



# THE DEFENSE CREDIT UNION COUNCIL

# ALLERT

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## A VIEW FROM THE BOARD ROOM

### Strategic Planning: Ensures Success

*Bob Morgan, Member of the Board  
and USN/USCG Representative  
Board of Directors, ABNB FCU*

Each year at our November Planning Session & Board Meeting, DCUC's Directors and Management spend a couple days off-site reviewing our current year's accomplishments, and assessing the Council's future in terms of mission and strategic direction. As you, we measure our progress and efforts to date, and ascertain our level of effectiveness and efficiency. Additionally, we look at the environment, as it pertains to the credit union community (mergers, charters, conversions, issues) and the Department of Defense (changes in strategy, organizational changes, downsizing, and budgets) and speculate, as best we can, what the future needs are for credit unions serving on DoD installations.

This past year was no different. However, given the changes and challenges ongoing in the Department of Defense (Base Closure, Transformation, and the War on Terrorism), and the impending election of next year, we ensured that the Council's objectives for the next couple years were clear and concise. More importantly, we ensured that our staff (your staff) in DC was adequately resourced, in all respects, to accomplish their given mission; to serve you; and to address issues of common interest and benefit to you and the Department of Defense.

*See BOARD ROOM, p. 3*

## CEO UPDATE

### It Ain't Over Till It's Over!

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

Happy New Year! Two thousand and six...seems like just yesterday that we were talking about the BRAC process and preparing you for Transformation. In fact, as I reflect back on last year's message, in addition to BRAC and Transformation, I also advised you that deployments would rise and suggested that DoD's base operation budget would fall. And in terms of preparation, I highlighted the criticality of relationships and encouraged you to meet routinely with your Credit Union Liaison Officers, senior enlisted personnel and Commanders. I enlisted your creativity and asked that you think out of the proverbial box...that you take it up a notch and provide our troops what *they* need (in terms of financial products and services) to assist them in achieving financial stability and success.

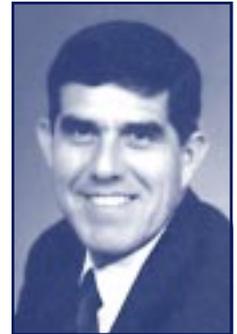
Here it is, one year later and the BRAC decision has been approved (see accompanying article), the National Defense and Military Strategy has been released, the Overseas Basing Commission has rendered their final report (overseas Transformation), and most recently, the Fiscal Year 2006 DoD appropriations and authorization bills have been signed into law. Without regard to the finale of these major and influencing decisions/recommendations, as the famed Yogi Berra once said, "it ain't over till it's over." It "ain't over" until these decisions are executed and completed...until the fifth round of base closure is history; until the Department's strategy is implemented; until organizational and structural changes in Europe and the Pacific are complete; until Operation Iraqi Freedom and the overall war on terrorism comes to an end; and until our troops and their families become consumer savvy and financially smart.

It is to that end we must continue to be proactive on three fronts: 1) financial products and services...*to include developing alternatives to payday lending*, 2) education...*both in terms of command awareness* (you are your best advocate) and *financial management training*, and 3) service and support...*doing what you do best, helping people — "serving those who serve our country!"*

As we begin 2006, let us recommit to the Standards of Service we adopted on September 16, 1980 and pledge to:

PROVIDE financial services to our members in the finest traditions of the credit union philosophy of helping one another;

ENCOURAGE thrift, the wise use of credit and prudent management of personal and family resources;



*Roland A. Arteaga*

*See CEO UPDATE, p.14*

## DEFENSE CREDIT UNION COUNCIL, INC.

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

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# Guard, Reserve Benefit From 2006 Defense Authorization

*Donna Miles American Forces Press Service*

The 2006 National Defense Authorization Act signed into law Jan. 6 provides new or enhanced benefits in addition to a 3.1 percent pay raise for National Guard and Reserve members, a senior defense official said.

President Bush signed the legislation Jan. 6, providing a variety of benefits designed to bring reserve-component compensation more on par with what the active component receives, Chuck Witschonke, DoD's deputy director for compensation, said during an interview with the American Forces Press Service and the Pentagon Channel on a range of issues related to the act.

