



# ALLERT

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## A VIEW FROM THE BOARD ROOM

### What's the Secret?

*Jean Yokum, Board Member and Air Force Representative, President/CEO, Langley FCU*

What's the secret formula behind a tremendous, longstanding relationship with your affiliated base? In my opinion, it comes down to one word — caring. Credit unions must demonstrate that they care deeply for the base personnel they serve every day and on many different levels. A caring spirit will overcome key liaisons and base commanders transitioning out of the area. A caring spirit will outshine the threats of competition. A caring spirit will ensure your credit union will always be unofficially endorsed as the financial institution of choice at the military base you serve.

You can show your care by investing in facilities and operations. Take on the grueling process of securing a terrific site and planning to build a convenient branch location. Make sure the hours are conducive to the schedules of the military. If possible, place ATMs all over the base — even if you determine some machines may not break even. Consider providing a limited number of free foreign ATM transactions to military members or free bill payment to deployed personnel.

Show your support through contributions. If you can't afford to sponsor 'Air Shows', do the small things that make a world of difference. Offer monetary gifts to those winning awards for excellent service. Pick up the tab for food at new arrival meetings. Lend your time

*See BOARD ROOM, p. 10*

## CEO UPDATE

### Be the Squeaky Wheel

*Roland A. "Arty" Arteaga, President/CEO, DCUC*

As I mentioned last month, the Base Realignment and Closure (BRAC) Commission submitted their final report to the President on September 8. A week later, on September 15, the President approved and forwarded the report to Congress. The law stipulates that Congress has 45 legislative days to approve or reject the report before it becomes law. But what does that mean? When will the BRAC report be approved? And what, if anything, should you be doing during the interim?



*Roland A. Arteaga*

**Once BRAC 2005 becomes law, the Department must begin the base closure/realignment process within six months.**

First and foremost, 45 legislative days is not 45 calendar days; therefore, do not expect a decision by the end of this month. If Congress uses the maximum time allotted by law (and our belief is that they will), a decision might not be forthcoming until next year! Why? Congress is scheduled to adjourn on November 18, which is only 42 legislative days into the decision process. That being the case, final action will be deferred until January 2006. Current thinking, however, is that Congress will return for an additional two weeks after the Thanksgiving holiday. If that occurs, then BRAC will be decided in December.

Once BRAC 2005 becomes law, the Department must begin the base closure/realignment process within six months. The Local Redevelopment Authority (LRA) will play a key role in that process, but so will the Military Departments. Fact is, the Military Departments "own" the property and they must be consulted throughout the sale process. It is the Secretaries of the respective Military Departments that must dispose of the property...and they must do so in priority order.

According to the Office of Economic Adjustment (DoD), defense agencies will have the first priority to use or "buy" the land; other Federal agencies will have the second priority; and after six months, depository institutions (on-base credit unions and military banks) will be given the opportunity to purchase the land.

Public Law 102-190 (Section 2825) states that, "The Secretary shall offer land to the depository institution before offering such land for sale or other disposition to any other entity" ...provided that: a) the operator is conducting business in the facility, b) the operator constructed or renovated the facility, and c) the facility is consistent with the base reuse plan. If the operator constructed the facility, then the land will be sold at Fair Market Value (FMV); if, however, the facility was renovated, the sale will be FMV minus renovation.

If your installation is on the BRAC list, and you are considering the purchase of land, in addition to the above stipulations, you should take note of the recommendations

*See CEO UPDATE, p. 2*

## DEFENSE CREDIT UNION COUNCIL, INC.

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

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### CEO UPDATE *continued from page 1*

offered by Roger Youngs (President/CEO, Financial Center FCU) during this year's DCUC conference:

- 1) Time is of the essence...start your preparation early and move forward on all actions quickly. Resolve any issues with the Corps of Engineers, Installation Commander, the Army, and/or DoD as they develop...and do so ASAP. If they are slow in responding, be the "squeaky wheel."
- 2) Get organized...prepare a history of your institution's involvement with the property in question. When did you first occupy the space...did you build or renovate... can you document the costs of renovation — these are all questions you need to address because you will be asked for the information at some point. Gather the information now.
- 3) When the process begins, you need to know who is in charge...you need to know exactly who will be doing what. That means finding out what is required from the Reuse Authority (if applicable), the Installation Commander, the Corps of Engineers (or equivalent for the Department of Navy) and DoD.
- 4) Get the names of the people working the action and make sure that you get (in writing, if possible) confirmation that your intended use of the premises will be consistent with the redevelopment plan.
- 5) Know your documents...be certain that you are aware of what documents you need and when you need them.
- 6) Do not become complacent. Be the "squeaky wheel." Rome was not built in a day, but do all you can to shorten the purchase process. The sooner you consummate the deal the better for all. Time is money.

As the calendar year comes to an end, the 2005 BRAC process will begin. Do not be caught short...be prepared; and as always, should you have any questions regarding BRAC please do not hesitate to contact us.

## Sandia Area CEO Rogers Passes Away

*Jeff Cain, VP of Marketing*

**R**ichard L. (Rick) Rogers, President and CEO of Sandia Area FCU, passed unexpectedly October 7, 2005 from complications from a respiratory illness.

Rick was president of Sandia Area since 1995 and an executive in the financial industry for nearly 30 years. He was currently serving as Chairman of the Board for the Credit Union Association of New Mexico, was a member of the Credit Union Executive Society, and was involved in numerous credit union affiliations at the local, regional and national level. He also supported numerous professional, youth, and civic organizations.

