I am proud to say that there is a place in America for every point of view. However, let's remember that the sons and daughters of America are in harms way and we must act in a matter that places their well-being above our personal opinions. The best and most powerful way to express your opinion is still by casting your vote. In the mean time, support our courageous troops all the way!

TWO DIRECTORS OF DCUC BOARD TO BE ELECTED AT CONFERENCE

Two seats on the DCUC board of directors will be filled at the annual business meeting in Las Vegas, NV, Wednesday, August 18th.

The regular three-year term of one of the Representatives-at-large, expires this year. At this writing, the incumbent, Ralph Story, is a candidate for re-election.

The three-year term of the Marine Representative, left vacant by the death of Lou DeCarlo, expires this year and will be filled by election at this business meeting. David Davis, President/CEO of Pacific Marine CU has submitted his name for election to this position.

Any party interested in serving on the DCUC Board is invited to advise the Council so that we may publish it in the **ALERT**.



SERVICE CREDIT UNION & AFFN TO CONTRIBUTE \$3,000 TO FISHER HOUSE

Service Credit Union will donate \$1,500 to the Fisher House in Landstuhl, Germany. Armed Forces Financial Network (AFFN) will match this donation.

"It is our privilege to help families going through these difficult days. It can be a few days, or up to several months," said Kathy Gregory, manager of the two Landstuhl Fisher Houses. Ms. Gregory explains that each house is self-supporting, with most of the operating funds coming from charitable donations. 100% of the donations received go directly back to support the families and the houses.

"We appreciate the great sacrifice made by the men and women in the military," said Gordon Simmons, President/CEO of Service Credit Union. "This is a small way we can show our thanks and gratitude to those who put their lives at risk every day to defend our freedom."

"AFFN is proud to support Service Credit Union and match the donation to the Fisher House in Landstuhl, Germany. AFFN is united with our participants to serve those who so proudly and bravely serve our great nation," said David Weber, President/CEO of AFFN.

The Fisher House in Landstuhl, Germany is the only Fisher House outside of the US. Families served are from the US European Command, US Central Command, US Special Operations Command and 72 Embassies in Europe, Africa and the Middle East. Many of the injured servicemen and women having served in Operation Enduring Freedom (Afghanistan) or Operation Iraqi Freedom are sent to Landstuhl Regional Hospital for treatment and recuperations. The Fisher House provides a temporary 'home' for their family members.

A MILLION THANKS

By *K.L. Vantran*
American Forces Press Service

Jeff Gordon's No. 24 Chevrolet may have been the first to cross the finish line at the California Speedway May 2, but thanks to the efforts of a 15-year-old California girl, U.S. service members will also receive recognition.

Shauna Fleming, a freshman at Lutheran High School in Orange, CA, set up shop under racecar driver Matt Kenseth's No. 17 tent at the Auto Club 500 in Fontana, CA. The teen's kindergarten teacher is the aunt of Kenseth's wife.

"She thought Matt and Katie would help me in some way," said Shauna. "Then DeWalt (Matt's sponsor) got involved and let us use some of their display space to put up a tent and collect letters during the race."

Speedway officials also lent a hand. "The speedway was awesome," said Shauna. "They made announcements that I was there, and put information about 'A Million Thanks' in the information they hand out to fans."

Her goal is to collect and distribute 1 million letters of appreciation and e-mails of thanks to current and past service members as part of National Military Appreciation Month, which is celebrated each May. To date, she has more than 125,000. She said the project will continue until the goal is reached.

"We haven't added them all up (from May 2) but we're looking at about a thousand," said Shauna. "Many people couldn't stop, but said they would either send an e-mail or do something with their church or school."

The teen said her main reason for being at the National Association for Stock Car Auto Racing event was to get the word out about her project.

Shauna's father, Michael, challenged the teenager to get her school to do something in support of the troops as her community service project. Michael founded an annual campaign called "Valentines for Troops" and has distrib-

uted more than a million valentines to U.S. troops in the past two years. Shauna decided on a letter campaign, "A Million Thanks," and approached her principal about the idea.

"I can't think of a better way for students to express themselves for the sacrifices made by the men and women in our military than to try to collect and distribute letters of love and appreciation," principal Gregg Pinick stated in a news release. "The students are not asking people to support any military cause, but to take time and write a special 'thank you' letter to our service members for the work they do and for their sacrifices to maintain the freedom we enjoy in this country."

To handle the amount of mail they expect to receive, school officials are organizing students into opening, sorting and packaging teams. The mail will be distributed to a variety of military bases, United Service Organizations and Veterans Affairs hospitals.