The package provides other benefits that affect all forces, both active and reserve, including better overall compensation and improved quality of life, while promoting overall recruiting and retention, he said.

The law also provides a variety of benefits specifically targeting members of the reserve components. These include:

- Full housing allowance payments for reserve members called to active duty for more than 30 days, versus the previous 140-day requirement;
- Income replacement benefits to help offset the pay loss some reservists and guardsmen experience when called to active duty, based on specific guidelines to be established within the next six months;
- Accession and affiliation bonuses of up to \$20,000 for enlistment in the Selected Reserve, and an increase for officers for service in the Selected Reserve, from \$6,000 to \$10,000;
- A bonus of up to \$100,000 for members with a designated critical skill or who volunteer to serve in a designated high-priority unit; and
- Extension of eligibility for a prior-service enlistment bonus to include Selected Reserve members who previously received one.

Witschonke emphasized the new law does not guarantee that all service members will qualify for these pays and benefits, or that those who do will receive the highest amounts authorized. Rather, he said, the law gives defense and service leaders the flexibility they need to tailor the force to meet operational, recruiting and retention goals.

One big change in the new law is a provision that shortens the duty time before a reserve-component member qualifies for the full housing allowance. Reserve and Guard members called to active duty for more than 30 days will now get the full allowance, just as active-component troops do, Witschonke said.

Another benefit, the critical-skills retention bonus, will be "a very good tool" in helping keep members with important experience and training in the force and in maintaining readiness in high-priority units, Witschonke said.

The 2006 authorization act also increases recruiting bonuses for the Reserve and Guard, Witschonke said. The new law authorizes accession and affiliation bonuses of up to \$20,000, to be offered as needed by the services, he said.

For reserve-component members who experience pay cuts when called to active duty, the new provision for income replacement will help reduce the strain military service places on the family, he said. "It can be difficult for a family that has been living on a certain income to now have less money, particularly at a time when they're stressed by a change in their lifestyle" due to a military deployment, Witschonke said.

The income-replacement program won't be instituted for six months, in accordance with the law. At that time, specific guidelines and qualifications will be issued, he said. This authority will end in December 2008.

These enhancements in reserve-component pay and benefits are particularly critical during the global war on terror, when members of the Guard and Reserve are playing a major role in U.S. national defense, Witschonke said.

More information about pay and benefits is posted on the DoD's military compensation Web site.



Stuart Clode, APGFCU SVP, Roger Dalton, Fred Monath, Carnell Johnson, Mayor Fred Simmons, and Chris Sands socialize over the pizza lunch. Photo provided by Aberdeen Proving Ground FCU

## Aberdeen Proving Ground FCU, Mayor Thank City Employees

*Desiré P. Phelps, Marketing Communications Specialist*

Aberdeen Proving Ground FCU (APGFCU) and the City of Aberdeen joined forces to deliver a pizza lunch with all the toppings to City employees as a special thank you for all their good work. S. Fred Simmons, Mayor of the City of Aberdeen and Don Lewis, APGFCU President/CEO made it all happen. Mayor Simmons encourages local businesses and government to work together for the common good of the community, with focus on maintaining the solid partnership that has been created by the two.

“It’s a simple way to recognize the City’s employees for their hard work and help promote businesses within our community,” said Mayor Simmons, adding, “On behalf of our employees, I want to thank Don Lewis and APGFCU. Their kindness and generosity is greatly appreciated.”

Earlier in the week, Mayor Simmons and APGFCU staff arrived with a mountain of fresh pizza for the Boys and Girls Clubs in Aberdeen at a special basketball tournament with kids from the Edgewood, Havre de Grace and Aberdeen clubs. Players and spectators loved the extra attention and the great pizza.

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### **BOARD ROOM** *continued from page 1*

I am pleased to report that with your continued support and loyalty, and our continued relationship with the Armed Forces Financial Network, there is no question — the Defense Credit Union Council will again fulfill the role of your primary liaison at DoD. Although our staff is one deep and two wide, I believe you will agree, they are responsive, supportive, and undeniably, most proactive in their every effort.