Rick is survived by his wife and best friend of 25 years and his two children. He was an involved coach, avid fisherman, skier, and University of Texas Longhorn fan, and had a passion for family, community and life.

In keeping with Rick's commitment to his community, Sandia Area FCU has established the Richard L. Rogers Memorial Scholarship Fund. This scholarship will serve as a lasting memorial and benefit students for years to come.

Donations are being accepted for the scholarship fund at all Sandia Area FCU branches. Or they can be mailed to Sandia Area FCU, Richard L. Rogers Memorial Scholarship Fund, C/O Rachel Lund, PO Box 18044, Albuquerque NM 87185. Please see Sandia Area's Web site at [www.sandia.org](http://www.sandia.org) for more information about the scholarship.

The Rogers family and Sandia Area FCU thank the community for its thoughts and prayers at this difficult time.



*Richard L. Rogers*



*Pictured here are the tournament champions, The Fallston Team. Photo provided by APGFCU*

## Kids Hit Big at APGFCU Community Invitational

*Desiré P. Phelps, Marketing Communications Specialist*

Aberdeen Proving Ground FCU Community Invitational Tournament was a grand slam for local youth baseball teams on September 17 and 18 at Ripken Youth Baseball Academy. Teams from Harford and Cecil County recreation councils were invited to the event as guests of APGFCU, allowing the youth teams to have a unique experience and to enjoy “The Ripken Way.”

The local 11u/12u teams were treated to a grand weekend of tournament play at the exceptional Ripken baseball complex in Aberdeen. The state of the art facility was designed to give the youth players the chance for a major league experience. Coach Lonnie Wiseman, of the Bel Air Braves, thanked APGFCU for sponsoring the tournament and the impact it had on his young players noting that “this was a weekend that I’m sure they’ll remember for a long time.”

The weekend held many exciting games and on Sunday, four teams moved onto the Semi-Finals. Fallston and Forest Hill reached the Championship Game on Sunday evening with Fallston emerging as the winner.

Championship players and coaches were presented with tournament trophies. Other tournament goodies for the participating teams included free tournament t-shirts and commemorative programs, Subway lunches, and APGFCU captain’s camp chairs. APGFCU provided t-shirts that were sold to visitors with the proceeds being donated in full back to the participating teams.

## SAC FCU Opens Doors At Its Third Omaha Location

*Jackie Boryca, Marketing Director*

SAC FCU continues its 59-year tradition of providing service excellence to the Omaha Metropolitan area with the opening of its third Omaha location at 17020 Evans Plaza. This 9,700 square foot branch offers the Credit Union’s full member services including loans, personal teller service and four drive-up lanes and 24-hour ATM availability. The architect for the location is Leo A. Daly & Associates.

## Prestigious ‘Excellence in Customer Service’ Awarded to Ent

*Curtis Fox, Marketing*

The Better Business Bureau® of Southern Colorado honored Ent FCU during its 11th annual Excellence In Customer Service (EICS) awards ceremony. The credit union was one of only four southern Colorado based companies to receive this prestigious award and the only financial services provider to win in the Award’s history.

Each year, the Better Business Bureau of Southern Colorado recognizes area businesses who have demonstrated outstanding customer service practices, while building relationships that foster and maintain a positive client base. EICS is a comprehensive process for analyzing current service practices, enhancing service levels, and integrating a philosophy of continuous improvement.

A panel of independent evaluators sponsored by the respected American Society for Quality, Pikes Peak Section reviewed answers to a range of essay questions modeled on the National Malcolm Baldrige Quality Award. A follow-up detailed interview was then performed. Criteria for selection were based on how effectively a company performs the following: collecting customer service data, analyzing data, action on data, customer service and market focus, employee involvement and empowerment.

In the award feedback report, the evaluators stated, “Ent has met the challenge of developing a customer service strategy, assessing the needs of the customer and implementing the processes necessary to provide superior customer service to all.

**For information on Defense Credit Unions and Hurricane Katrina, go to [www.dcuc.org](http://www.dcuc.org) and click on the scrolling marquee.**



Fort Bragg FCU breaks ground for new Branch. Photo provided by Fort Bragg FCU

## Fort Bragg FCU Breaks Ground on Ramsey Street Branch

*Karen Strickland, Marketing*

Fort Bragg FCU is expanding again. Recently Fort Bragg FCU broke ground on its first off-post branch in more than 19 years. "We are working to make membership at Fort Bragg FCU more convenient for our members," Fort Bragg FCU President and CEO David Elliott said. "We were pleased that so many members of the community joined us to take part in this milestone for our credit union."

Along with the Fort Bragg FCU Board of Directors and CEO, members of the community who participated in the ground breaking included: Fort Bragg Garrison Commander Colonel Al Aycock, Fayetteville Mayor Marshall Pitts, Cumberland County Business Council member Floyd Shorter, Bob Dunn, of BCI, and Robin Davenport of Methodist College.

The new full-service branch is located on Ramsey Street just north of Methodist College. The branch is scheduled to open in mid-2006. Following the Ramsey Street Branch, an ATM and future branch is scheduled to open on Raeford Road in early 2007.