"This campaign will be challenging, but very rewarding for everyone involved," said Shauna. "I remember last year when I helped deliver about 300,000 valentines to March Air (Reserve) Base (CA). Many of the pilots had tears in their eyes reading the messages. I know the appreciation letters we'll deliver will help to lift spirits."

Shauna said her grandparents served in the Army and Navy but that she didn't know anyone else in the military until she started this project. Three service members - Cpl. Frank Guerra, Staff Sgt. Gary Bolsa and Sgt. Carlos Aguilera - recently back from Iraq helped her kick off the campaign in March. She frequently gets e-mails from other deployed troops.

Despite warm temperatures, Shauna said she enjoyed her time at the speedway.

"It was hot," she said. "Someone said it was 103 degrees. But I'd do it again every weekend if I could. I just think we need to let our military men and women know that we really do appreciate them."

WORLD WAR II MEMORIAL FINALLY A REALITY

On April 29, 2004, as a service and tribute to members of the World War II Generation, the National World War II Memorial opened for public viewing, exactly one month prior to the formal Dedication Ceremony taking place May 29, 2004. The World War II Memorial is the first national memorial dedicated to all who served during the Second World War. The memorial, established by the American Battle Monuments Commission, honors all military veterans of the war, the citizens on the home front, the nation at large, and the high moral purpose and idealism that motivated the nation's call to arms. The Second World War is the only 20th-century event commemorated on the Mall's central axis.

The memorial will be dedicated on Saturday May 29, 2004.

Coinciding with the dedication will be the "Tribute to a Generation: National World War II Reunion," a major four-day event produced by the Smithsonian Institution's Center for Folklife and Cultural Heritage. Admission is free and tickets are not required. The Reunion will take place on the Mall between 3rd and 7th Streets.

WWII generation members also can make plans to visit Washington, D.C. and the memorial throughout the summer to take part in a citywide, summer-long celebration called "America Celebrates the Greatest Generation." The celebration, produced by the American Experience Foundation in partnership with the Washington, DC Convention & Tourism Corporation and Cultural Tourism DC, will kick-off Memorial Day weekend and continue through Labor Day weekend.

Honor members of the World War II generation by enrolling them in the World War II Registry, a list of individual Americans who participated in the war effort. To search for currently enrolled honorees, or to enroll a family member or friend, go to <http://www.wwiimemorial.com/>

2004 ANNUAL CONFERENCE FUNDRAISER BENEFITS FISHER HOUSE FOUNDATION

The Defense Credit Union Council is pleased to announce that our fundraising efforts at the 2004 Annual Conference will support the Fisher House Foundation. Now more than ever, our military men and women need this critical assistance and we want to do our part to help this worthy cause. Beginning today and continuing through the conference, there will be many ways to make a contribution to Fisher House.



Our **GOAL** is to present a gift of \$10,000 to Fisher House Foundation by the end of our conference on August 19th. This will be a true testament that

RESOLUTIONS TO BE PRESENTED AT ANNUAL MEMBERSHIP MEETING

If you have a subject about which you would like DCUC to adopt a resolution, here's your chance. If it comes within the field of interest of defense credit unions, write it out and submit it to DCUC. To be acted on by the committee and included with the Call of the Meeting, which is issued 60 days before the annual meeting, resolutions should reach the Defense Council office prior to June 19.

Proposed resolutions should be forwarded to Roland A. Arteaga, President/CEO, DCUC, 601 Pennsylvania Avenue, NW, South Building, Suite 600, Washington, DC 20004-2601. You may also e-mail proposed resolutions to aarteaga@cuna.com or FAX them to 202/638-3410. If you have any questions, please call 202/638-3950.

Defense Credit Unions CARE. What better way to endorse the Fisher House effort to provide a "home away from home" for members of our Armed Services, veterans and their families while a loved one is undergoing medical treatment in an unfamiliar city?

GOOD NEWS: Because of our strong belief in the good works being done by Fisher House, the Defense Credit Union Council will match the funds raised at the Silent Auction to help make our goal that much more attainable!

What does Fisher House do?

The Fisher House program is a unique private-public partnership that supports America's military in their time of need. The program recognizes the special sacrifices of our men and women in uniform and the hardships of military service by meeting a humanitarian need beyond that normally provided by the Departments of Defense and Veterans Affairs.

Because members of the military and their families are deployed worldwide and travel great distances for their specialized medical care, Fisher House Foundation has provided "comfort homes," built on the grounds of military and VA major medical centers. These homes enable family members to be close to a loved one at the most stressful time – during hospitalization for injury or unexpected illness. Providing a warm, compassionate environment where families and caring friends can nurture one another in time of need, these houses are given as a gift to the various military departments.