As we move forward this calendar year, rest assured, that DCUC will focus on advocacy and education; on advancing the philosophical, ethical, and social ideals of the Defense Credit Union community; on promoting your efforts among key leaders at the Pentagon; and ensuring, to the maximum extent, that present and future DoD policies, procedures and regulations allow you the flexibility to deliver the right financial services and products to those of modest means — to those who serve our country worldwide.

May you and your family have a very happy, healthy, prosperous New Year.

## CU’s Letter Touts CUs As Antidote to Payday Lenders

*Madeline Busch, Vice President of Marketing*

A newspaper editorial on predatory lenders has led a credit union president to write a letter to the editor touting credit unions as an antidote to payday predators.

The letter from Carl Ratcliff, president of ABNB FCU, Chesapeake, Va., is to the editor of The Virginian-Pilot and The Ledger-Star (Dec. 27). It says a Dec. 19 editorial on payday predators brings “needed light to the plight of our military service members and their families as well as many other area residents of modest financial means.”

Ratcliff notes the editorial failed to mention other predators such as pawn shops and rent-to-own retailers, whose messages “flood the airwaves and print media with slick ads...”

He also chides legislators for allowing payday predators, who “are in direct competition with legitimate financial institutions like regional and community banks and credit unions,” to go unregulated. “By allowing them to go virtually unregulated, they’ve unleashed wolves in sheep’s clothing. Just like Red Riding Hood, consumers don’t know what has happened until it’s too late,” Ratcliff wrote. “Fortunately,” says Ratcliff, “there are mainstream financial institutions that take great pride in their efforts to help people of modest means.

“Credit unions are a great good-news story for our military members and other consumers. Their message is rarely heard. Credit unions offer low-cost, no-hassle, convenient loans to their members at rates way below those of predatory lenders. Free counseling is also available,” Ratcliff concludes.

### **GOT NEWS?**

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



Left to right: Senator Luke Esser, District 48; Phil Noble, City of Bellevue Deputy Mayor; Jane Hague, King County Council Member, District 11; Cindy Smith, Fred Meyer Store Director; Anne Laughlin, Constituent Liaison Representative for Representative Dave Reichert, District 8; Marco Mindemann, Overlake Sales Manager. Photo provided by Alaska USA FCU

## Alaska USA FCU Celebrates Overlake Branch Grand Opening

Nancy Bear Usera, Marketing

Alaska USA FCU is celebrating the grand opening of its new seven-day-a-week Overlake branch, located in Bellevue in the Fred Meyer Store at NE 20th and 148th Ave NE. Several local dignitaries helped kickoff the celebration at a ribbon cutting ceremony. They included Senator Luke Esser, District 48; Phil Noble, Deputy Mayor, City of Bellevue; Jane Hague, King County Council Member, District 11; and Anne Laughlin, representing the office of Representative Dave Reichert, District 8.

The credit union currently has 13 Seattle area branches that are open seven days a week, in Auburn, Bellevue, Bothell, Federal Way, Kent, Kirkland, Northgate, Renton, Roosevelt, Shoreline, and West Seattle. An additional branch will open in Kent later this month. Alaska USA also has a Seattle branch at 4th & Battery that is open five days a week.

## Air Force FCU Makes Donation to Help Fisher House on Lackland AFB

Danny Sanchez, Marketing Director

Air Force FCU members and employees contributed canned food, non-perishable items and paper products to Fisher House, on Lackland Air Force Base prior to Christmas. The "Filler Up For the Fisher House" food drive was a credit union initiative to assist those less fortunate in the spirit of the season. During the month-long campaign, several hundred items were collected at the credit union's branch locations. The contributions were delivered directly to the Fisher House complex on Lackland prior to Christmas for the immediate use by the families staying at Fisher House.

"We appreciate it tremendously," said House Manager Paula Lewis of the donations. "Without donations like this, we would be unable to operate. Donations are the way we exist, so we depend on our community and Air Force FCU came through to help us."

Fisher House operates three houses on Lackland AFB and is a home-away-from-home for the families of seriously ill or injured patients receiving treatment at Wilford Hall Medical Center, the Air Force's premier medical facility. It provides cost-free living quarters, meals and support to its guests who come from around the world as patients or accompanying patients coping with serious medical conditions.