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## Navy FCU Pensacola Area Member Service Centers Work Together to Make Their Business/School Partnership Kick-Off Event a Success

*Keasha K. Lee, Public Relations*

The Pensacola area Navy FCU Member Service Centers (MSCs) and Wedgewood Middle School celebrated the beginning of their third school year as "Partners in Education." The Business/School partnership kickoff event focused on the staff and students who demonstrated exceptional efforts and success during the previous school year. Navy FCU team members provided certificates and gift baskets for Teachers and Employees of the Month, and held an ice cream social for all honor roll students.

Navy FCU and Wedgewood Middle School have a partnership that consists of mentoring and tutoring programs, academic achievement recognition, financial education workshops, and other innovative educational activities. "The high level of energy and participation from the local MSCs contributed to a very successful event," said Michele Wilson, Manager, Pensacola MSC. "It feels really good to see how grateful the school is for our support; the cheerleaders developed a cheer dedicated to Navy FCU to show their appreciation."

## NRL FCU Hosted its Ninth Annual Credit Union Education Day

*Cindy Jenkins, Business Development Specialist*

NRL FCU hosted its ninth annual Credit Union Education Day (CUED) at the Naval Research Laboratory. There were educational tables set up for members to learn about the credit union and its services. NRL FCU members were able to meet and talk with staff members about products and services. NRL FCU staff members provided On-line Access (PC Home banking) demonstrations including eUpdates (e-mail notification of upcoming promotions, events and product rate changes), information about credit cards including the upcoming Visa \$1.5 Million Holiday Giveaway and CURewards program, mortgage information including home buying pointers, consumer loan information and much more. Some lucky members won \$50 gas cards from a drawing they entered at the auto/consumer loan table. Others won \$25 Best Buy cards from the Online Access table drawing.

Local, member-friendly vendors such as Equifax, United Buyer's Service (UBS), Premier Solutions Group and others attended. Members were served a free lunch of hot dogs and hamburgers. They also enjoyed fresh baked Otis Spunkmeyer cookies courtesy of Enterprise Car Sales.

CUED was both an educational and fun event for all who participated. Staff and members alike look forward to this yearly event.



**Defense Credit Union Council**

**Presentations from the 2005 Conference are posted on our Web site at [www.dcuc.org](http://www.dcuc.org).**

# Langley FCU Quantifies Savings From Payroll Alternative

*Brett T. Noll, Chief Marketing Officer/VP*

Members of the \$1 billion Langley FCU have saved over \$230,000 over the past year by participating in the credit union's QuickCash Program over what they would have spent with payday lenders in their areas.

Typically, payday lenders charge a fee of 15% of the amount borrowed, the credit union explained. For example: if a customer borrows \$500 they will be charged a \$75 fee. For a two-week period, that \$75 fee translates into an equivalent annual percentage rate of 390%. If an LFCU member gets \$500 through a QuickCash Loan, the interest would only be 18% APR, and instead of paying \$75, he/she would pay only \$3.48 in interest over that two week period.

"Payday loans and their associated fees were a major source of financial problems for a number of our members, particularly those serving in the military," said LFCU CEO Jean Yokum. "We're glad this service is helping them and the community."

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## Wright-Patt CU Brings the Benefits of Credit Union Membership to Englewood

*Chris Gardner, Division Manager, Marketing*

Wright-Patt CU, Ohio's largest member-owned financial cooperative, opened their newest Member Center at 7704 Hoke Road in Englewood recently. This new member center serves the Northmont communities of Englewood, Clayton, Union and other surrounding neighborhoods. To celebrate the grand opening, Wright-Patt hosted a week-long celebration. The celebration was kicked-off with a live radio broadcast. The public was welcome to join in for a cookout with games, prizes and giveaways. The celebration continued throughout the week with a series of financial seminars for members and residents of the local communities.

"We are excited to bring the benefits of membership to this growing area," says Gary Easterling, Vice President and Chief Business Development Officer of Wright-Patt CU. "We will be better able to serve our existing member owners in the communities and neighborhoods northwest of Drayton, and we look forward to welcoming new members from these communities into the Wright-Patt financial cooperative," Easterling added.

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## Pen Air FCU Makes Donation to Navy Marine Corps Relief Society

*Patty Veal, VP of Marketing*

John A. Davis, Jr., President/CEO of Pen Air FCU presented a check in the amount of \$5,000.00 to Mark Harden, Pensacola Director of the Navy Marine Corps Relief Society. This donation was made to help the Navy Marine Corps Relief Society further aid service members and their families affected by Hurricane Katrina, which devastated the Gulf Coast region on August 29, 2005.

"The NMCRS overall has given \$1.4 million dollars in aid to service members worldwide during this disaster, with the Pensacola office issuing \$157,000 in assistance locally," said Harden. The Navy Marine Corps Relief Society has been serving the military member and their families for over 50 years with financial aid in times of need.

"Over the years, Pen Air FCU has taken up the cause of the NMCRS, and has donated over \$100,000. This year alone Pen Air FCU has donated \$36,500. Pen Air FCU has chosen to support the NMCRS in many ways, including holding an annual golf tournament and helping families affected by the mobilization of troops after 9/11, and at other critical times for the NMCRS. When they need us we are there to help," said Davis.

For the latest  
information on  
BRAC, visit DCUC's  
Web site: at  
[www.dcuc.org](http://www.dcuc.org)

## Service CU Presents \$100,000 for National Credit Union Foundation's Hurricane Katrina Disaster Relief Fund

*Nancy Layton, Marketing Manager*

Service CU contributed \$100,000 to the National Credit Union Foundation's Hurricane Katrina Disaster Relief Fund. The NCUF's disaster relief fund designated resources to the many credit union and league staff, volunteers, and members who assisted in the areas affected by the hurricane.