The Fisher House program now consists of a network of 32 homes and continues to grow. Since its inception in 1990, the program has assisted more than 58,000 families by providing temporary lodging in a caring home that allow families to face a medical crisis together without incurring additional stress about where they will stay and how much they can afford to pay. In 2003, more than 8,500 families were guests at a Fisher House.

We ask that you join DCUC in supporting this special cause and helping us to reach our goal! We have requested that our gift be allocated directly to support our injured troops in Iraq and Afghanistan.

How Can I Help Reach our Fundraising Goal?

- Your credit union can make a direct contribution by sending a check to DCUC for the Fisher House Foundation. We will collect and send 100% of these monies directly to Fisher House. Your credit union will receive a letter of receipt for tax purposes for all donations over \$250.
- Participate in the Silent Auction in Las Vegas during DCUC Showcase Hours. Great gifts await – let the bidding begin! If you can't join us for this year's annual conference, it is possible to donate a gift for the Silent Auction by sending it directly to the DCUC Office no later than August 1st.
- Play golf in the 11th Annual Vincent Lascara Golf Tournament in Las Vegas – purchase "gimmies" to help your scoring average and assist a worthy cause!
- Buy 50/50 chances during the DCUC Showcase – Fisher House Foundation will receive 50% of the proceeds and one lucky winner will get the other 50%
- Make a personal tax-deductible contribution on-line to Fisher House at www.fisherhouse.org. (This link is also available on the DCUC website.) Please note that your gift is part of the DCUC 2004 Fundraising Drive in order to be included in reaching our total goal. Donors who give \$30 or more will receive a special Fisher House coin.

Fisher House Foundation, Inc. is a not-for-profit organization under section 501(c)(3) of the IRS code. Make check or money order payable to "Fisher House Foundation, Inc."

BRAC UPDATE

House Panel Votes For Two-Year Delay Of Base Closings

By Amy Klamper, *CongressDaily*

The House Armed Services Readiness Subcommittee Thursday approved a two-year delay of the next round of military base closings.

Marking up a part of the fiscal 2005 defense authorization bill, the panel

“THE MEASURE WOULD PROLONG THE BASE CLOSURE PROCESS UNTIL APRIL 2007 AT THE EARLIEST.”

added language to require the Defense Department to provide Congress with a handful of studies by the end of 2005, delaying any further closing decisions until 18 months after the last study is delivered to lawmakers.

The measure would prolong the base closure process until April 2007 at the earliest. The Pentagon wants to continue the next round, but lawmakers worry about losing facilities in their districts.

The legislation, approved by voice vote, was written by Readiness Subcommittee Chairman Joel Hefley, R-CO, and ranking member Solomon Ortiz, D-TX. Rep. Gene Taylor, D-MS, said he would offer an amendment in the full committee markup next week to stop the process.

Rep. John McHugh, R-NY, said the work of the Base Realignment and Closure Commission was a necessary exercise. He said the move to delay the process could backfire on lawmakers seeking to shield their bases from the next round of closures because BRAC two years from now would be “far more aggressive than the BRAC we are likely to face in [fiscal 2005].”

The measure would add requirements to the Pentagon’s base closure selection criteria. It would require the Pentagon to consider the value of research and development being done at the facilities. The department also would have to consider its surge capacity, quality of life and cost savings of any closings. The Pentagon currently considers the ability of military

bases to support forces, missions and personnel.

Rep. John Larson, D-CT, said he had planned to offer an amendment to reimburse families who paid for enhanced armored vests for military service members serving in Iraq and Afghanistan. Larson withdrew the amendment, choosing instead to work out remaining technical details before offering it in full committee markup. Hefley said the full committee would likely support Larson’s measure once his language is refined.

Taylor said he had planned to offer an amendment that he said would level the playing field for military installations in homeports in the BRAC process. The amendment would allow states with homeport facilities to negotiate a fair price for the return of properties turned over to local governments by the Defense Department in the BRAC process. But Taylor said some questions remained as to how CBO would score the cost and said those details would be worked out before possibly offering an amendment in full committee.

WISDOMS AND BASIC FACTS OF LIFE

America’s Military – People, Achievement, History, Pride

As a nation, we observe and participate in various national, cultural and social awareness events through mass media attention and educational curriculum. However, we have not allocated appropriate recognition of the most important presence in the world today, an entity that impacts each and every American in a significant way, the Armed Forces of the United States of America.