## Ent Raises Over \$80,000 for The Pikes Peak United Way

Curtis Fox, Marketing

Hundreds of Ent employees rallied to support the community by raising over \$80,000 for the Pikes Peak United Way's 2005 campaign. "We enjoy working with Ent FCU because they embrace the mission of the United Way, and their employees continually amaze us with their generosity, compassion and respect for our community," said Marianne Blackwell, Resource Development Manager for the Pikes Peak United Way.

Ent fundraising chairs, Brian Rowedder and Rachel Trojanovich, organized events and unique opportunities for employees to get involved with the Pikes Peak United Way program. Some 67 employees visited several organizations supported by the United Way such as the Marian House Soup Kitchen, children's nurseries and Silver Key Senior Services. To meet their campaign goals, Ent sponsored an employee barbecue, bake sales, "Entbay" raffles for a variety of gifts and prizes, a traveling "Happy Trails" trail mix bar and a senior management breakfast, where members of the management team served breakfast to the staff.

In addition to raising funds, over 30 Ent employees participated in the United Way's Make a Difference Day. They spent the day helping Silver Key clients with yard work and home maintenance.

"The site visits really had an impact on our employees," said Rowedder. "They were able to see how their funds and time benefit the lives of so many people in our community. I think that's when it hit home that raising money for the United Way truly makes a difference. The United Way benefits one out of every three people throughout the nation — it's rewarding to be part of that effort."

**Mark Your Calendars!**

**DCUC 43rd Annual Conference**

**August 6-9, 2006**

**Marriot San Antonio RiverCenter**

## Army Aviation Center FCU's Newest Financial Service Center Opens

3 Walton County, FL Locations Open

Undaunted during construction by three tropical storms and three hurricanes, the awesome power of nature proved to be no match for Army Aviation Center FCU's newest financial service center. Located at 200 Mack Bayou Road, the 8,000 square foot financial service center includes a mortgage center and a retail center with six inside tellers, four drive-up stations and a drive-up ATM.

## Fort Belvoir FCU Implements Advance Pay Loan and Adopts Two Families

*Allyson M. Teevan, Marketing Communications Specialist*

Fort Belvoir FCU implemented the Advance Pay Loan in January 2005 as an alternative to high cost payday loans. This loan allows members to receive up to \$500 cash immediately without incurring high interest and without a credit check. Members have up to three months to repay the loan at a low annual rate of 16-18% APR (approximately \$14.86 for a \$500 loan at 18% APR paid off over the longest term of three months). Since the Advance Pay Loan began, FTBFCU has issued 665 loans for a total of \$575,052.76.

Also, Fort Belvoir FCU raised money for two families that the CU "adopted" this year with the Adopt-A-Family program run by Army Community Service (ACS) on Fort Belvoir. FTBFCU employees raised funds by paying to dress down, and making donations in lieu of a holiday gift exchange. Both families received a \$100 gift card along with toys, clothes and other requested items for the families. FTBFCU employees wrapped the presents and delivered them to the families. "The families were so grateful and overwhelmed by the generosity of the credit union employees," remarked Judy MacDonald, Branch Administrator.



LFCU's 'Shred Day' was one component of a year-long effort. Photo provided by Langley FCU

## Langley FCU Wins National Award for Identity Theft Prevention Program

*Sue Thrash, Director of Research & Communications*

Langley FCU was awarded second place in the national Louise Herring Credit Union Philosophy in Action competition. Sponsored by the Credit Union National Association (CUNA), the competition honors credit unions for their practical application of the "people-helping-people" philosophy that is the hallmark of the credit union movement. The award-winning entry featured LFCU's Identity Theft Education and Prevention Program, which was designed to help members avoid becoming victims of Internet scams or other identity theft crimes. The program offered identity theft prevention tips, covered the importance of early detection and provided advice for consumers who do fall victim to identity theft.