Gordon Simmons, President/CEO of Service CU, presented a \$100,000 check for the credit union's donation to the NCUF, to Daniel F. Egan, Jr. President, New Hampshire Credit Union League. The presentation took place at America's Credit Union Museum, in Manchester, NH.

The Portsmouth, NH-based credit union has also developed a donation-matching program for the communities it serves. Donations are being matched and channeled through AmeriCares, a relief organization actively involved in the Hurricane Katrina effort. Service CU plans to donate a total of \$300,000 in hurricane relief and rebuilding funds.

"The damage caused from Hurricane Katrina and its aftermath remains a major concern," says Gordon Simmons, President/CEO. "Our donation is a mere fraction of what will be needed to rebuild what has been taken from the lives of the hurricane victims. We encourage all credit unions to unite behind this cause whether through the NCUF or a national or local organization that is supplying funds, food, and life-saving medicine to those most in need. Together, we can all make a difference by helping our fellow man."

# \$8 Billion Milestone Reached by Pentagon FCU

Scott Hunter McCleary, Marketing Communications Officer

As far as milestones go, Pentagon FCU seems to be passing them at a winner's pace. The latest came at the end of August as the credit union surpassed the \$8 billion mark in assets. This continues a trend in which Pentagon FCU has grown by nearly \$1 billion each year since the start of 2001.

Pentagon FCU, the nation's third largest federal credit union, cannot only boast about its growing membership of over 655,000, but also the fact that it has doubled company assets in roughly five years to the date. Pentagon FCU's impressive growth is unprecedented in its 70 years of worldwide service to Army, Air Force, Coast Guard, Defense Department, and Department of Homeland Security personnel; members of the VFW; and others in the defense community.

Pentagon FCU attributes its spectacular, recent success to its motto of "Superior Rates. Proven Service." Although all of its loan and savings products are sustained by highly competitive rates, a large portion of the credit union's growth has been led by auto loans, credit cards, and mortgages.

**Pentagon FCU, the nation's third largest federal credit union, has grown by nearly \$1 billion each year since the start of 2001.**

"Low-rate auto loans have been the cornerstone of our brand," according to James Schenck, Senior Vice President, Chief Administrative Officer. "Our members know that they can rely on us to provide consistently low auto loans whenever they are ready to buy."

High volume in auto loans is only one of the factors that claim a large stake in Pentagon FCU's strong growth. This year, the credit union introduced a cash rewards credit card under its Visa Platinum product line in which cardholders receive 1.25% cash back on all purchases. Many of the requirements that other cash reward card issuers have,

such as purchase limits, balance transfer fees, or an annual fee, are not found on Pentagon FCU's Visa Platinum Cash Rewards card. The lack of incessant fees and tricky requirements are the main reasons Pentagon FCU increased its credit card portfolio 14.8% since the start of 2005.

Fees, or the lack of them, are where Pentagon FCU has excelled in growing its mortgage portfolio as well. In a fiercely competitive mortgage market, Pentagon FCU used the power of its low-cost strategy and a unique, cost-efficient approach to capture a greater share of the home-financing business.

"We eliminated the practice of charging what we believe are unnecessary mortgage fees paid by the homebuyer," explains Debbie Ames Naylor, Vice President, Mortgage Services. "Junk fees like processing fee, underwriting fee, origination fee, credit report fee can typically cost a borrower \$1,500 sometimes even more. Now our members don't pay them and the results speak for themselves."

Throughout the past 18 months, the credit union has seized the opportunity to position itself as a low-cost provider of home mortgages. Along with low, competitive mortgage rates for both home purchases and mortgage refinancing, Pentagon FCU has made getting a mortgage less expensive for the homebuyer.

"We have one of the lowest expense ratios in our industry," states Frank Pollack, President and CEO. "This allows us to be innovative in our pricing structure and strategy. Other financial institutions can't afford to do what we do. Who else do you know that can give you a low-rate mortgage and a substantial reduction in mortgage fees?"

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**[www.dcuc.org](http://www.dcuc.org)**

## GOT NEWS?

Get your share of the spotlight! E-mail your news to Beth Thompson at [bthompson@cuna.com](mailto:bthompson@cuna.com)

## Two New NCUA Board Members Needed

Reprinted by permission of CUNA NewsNow

Two looming vacancies out of three National Credit Union Administration (NCUA) Board positions and an NCUA Board meeting on Oct. 20 may or may not be quite enough to assure consideration of the nominations of Rodney Hood or Gigi Hyland to fill those spots. While the need for action is apparent—with two out of three Board positions empty—the Congressional schedule is tight.

"We hope to get word from the Senate Banking Committee about how they wish to proceed on these nominations," said Gary Kohn, senior legislative counsel and vice president of legislative affairs of the Credit Union National Association (CUNA). Senate Banking is the committee charged with conducting hearings on nominees and then voting whether to send the name to the Senate floor for a confirmation vote.

"Noting the House and Senate schedule, it would be difficult to have nomination hearing, a Committee vote and then a floor vote all before the next NCUA meeting," Kohn said. "But," he added, "Anything is possible."

Hyland was nominated on September 30th by President George W. Bush for a six-year term on the NCUA Board. If confirmed, she would fill the Democratic seat on the board vacated by Debbie Matz.