National Military Appreciation Month (NMAM), as designated by Congress, provides a period encompassing both the history and recognition of our armed services with an in-depth look at

the diversity of its individuals and achievements. It allows Americans to educate each generation on the historical impact of our military through the participation of the community with those who serve encouraging patriotism and love for America - a “reconnecting the Family of America”.

The month gives the nation a forum, a framework, a time and place on which to focus, to draw attention and express our appreciation for our armed services via multiple venues and to recall our valuable history. The ideas to implement this are only limited by our imaginations. Museums, civic centers, libraries can have exhibits. Additionally, schools might invite active military and veterans to visit with students, and cities and towns can offer proclamations and special

observances.

National Military Appreciation Month (May) includes VE Day, Military Spouse Day, Loyalty Day, Armed Forces Day/Week, National Day of Prayer, and Memorial Day. This very important month therefore, honors those Americans who have given their lives in defense of our nation’s freedom and the men and women now serving in uniform.

It recognizes those on active duty in all branches of the services, the National Guard and Reserves plus retirees, veterans, and all of their families - well over 80 million Americans and more than 227 years of our nation’s history. Let us celebrate them just as we celebrate the other important entities that make up this wonderful country of ours.

NOTES ON DEFENSE CREDIT UNIONS IN THE NEWS . . .

Wright-Patt CU, OH was selected to receive Green County Career Center's 2004 Vision Award. This award is a newly created award designed to recognize community partners who have made significant contributions to the school district to help Greene County Career Center achieve their "vision" of "Lifelong Opportunities for Success"...*VyStar CU*, FL recently announced the official opening of the credit union's new full service St. Augustine Branch. Recently *VyStar* Officials cut the ribbon, launching the Grand Opening Celebration of the new Branch in a special ceremony...*Security Service FCU*, TX opened a new facility in Rolling Oaks Mall...*Military and Civilian FCU*, AK was awarded the Fairbanks-area Family Friendly Workplace Award by the FSNB Early Childhood Development Commission. As part of the "Grow Better Kids" campaign the award recognizes employer efforts to help staff balance work and family...

MORE NOTES ON DEFENSE CREDIT UNIONS IN THE NEWS . . .

The New Mexico Committee for Employer Support of the Guard and Reserve (ESGR) recently presented the prestigious 2003 Pro Patria Award to *Kirtland FCU*, NM. "Pro Patria" is a Latin expression, meaning "for the nation." This award symbolizes the patriotism shown by adopting personnel policies that enable employees to fulfill National Guard and Reserve training and deployment obligations, thus contributing to the readiness and success of our nation's defense... *Navy FCU*, VA will offer its members free Web Bill Pay. Members who make three or more payments per month will no longer be charged for the service, whether they are currently enrolled or are just signing up...*Pacific Marine CU*, CA donated six computers complete with monitors, keyboards and Microsoft XP operating systems to Mary Fay Pendleton Elementary School...

STILL MORE . . .

AltaOne FCU, CA awarded local businessman Randy Crane a personal digital assistant, which he entered to win at the Economic Outlook Conference ...*Alaska USA FCU*, AK is introducing an innovative new product to the mortgage loan marketplace. Alaska USA and its affiliates now offer Federal Housing Administration (FHA) insured 3/1 and 5/1 Hybrid Adjustable Rate Mortgages (ARMs). These mortgage types were approved in a recent ruling by the U.S. Department of Housing and Urban Development (HUD) and took effect earlier this month...*Point Loma CU*, CA opened a new branch in the Wal-Mart Center in Oceanside...

MORE . . .

Navy FCU, VA celebrated the grand opening and ribbon cutting for its new 56,000-square-foot facility located at the Navy Federal Heritage Oaks Center in Pensacola, FL. The facility houses the credit union's first remote call center and a branch office. It is the first large operational facility outside of Navy Federal's Vienna, VA headquarters... *Langley FCU*, VA chose Jacob R. Grohs, age 18, of Poquoson, VA as the 2004 Galaxy Graduate \$5,000 scholarship recipient ...*MacDill FCU*, FL is in the process of building two new branches, one in the

Lakewood Ranch Commerce Park and one in New Tampa...

NOTES ON DEFENSE CREDIT UNION PEOPLE IN THE NEWS . . .

Security Service FCU, TX named *Joseph Winslow III* senior vice president and chief information officer...*Shaun McCarthy* has been named senior corporate banker by *Ent FCU*, CO...

MORE NOTES ON DEFENSE CREDIT UNION PEOPLE IN THE NEWS . . .