## Navy FCU Helps Deliver Joy This Holiday Season As A Toys for Tots Sponsor

*Keasha K. Lee, Public Relations*

Navy FCU has concluded its eighth year as a 'Toys for Tots' corporate sponsor and collection site. This year, Navy FCU members and employees at Member Service Centers (MSCs) around the world donated over 15,000 toys. In addition, generous members and employees donated over \$4,650 to the Toys for Tots Foundation. Efforts to increase member and employee awareness of Navy FCU's involvement with Toys for Tots included ads in publications, such as Navy Times; posters displayed in MSCs; and announcements on Navy FCU Online. Special events such as the Kids Holiday party at headquarters provided an additional opportunity for employee participation with a Toys for Tots collection bin near "Santa's Workshop." "It is an honor to be a part of an organization where both employees and members are dedicated to ensuring that the children in our communities who are less fortunate are able to experience the joy that all children look forward to during the holidays," said Cutler Dawson, CEO/President of Navy FCU.



Holly Sontag receives the keys to her new Honda Hybrid at Hopkins Honda.  
Photo provided by Travis CU

## Travis CU Announces the Winner of Their 2005 Membership Drive

Lila Dressen, Marketing

Congratulations to Holly Sontag of Fairfield, CA—Travis CU's winner of the Honda Hybrid giveaway as part of TCU's Friends & Family Membership Drive. Holly's name was randomly drawn from more than 3,700 entries.

Holly's not one for change, but after she walked into her bank of 20 years and was told they didn't have time to open an additional account for her, she finally decided to take the advice of member, Jami Cox, to join Travis CU.

Unaware of Travis CU's membership drive, Holly came into the Green Valley branch and met with Linda Frank, one of Travis CU's MSRs. Linda was so helpful and patient with Holly, that she opened multiple accounts that day...and entered the drawing to win the Honda Hybrid. "We're gonna win this car," said Jami!

A huge fan of Hondas, Holly was getting ready to trade in her 10-year-old, two-seater, Honda Del Sol with 200,000 miles on it. As a commuter, she needed a new car with better gas mileage and one that would seat their family of four comfortably. When Holly was called to share the news that she had won the Honda Hybrid, it was a moment of disbelief, utter thrill and complete celebration. She called Jami immediately, who was shopping at Target and told everyone around that Travis CU just awarded them a brand-new car. We are happy to report that Holly and her family are enjoying their new Honda Hybrid as well as her credit union membership.

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## New U.S. \$10 Note to Begin Circulating March 2, 2006

On March 2, 2006, the Federal Reserve banks will begin distributing the redesigned Series 2004 \$10 notes to the public through commercial banks. The notes will begin circulating immediately in the United States, and then be introduced in other countries in the days and weeks following, as international banks place orders for \$10 notes from the Federal Reserve. Businesses that handle cash and use machines that receive or dispense cash should make final preparations for the new notes. New money designs are being issued as part of an ongoing effort to stay ahead of counterfeiting, and to protect the economy and the hard-earned money of U.S. currency users. The new series began with the introduction of the \$20 note on October 9, 2003, and continued with the \$50 note issued on September 28, 2004.

## Plans for Defense Issues 2006 Begin

*Don't forget Defense Issues 2006!*

DCUC is again sponsoring this popular one-day session in conjunction with, but not part of, CUNA's GAC. Defense Issues 2006 will be held on Saturday, February 25 at the Washington Hilton Hotel. Registration will start at 07:30 and the first session will begin at 08:30. The all-inclusive fee is still only \$100.

This year, after a half day educational session we will be doing something special. DCUC will be placing a wreath at the Tomb of the Unknown Soldier at 1:15 p.m. All Defense Issue participants are invited and welcome to attend this ceremony. Transportation along with a box lunch will be provided.

The Educational Sessions on Defense Issues 2006's Agenda currently include the following:

JoAnn Johnson, Chairman,  
National Credit Union Administration  
*Credit Union Tax Exemption*

Colonel Michael Pachuta,  
Department of Defense  
*Personal Commercial Solicitation and the Security and Exchange Commission*

Colonel Marcus Beauregard,  
Department of Defense  
*The Congressional Levy on DoD to Review and Report on the Payday Lending*

*A Joint Briefing by the Army and Navy on The Commander and Installation Banking and Credit Union Liaison Officer's Guide*

The George E. Myers Scholarships will also be awarded at Defense Issues 2006.