The other NCUA Board nominee, Hood still awaits Senate confirmation.

His name was sent to the Senate for confirmation on May 10 to fill the vacancy left when Dennis Dollar left his position at NCUA in April 2004.

Matz and Dollar had stated intentions to remain on the NCUA Board until a replacement was instated, but apparently found the lengthy delays untenable.



VyStar Board and Staff cut the ribbon at the new Beach & 9A Branch.  
Photo provided by VyStar CU

## VyStar Celebrates the Grand Opening of Its New Beach & 9A Branch

*Kristen Heimerle, Marketing*

**T**erry R. West, President & CEO of VyStar CU, announced the official opening of the Credit Union's new Beach & 9A Branch location at 11674 Beach Boulevard. VyStar Officials cut the ribbon, launching the Grand Opening Celebration of the new Branch, in a special ceremony.

The new branch is a full-service VyStar branch with eight teller stations, eight member service offices, two online banking stations, one outside walk-up and two drive-up ATMs, four drive-thru lanes and safe deposit boxes. This is the third new branch opening for VyStar in 2005.

Isidro "Gage" Gajo will serve as Branch Vice President of the Beach & 9A Branch. Gajo comes to VyStar with 27 years of diversified financial services experience including mortgage origination, commercial and small business lending and consumer lending. He most recently held the position of Branch Manager for Southeastern Bank in Callahan, FL. His bank experience includes Barnett Bank, Atlantic National Bank, First Union, and Compass Bank where he served as Assistant Vice President, Branch Manager and Senior Loan Officer.

"This is a positive move for our members and the Jacksonville community. It is one of the many ways VyStar is responding to our members' needs and to our ability to offer membership to more people, including anyone living or working in Northeast Florida," said Terry R. West, VyStar CU President/CEO.



### 43rd Annual Conference is Moving!

The Defense Credit Union Council would like to announce that the 43rd Annual Conference scheduled to be held in New Orleans, LA is being relocated. We are currently reviewing San Antonio, TX and St Louis, MO. Stay *Alert* for upcoming announcements!

**There is currently a fraudulent e-mail circulating that appears to be from the Credit Union National Association (CUNA) asking for personal account information. Please delete this e-mail, as it is fraudulent and a phishing scam. Contact CUNA if you have questions.**

## Keesler Thanks CUs for Hurricane Help In Letter to Editor

*Reprinted by permission from CUNA's NewsNow*

**S**cotty Broome, CEO of Keesler FCU, which sustained damage to its branches during Hurricane Katrina's battering of the Gulf Coast, has written a letter to the editor of a Pensacola newspaper thanking a Florida credit union and sheriff's office for their assistance in the aftermath of the hurricane. The letter, from Scotty Broome was published in the *Pensacola News Journal*.

"The people of Florida should be very proud of Escambia County law enforcement agencies as well as (Pensacola-based) Pen Air FCU. They are shining examples of people dedicated to helping others," Broome wrote.

"As Florida residents well know, hurricanes can alter day-to-day activities and modern conveniences in the blink of an eye." After Hurricane Katrina hit the Gulf Coast, "businesses found it difficult to quickly resume normal operations. Anxious to help members meet their financial needs, Keesler FCU required additional cash to reopen offices." Because fellow Defense Credit Union Pen Air FCU experienced Hurricane Ivan last year, Pen Air "understood this need," he wrote.

With armed escorts from the Escambia County Sheriff's Office, Pen Air President/CEO John Davis and Executive Vice President John Oches left Pensacola September 2 for Biloxi with funds to help Keesler's members. "This is just one example of how credit unions nationwide support each other's efforts to provide quality service to members," said Broome, expressing gratitude for the assistance from Pensacola and from many other Florida agencies and volunteers.

# Defense Credit Unions Raise Over \$16,000 For Fisher House

The Defense Credit Union Council presented a \$16,100.00 check to the Fisher House Foundation on Friday, October 14, 2005, to help offset some of the costs incurred in caring for our troops and their families.

The foundation is a unique private-public partnership that supports America's military in their time of need by meeting a humanitarian need beyond that normally provided by the Departments of Defense and Veterans Affairs. Through private and public contributions, Fisher House Foundation donates "comfort homes," built on the grounds of major military and VA medical centers to enable family members to be close to a loved one at the most stressful times — during the hospitalization for an unexpected illness, disease, or injury. There is at least one Fisher House at every major military medical center to assist families in need and to ensure that they are provided with the comforts of home in a supportive environment. Annually, the Fisher House program serves more than 7,000 families, and have made available more than 1.5

million days of lodging to family members since the program originated in 1990.

Annually, the Defense Credit Union Council "adopts" a charity to receive the proceeds of fundraising events from their annual conference. Given the on-going war on terrorism and the combat injuries being sustained by our troops, the Defense Council decided once again to give their fundraising proceeds to the Fisher House Foundation. The funds were raised at DCUC's 42nd annual conference in Charleston, South Carolina. Aside from selling mulligans during the golf tournament and conducting a 50/50 raffle, thousands of dollars were raised during DCUC's Silent Auction.

Thanks to the kindness and generosity of the Council's corporate



Arty Arteaga, DCUC President/CEO (right) presents the check to Jim Weiskopf and Maurice Borde of the Fisher House Foundation. Photo provided by DCUC

partners, a number of donated items were displayed during the two-day Showcase for conferees to "purchase." Bidding and counter-bidding occurred over two days, and at showcase end, the Defense Credit Union Council matched the funds raised.