Cheryl E. Flanagan was promoted to senior vice president at San Antonio *FCU*, TX...Senior VP/CFO *MacDill FCU*, FL *Gail Wean* has been named the 2003-2004 Business Person of the Year by the Future Business leaders of America...

AND STILL MORE . . .

At the 2004 CUES Marketing, Operations & Technology Conference *Brett Noll*, *Langley FCU*, VA VP/Chief Marketing Officer was named CUES Marketer of the Year. During his acceptance speech Brett thanked *Langley* President and DCUC Board of Directors Chairman *Jean Yokum* for her unwavering support and 50-plus years at *Langley*...*Jennifer Martens Moriarty* was named to the supervisory committee at San Antonio *FCU*, TX...

ARMED FORCES FINANCIAL NETWORK UPDATE

AFFN ANNOUNCES 2004 Charitable Matching Grant Program

As reported in AFFN News Spring 2004, AFFN's President/CEO, David Weber, announced a charitable matching funds grant program for 2004. In addition to AFFN's donations made on behalf of all participants to national military charitable foundations, this program has been designed to allow AFFN participants the opportunity to increase the charitable support your organization provides to our military community at the local level.

The program will allow a maximum matching grant up to \$1,500.00 per par-

ticipant. Funds for this program are limited. Therefore, we request only one application per AFFN participant. Funds will be dispersed (once qualified and approved) on a first come, first served basis.

For more information about this program or an application, please contact John Broda, AFFN Executive Vice President at John.Broda@AFFN.org or 973/257-1216.



YOU SHOULD KNOW THAT . . .

★ Soldiers deployed to Kuwait, Afghanistan and other countries in that theater, along with those in the Balkans, will be allowed extra time to file and pay their income taxes this year. Soldiers will have at least 180 days after they redeploy home to file their federal tax returns, and no penalty or interest will accrue during this period. Deployed civilian employees, though, do not have this automatic deferral. They must pay penalties on any owed taxes, even if they file a request for an extension of time to file, according to the Internal Revenue Service. The automatic extension of time for soldiers to file their taxes is based on service in a combat zone or qualified hazardous duty area. Afghanistan has been considered a combat zone since September 19, 2001. Jordan, Pakistan, Tajikistan, Kyrgystan and Uzbekistan have also been designated as areas in direct support of combat for Enduring Freedom.

Kuwait was declared a combat zone in 1991, and that designation has never been lifted. Bosnia and Herzegovina, Croatia, Macedonia and Kosovo are considered hazardous duty areas and soldiers serving there receive the same deferral on their taxes as those in combat zones, according to IRS rules.

★ The DoD announced that any American can now help troops in contingency operations call home. The Defense Department has authorized the Armed Services Exchanges to sell prepaid calling cards to any individual or organization that wishes to purchase cards for troops who are deployed. The “Help Our Troops Call Home” program is designed to help service-members call home from Operations Iraqi Freedom and Operation Enduring Freedom. Those wishing to donate a prepaid calling card to a military member may log on to any of the three Armed Services Exchange web sites:

The Army and Air Force Exchange Service at <http://www.aafes.com/>
The Navy Exchange Service Command <http://www.navy-nex.com/>
The Marine Corps Exchange <http://www.usmc-mccs.org/>

★ Credit Union Times recently listed the top 100 credit unions by assets. Of the top 10 #1, 3 and 10 are DCUC members. Out of the top 100, 22 are DCUC members.

★ Early Bird registration for the Annual Conference ends June 11th. Make “A Sure Bet” – network with your peers, have some fun and save some money! Register today, on-line, at www.dcuc.org.

DEFENSE DIRECTORY UPDATES

If you haven't returned your updated information for the DCUC Directory there is still time! Fax your updates to Beth Thompson at 202/638-3410.

DoD

(continued from p. 4)

on that approval, the Defense Finance and Accounting Service subsequently authorized the full deployment of Navy Cash. As was briefed by Ms. Kristine Conrath, Director Emerging Technologies, FMS, Treasury, at Defense Issues 04, while a deployment schedule is still pending, current plans call for rolling-out the Navy Cash Card to approximately 30 ships a year. Needless to say, when the deployment schedule is published, we will share that with you via email or fax. As the Navy moves forward with this program, we continue to meet with Treasury and the Department of Navy, and monitor Navy Cash program statistics to ensure they are consistent with the ATMs-at-Sea legacy system.

Defense Credit Union Council, Inc.
601 Pennsylvania Avenue, N.W.,
Suite 600
Washington, DC 20004-2601

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