We have a full schedule and space is limited so please get your registration in early! On-line registration is now available. Whether you prefer to register on-line or fill the registration form out and fax or mail it in, please go to [www.d cuc.org](http://www.d cuc.org) and click on the picture of Arlington National Cemetery.

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

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Arkansas FCU, AR announced that **Nicole Matsoukas** has been named Assistant Vice President/Call Center. Nicole began her career at AFCU in 1987 as a Part-Time Teller and has progressed over the previous 18 years to a variety of positions to include Teller, Bookkeeper, ATM Processor, Account Research Manager, and Telephone Branch Manager. Nicole was also the first graduate of AFCU's Management Training Program in 2000... Scott CU, IL has been busy in the personnel department with the following: recently promoted was **Becky Dunker** to Assistant Branch Manager of their Waterloo location. Becky had previously held the position of Member Service Representative at the Waterloo location; promoted **Ron Lintker** to Assistant Consumer Loan Manager. Ron has been employed with Scott CU for a year and a half; promoted **Darrel Kratzer** to Assistant Loss Prevention Manager. Darrel has been employed with Scott CU for over 19 years. Darrel has held several different positions including Loan Services Manager, Loan Services Supervisor, and Collections Supervisor. This promotion is a reflection of Scott Credit Union's recent increase in loan volume; promoted **Debra L. Daum** to Telephone Operations Manager. Debra has held several different positions during her four years at Scott Credit Union including Telephone Operations Assistant Manager, Member Service Representative, and Receptionist... Global CU, WA President/CEO **Jack Fallis** announced the selection of **Ron McKay** as Senior Vice President of Real Estate Lending. McKay has over 30 years of experience in Eastern Washington, working the past eight years with Global CU in various senior management positions...

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## CUES Names Maslak Executive of the Year

*Heather Gormsen, Marketing Specialist*

**N**orth Island CU President/CEO Mike Maslak has walked away from last year's CUES CEO Network as the 2005 Executive of the Year. Recipients of the CUES Executive of the Year award must show exceptional leadership skills; be committed to professional development; contribute successfully to their credit union, CUES and its Councils; and actively participate in civic and community affairs. CUES Future Leader nominees are evaluated on their accomplishments within their credit union and the movement in general; contributions made to CUES and its Councils; level of professional development and education; a letter of recommendation from his/her CEO; and community contributions. In addition, judges review the details of a single problem-solving plan which was developed, led and put into action by the nominee.

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## Federal Financial Regulators Announce Public Service Campaign to Help Hurricane Victims

*Joint Release from Federal Reserve, FDIC, NCUA, OCC and OTS*

**T**he federal financial regulatory agencies today announced a public service campaign to aid in the financial recovery of victims of last year's hurricanes. Although four months have passed since Hurricanes Katrina and Rita made landfall, some customers of financial institutions have not yet been in contact with their lenders. Communication is an essential step in the road to financial recovery.

The Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, the National Credit Union Administration and state financial regulators are encouraging banks, thrifts, and credit unions to continue to work with borrowers affected by the hurricanes. Assistance may include waiving fees, lowering interest rates, extending repayment schedules, or deferring principal or interest for an additional period, where

## Arkansas FCU and Visa USA Surprise Ft. Smith, AR Cardholder with NFL Experience

*Leslie Perry, Marketing*

**A**rkansas FCU Visa cardholder, Augustine Lachowsky, of Fort Smith, AK, won two tickets to the ultimate game on the ultimate stage, by simply using his Arkansas FCU Visa card. He has won a trip for two to Super Bowl XL in Detroit, MI, which takes place on February 5, 2006. During the 2005 NFL season, fans were automatically entered into the national promotion when they used their Visa card or by entering online.

"The NFL drives fan passion and consumer loyalty in a way that no other American sports league can match," said Larry Biernacki, President/CEO of Arkansas FCU. "We are extremely excited to offer Mr. Lachowsky this opportunity and to partner with Visa in celebrating the unpredictable nature of the NFL in a fun way that surprises and rewards our members."