Defense Credit Union Council President/CEO, Arty Arteaga, presented the check to Jim Weiskopf, VP of Communications for Fisher House Foundation. The check was presented at the Fisher House at Walter Reed Hospital in Washington, D.C.

## Security Service FCU Volunteers Make a Big Difference in Their Community

*Clarissa Rodriguez, Senior  
Communications Specialist*

Security Service FCU volunteers worked together to help the San Antonio Parks and Recreation Department beautify the city's historic Woodlawn Lake during the annual United Way Day of Caring campaign. SSFCU employees spent an entire day planting flowers and mulching trees around Woodlawn Lake's community center facility.



Left to right: (back) Norie Jennings, SSFCU account analyst, Pat Garcia, SSFCU member service representative, (front) Cory Gonzalez, SSFCU member service officer and Frances Garcia, SSFCU mortgage administrative assistant. Photo provided by Security Service FCU

## Travis CU Earns High Marks From Area University

*Lila Dressen, Marketing*

Touro University in Vallejo, CA received some much needed furniture recently, thanks to Travis CU.

The Vallejo based university received 25 fully adjustable, 5-star base chairs made by the Dauphin Co. The furniture, which was staged for pick up by Travis CU employees, will be used in the Administration offices as well as in some classrooms.

"We pride ourselves on being a good corporate citizen. We had some gently used office chairs in storage and discovered that Touro University was in need

*See TRAVIS CU, p. 10*

# “Soldier’s Savings Deposit”

Among the many excellent speakers at our 42nd annual conference was Al Runnels, the Deputy Director for Military and Civilian Pay Services, DFAS. In addition to addressing key issues that are/will impact on-base defense credit unions in the coming months and years, Runnels provided an overview of the Soldier’s Savings Deposit program. As a number of our attendees were interested in the details of the program, we asked Runnels to provide us some additional information on SDP. The information below information was graciously provided by Dennis Eicher (DFAS) and provides a superb overview of this program.

## Savings Deposit Program (SDP)

DFAS implemented the Savings Deposit Program in August 1990 for members serving in the Persian Gulf Conflict.

This program now includes all missions where service members are assigned to a combat zone or in direct support of a combat zone. The Savings Deposit Program is not related to the Thrift Savings Plan (TSP). The Savings Deposit Program is available only to those serving in designated combat zones.

## SDP, a Special Savings Accounts for Combat Zones

Military members deployed in combat zones, qualified hazardous duty areas, or certain contingency operations may deposit all or part of their pay, after all deductions and allotments, into a DOD savings account.

## Eligibility

Service member must be receiving Hostile Fire Pay/Imminent Danger Pay (HFP/IDP) and serving in a designated combat zone or in direct support of a combat zone for more than 30 consecutive days or for at least one day for each of three consecutive months.

## Making a Deposit

Deposits may be made with a servicing finance unit. Deposits may be made after 30 days in the designated area.

Eligibility to make deposits terminates on the date of departure from theater.

Active duty members may make deposits by cash, personal check, traveler’s

check, money order or allotment.

Reserve component members may make deposits by cash, personal check or money order only. Deposits may only be made in \$5 increments and cannot exceed monthly net pay after all deductions and allotments, including special pays and reenlistment bonus.

More than one deposit via cash, personal check, traveler’s check, or money order may be made in a month but the cumulative total of the deposits cannot exceed the month’s unallotted pay and allowances.

## Accrual of Interest

Deposited funds will accrue at an interest rate of 10%, compounded quarterly, based on calendar year. Interest only accrues on amounts up to \$10,000.

Once your account reaches \$10,000 (either with deposits or interest earned) it will stop earning interest.

Deposits made on a cash collection voucher on or before the 10th of the month will accrue interest from the 1st of that month. Deposits made after the 10th of the month will accrue interest from the first day of the following month. Deposit date is the date received by the servicing finance unit regardless of date of entry into the financial system or submission to unit financial representative.

Eligibility for SDP stops on the day of departure; however, interest will continue to accrue up to 90 days after redeployment.

If the service member requests withdrawal of funds before the 90th day, interest stops on date of request. (NOTE: If the 90th day falls on any

day other than the last day of a month, interest will accrue through the last day of the preceding month.)

The IRS considers SDP interest unearned income, as a result, the interest is taxable even though the soldier is located in a combat zone tax exempt (CZTE) area.

## Making Withdrawals

Deposits may be discontinued at any time. Generally, withdrawals may only be made upon termination of eligibility for the program. Withdrawals of this type must be for the entire sum of the deposit account.

DFAS will post the SDP balance of active component members to their Leave and Earnings Statement (LES).

For accounts over \$10,000, the service member may make quarterly requests to withdraw the balance that exceeds \$10,000. The \$10,000 remains in the account until eligibility terminates and the remaining funds are entirely withdrawn.

Service members may make emergency withdrawal requests of full or partial amounts before eligibility termination.

Emergency requests must be for the health and welfare of a member or his dependent, and must be substantiated by a written request from the member’s unit commander.

Active duty members will automatically receive their payment via electronic funds transfer (EFT) in the same account as their normal monthly pay.

Reservists and separated members requesting EFTs must include the bank account number, type of account (checking or savings), and the bank’s routing transit number or a voided check or deposit slip in their request.

Reservists and separated members requesting payment via check must provide a current address.