Arkansas FCU participated in Visa's 2005 NFL national promotion, which awards fans different prizes for each week during the NFL season. More than 1,000 people had the chance to win a variety of prizes including Super Bowl XL trip packages, plasma TVs, NFL Shop.com gift certificates and more.

appropriate. For these options to be considered, however, it is essential that the borrower contact his or her lender.

The federal financial agencies continue to work to meet the needs of federally insured depository institutions and their customers. Additional guidance is available at the Federal Financial Institution Examination Council's Web site, [www.ffiec.gov](http://www.ffiec.gov).

The public service announcements (PSAs) are being distributed to print and radio media outlets with the highest concentration of people affected by the hurricane. The PSAs are also available for download and use from the OCC Web site at [www.occ.gov/hurricane.htm](http://www.occ.gov/hurricane.htm).



Pictured from left to right: Commanding Officers for The Salvation Army of the Panama City Corps, Captain David Worthy and Captain Dawn Worthy; Training & Development Specialists for Tyndall Federal Credit Union, Rachael Burch and Peggy Owens; Ms. Lucy Lewis, Director, Tyndall Federal Credit Union Board of Directors; Mr. Joseph T. Manning, Chairman, Tyndall Federal Credit Union Board of Directors; Mr. Jim Warren, President/CEO of Tyndall Federal Credit Union. Photo provided by Tyndall FCU

## Tyndall FCU Benefits Hurricane Katrina Victims

Kelly Potts, Marketing Specialist

Tyndall FCU recently donated over \$20,000 to The Salvation Army to benefit the victims of Hurricane Katrina. Donation sites were positioned at all Tyndall FCU Branch locations. Generous donations from Tyndall FCU’s members, employees, and the Tyndall FCU Board of Directors made the fundraiser a great success. A check presentation was held at Tyndall FCU’s Operations Center. A large portion of this donation will provide local relief, and the remainder will benefit Katrina victims outside of the area.



## Army Aviation Combats Identity Theft

Alabama State Attorney Troy King left, thanks Army Aviation Center FCU CEO Jim Mitchell for his efforts in combating identity theft. The six largest credit unions in the state, which comprise the Alabama Credit Union Coalition, teamed with King to produce a television public service announcement to raise awareness on how to combat identity theft. Other members of the coalition are Alabama Telco, America’s First, APCO, and Redstone FCUs. Photo provided by Army Aviation Center FCU

## Tinker FCU Adds Cookies to Service Menu

Carolyn Kelly, Marketing Projects Coordinator

Tinker FCU (TFCU) employees recently brought a little bit of “home” during the holidays to service men and women at Tinker Air Force Base (TAFB). TFCU President Michael D. Kloiber and his wife, Pam, and Starla Hale, Corporate Event Coordinator for TFCU, delivered close to 6,000 packages as part of their second annual “Caring Cookie Campaign.”

TFCU employees expressed their appreciation for the enlisted personnel at TAFB by baking cookies for those who were unable to go home for the holidays. The goal this year was to have 2,000 bags of cookies to distribute on Thanksgiving Day and another 2,000 to be delivered for Christmas. Employees responded by bringing 3,015 bags of cookies, which were distributed on Thanksgiving Day by Command Chief Master Sergeant Tim Ossinger, and another 2,847, which were handed out on Christmas Day.

“We have always had a close working relationship with the credit union and were pleased when they offered to provide cookies for our enlisted personnel who were unable to go home for the holidays. Last year, we were hoping to have enough bags for everyone who was working during the holidays,” Chief Master Sergeant Ossinger said. “It was an especially nice surprise when they showed up with more than enough to cover all working personnel, as well as those living in the base dorms who were not working but were unable to go home. This year, they came through once again with even more cookies.”

Kloiber said credit union employees were eager to participate in providing cookies for both holidays, as they did last year. “Tinker Air Force Base is a big part of the credit union’s history. We want to do everything we can to let the enlisted personnel there know how much we appreciate the work they do and the sacrifices they make to protect our freedom. Most of these men and women are young and away from home and family. This is just one small way we can show them we care,” he said.