## Analysis of Payday Lending Industry Data Released

The Center for Responsible Lending has released an analysis of payday lending industry data, which estimates that:

- Active-duty military personnel are three times more likely than civilians to have taken out a payday loan
- One in five active-duty military personnel were payday borrowers last year.
- Predatory payday lending costs military families over \$80 million in abusive fees every year.

The predatory lending problem is common knowledge for military members, their commanders, and anyone who has seen the payday cash advance centers popping up around bases. The report can be seen on DCUC’s Web site at [www.dcuc.org](http://www.dcuc.org).

# A Message From the Commandant of the Marine Corps

*M. W. Hagee, General, U.S. Marine Corps*

On November 10, 1775, the second Continental Congress resolved to raise two battalions of Continental Marines marking the birth of our United States Marine Corps. As Major General Lejeune's message reminds us, the ensuing generations of Marines would come to signify all that is highest in warfighting excellence and military virtue. Each November as Marines the world over celebrate the birth of our Corps, we pay tribute to that long line of "Soldiers of the Sea" and the illustrious legacy they have handed down to us.

This past year has been one of continuous combat operations overseas and distinguished service here at home — a year of challenges that have brought out the very best in our Corps. In Iraq and Afghanistan, Marine courage and mastery of complex and chaotic environments have truly made a difference in the lives of millions. Marine compassion and flexibility provided humanitarian assistance to thousands in the wake of the South East Asian Tsunami, and here at home, Marines with AAVs, helicopters, and sometimes with their bare hands saved hundreds of our own fellow Americans in the wake of Hurricanes Katrina and Rita. Across the full spectrum of operations, you have showcased that Marines *create stability in an unstable world*, and have reinforced our Corps' reputation for setting the standard of excellence.

The sense of honor, courage, and patriotism that epitomized those who answered that first call to arms two hundred and thirty years ago is still indelibly imprinted on our ranks today. In commemorating our anniversary, let us strengthen our ties to the past by paying homage to those who have gone before us. As we honor the sacrifices of our wounded and fallen comrades, our commitment to one another remains unshakable. We take special pride in the actions of the Marines now serving in harm's way, and rededicate ourselves to the service of our Nation and our Corps.

Happy Birthday, Marines. Semper Fidelis, and Keep Attacking! The Defense Credit Union Council congratulates the Marine Corps on 230 of faithful service.

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

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### Defense Credit Unions in the News...

**South Carolina FCU**, SC has made a donation of \$29,500 to the Children's Miracle Network. The \$29,500 exceeded South Carolina FCU's expectations by \$8,000. The funds were raised through employee events such as cookouts, creative raffles and ice cream socials...

### Defense Credit Union People in the News...

**Brandy Woodham** has been promoted to Army Aviation Center FCU's Corporate Office Manager. Woodham, who has worked with the credit union since 1993, has served as a mail processor, ATM assistant, loan processor, accounting processor, GL clerk and loan officer...Langley FCU is proud to announce the appointment of **Kirk Adams** as the new Financial Counselor. This position has been created to assist members with the many complex issues affecting their finances. LFCU's Financial Counselor can help members establish a budget, repay debt, improve credit and work to meet savings goals...Security Service FCU is pleased to announce that **Bill Crouch** has been selected to serve as its Human Resources Staffing Manager. Crouch is a retired U.S. Army Master Sergeant that served as a chaplain assistant and recruiter. He previously worked at Citibank as a senior recruiter and before that at Norrell Services as a Human Resources manager. In his new position, Crouch will be responsible for recruiting and hiring new SSFCU employees...Global CU has promoted **Marilyn Desmarais** and **Debra Hamilton** to loan officers...

## VIEW FROM THE BOARD

*continued from page 1*

to support the local USO through volunteer work or Board participation.

Open up all lines of communication. Form an Advisory Board with representation from all levels of the military and affiliated civilian staff. Act on the advice of Board participants. Build products that may not make money, but save personnel from financial pitfalls leading to domestic violence and poor job performance. If you have a multi-SEG field of membership, try to keep at least one Board position filled by a representative of the military group you serve. Get to know your Liaison Officer well and keep in touch with him/her. Make an effort to always be in attendance at base ceremonies and network with base commanders. Educate! Volunteer to speak anytime, anywhere and on any topic related to financial literacy. Always be responsive to the needs of the base.

Strive to exceed the expectations of members and delight them with incredible service. Consider getting staff members certified as Credit Union Financial Counselors or hire one on board full time. Welcome that new member with open arms and take the time to teach him/her what they may not have learned at home. Most importantly, be proud of your passion to serve those who serve our country.

If you take great care of your base, you can be sure that your base will always take great care of you!

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*TRAVIS CU continued from page 8*

of furniture," said Cathy Rios, vice president of marketing and product development.

The university was grateful for the furniture. "The chairs were much needed to help with our expansion as we are currently renovating for faculty offices. It's great to have Travis CU step up and support us with a donation of needed furniture," said Jay Ritchie, Director of Facilities at Touro University.

"We truly believe in the CU philosophy of people helping people," said Patsy Van Ouwkerk, president and CEO of Travis CU. "We look for ways to contribute to the communities we serve."

# Scott CU Raises Over \$13,000 to Help Hurricane Katrina Relief Efforts

*Kay Dresner, Marketing Manager*

Scott CU, along with its employees, members and surrounding communities has raised over \$13,000 to assist the American Red Cross with their Hurricane Katrina relief efforts. The credit union started taking donations on August 31 and let their members and the public know about it by using various advertising media. The credit union found their neighbors to be very generous, collecting \$6,000. Especially impressive was a \$2,700 donation from Girl Scout Troop #296.

The employees of the credit union contributed an additional \$3,400, which was raised during three consecutive dress-down days the week of September 5. In addition, the employees donated needed items to be distributed to the hurricane victims through the WIL Helping Hand from the Heartland program. The credit union had 100% participation from their employees with each of them either participating in all three dress down days or bringing in three items for the Helping Hand from the Heartland program. The employees will enjoy lunch compliments of Scott CU as a reward for their efforts.

The credit union matched the employees' donations dollar for dollar. A donation check for over \$13,000 will be sent to the American Red Cross this week. Scott CU will continue to take donations until further notice at all nine of their Metro East locations and via mail. The donations will be forwarded to the American Red Cross on a weekly basis to support their Hurricane Katrina relief efforts.

## Report On The George E. Myers Fund

The 2005 White House Christmas ornament is available for purchase through the Defense Council. This is a fundraiser for the GEM Scholarship Fund. The cost is still only \$20, which includes shipping and handling.

The 2005 White House 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.

Ordering information and an order form are at [www.d cuc.org](http://www.d cuc.org). Click on the box for the 2005 White House Ornament. Please make checks payable to the National CU Foundation – GEM Fund. To order by credit card (VISA or MasterCard only), please include the account number, name on the card, expiration date, and account address if different from delivery address (no P. O. Box address for delivery).



## Armed Forces Financial Network Update

### AFFN Expands ATM and Point-of-Sale Access for Cardholders

*John Broda, AFFN Executive Vice President*

AFFN continues to add ATM and Point-of-Sale access for cardholders worldwide. In fact, this month, 44,289 ATMs have been added to the network, bringing the total ATMs available for use by AFFN Card-holders, your members, worldwide to over 181,000 ATMs.

On the Point-of-Sale front, over 1,800 new merchant locations are available for AFFN Cardholders, your members, at retailers such as: WinCo Market Place, Fubonn Supermarkets, Wilson Farms, ABC Fine Wines & Spirits, Spartan Stores, and Talbots.

If your credit union is not currently a member, contact John Broda, AFFN Executive Vice President, at 973-257-1216, or e-mail [John.Broda@AFFN.org](mailto:John.Broda@AFFN.org) to learn more.

### Service One CU Spearheads Fundraiser for Domestic Violence

*Lisa Sneed, Marketing*

Service One CU has joined forces with area businesses to raise funds benefiting the community's domestic violence shelter known as Barren River Area Safe Space (BRASS). All proceeds from the upcoming fundraiser, Pennies For Peace, will benefit the shelter's Transitional Housing units for clients re-establishing their lives. Members of Service One CU and citizens of the B.R.A.D.D. communities are encouraged to donate their loose change to help stop Domestic Violence.

Transitional Housing is a temporary home for the shelter's clients to live in as they re-enter the workforce and learn how to live on their own again after a traumatic, domestic violence experience. Pennies For Peace hopes to raise \$5,000 within the fundraiser's two-week period.

# America Supports You: Fisher House Distributes Airline Tickets

*Rudi Williams, American Forces Press Service*

The Fisher House organization uses more than a million frequent flyer miles per week in distributing free round-trip airline tickets to families of war-wounded servicemembers being treated in military and Veterans Affairs medical facilities across the country.

To date, the program has distributed more than 4,000 tickets, using more than 150 million frequent flyer miles, Jim Weiskopf, vice president of communications for the nonprofit Fisher House Foundation, said.

He said the foundation's general fundraising, including money received from the Combined Federal Campaign, to pay airport security fees, taxes and administrative fees on the tickets so there is no charge to the families.

Fisher House gets the millions of frequent flyer miles through "Operation Hero Miles," a program that took off in 2004 after U.S. Rep. Dutch Ruppersberger of Maryland convinced U.S. airlines to

provide free round-trip airline tickets for servicemembers arriving daily from Iraq and Afghanistan for rest-and-recuperation leave. Ruppersberger challenged the airlines to start the program because he was concerned about placing a financial burden on servicemembers.

The program has been expanded to wounded servicemen and women being treated at major military and Veterans Affairs medical centers across the country. Those who have approved convalescent leave may be given a free round-trip airline ticket to visit loved ones if they're not eligible for government-funded airfare. Family members are also eligible for the free tickets. The unused frequent flyer miles come from private and corporate donations.

The tickets are distributed through the Fisher House Foundation, a nonprofit organization that builds homes near and on the grounds of large military and Veterans Affairs medical facilities.

**"Operation Hero Miles" is a program that took off in 2004 after U.S. Rep. Dutch Ruppersberger of Maryland convinced U.S. airlines to provide free round-trip airline tickets for servicemembers arriving daily from Iraq and Afghanistan for rest-and-recuperation leave.**

Recuperating servicemembers who must be near a hospital for continuing treatment and families visiting loved ones in the hospital can stay in the homes at no cost.

Requests for tickets have to originate from a servicemember and must be forwarded to Fisher House by a hospital social work staff member, family assistance center or service casualty office. "All we want to know is the reason for the hospitalization, and we don't make any distinction whether it was combat related, training accident or sports injury if they're hospitalized due to service in Iraq or Afghanistan," Weiskopf said.

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