Check out the latest happenings at [www.dcuc.org](http://www.dcuc.org)



SSFCU volunteers participate in the Leukemia & Lymphoma Society's "Light the Night" Walk and carry illuminated balloons in support of those lives touched by cancer. To date, SSFCU has raised more than \$106,000 to fund the society's mission. Photo provided by SSFCU

## Security Service FCU Top Fundraising Team for Cancer Research Third Year in Row — Receives Platinum Award

*Kathleen Johnson-Hodge, Communications Specialist*

Security Service FCU (SSFCU) received Platinum recognition at a recent Leukemia and Lymphoma Society Award's Ceremony. The credit union received the Platinum Award for being the top fundraising team for the society's "Light the Night" Walk. Raising more than \$33,000 and with over 500 walkers participating, this is SSFCU's third year as the top fundraising team.

The "Light the Night" Walk is the Leukemia & Lymphoma Society's main fundraising event to benefit research initiatives, patient services and education programs that fight blood cancers. During this evening walk, participants carry illuminated balloons; white for survivors and red for supporters to celebrate and commemorate lives touched by cancer. The 2005 San Antonio area "Light the Night" Walk raised more than \$290,000.

SSFCU has been involved in the walk four consecutive years and to date has raised more than \$106,000 to fund the society's mission to find a cure for leukemia and lymphoma. "Security Service FCU and its employees understand the importance of giving back to the community," says Mike Martinez, senior vice president of SSFCU member service and 2005 "Light the Night" corporate walk chair. "I'm honored to be a part of a team that put forth extraordinary efforts in support of such a great cause." All the money raised at this walk remains in the San Antonio area for cancer research and patient education/financial aid.

### Defense Directory Updates

MacDill Federal Credit Union  
has a new address:  
PO Box 89909  
Tampa, FL 33689-0415

Pearl Harbor Federal Credit Union  
has changed their address to:  
94-449 Ukee Street  
Waipahu, HI 96797

## Major Defense Credit Union Events Scheduled for 2006

### February 25

DCUC Defense Issues 2006  
Washington Hilton Hotel  
Washington, D.C.

### May 3-7

DCUC Overseas Sub-Council Meeting  
Garmisch, Germany  
*co-hosted by Andrews FCU and DCUC*

### June 20-23

DCUC Midwest Sub-Council Meeting  
Branson, MO  
*hosted by Mid-Missouri CU*

### August 6-9

Annual DCUC Conference  
Marriott San Antonio RiverCenter  
San Antonio, Texas

## 4 The Troops Calling 4 Help

4 The Troops began supporting the U.S. troops in March 2003 during the inception of Operation Iraqi Freedom. They are a non-profit organization dedicated to showing our servicemen and women that they are cared for and have support. Their goal is to lift the spirits of both our deployed and wounded Heroes by letting them know America has not forgotten them with care packages and letters of encouragement. You can visit 4 The Troops at [www.4thtroops.com](http://www.4thtroops.com).

4 The Troops has some suggestions on remembering our Troops at Valentine's Day. These suggestions include homemade Valentine's cards or drawings; handmade gifts such as crochet or knitting projects (scarves, knit caps, slippers, helmet liners and related items) that can be forwarded to the troops and veterans; and care packages are always encouraged.

# BRAC Implementation Plan on Schedule, Official Says

*Sgt. Sara Wood, USAmerican Forces Press Service*

The Defense Department expects to have a plan to implement Base Realignment and Closure Commission recommendations early next year, a DoD official said here Dec. 7.

The 2005 BRAC is the largest, most joint-service-oriented round DoD has ever attempted, Philip Grone, deputy under-secretary of defense for installations and environment, said in a Pentagon Channel interview. More than 800 installations across the country from the active, National Guard and Reserve components will be affected, Grone said, and 40 percent of the changes will affect more than one service.

"This is larger than anything we've ever attempted in the past, but it's necessary for the transformation of the armed forces and the transformation of our business practices to set about this broad realignment of American domestic military infrastructure," Grone said.

All the components are planning important mission moves, taking into consideration people, schedules and construction, Grone said. DoD civilian organizations are putting together programs

to help civilian employees with transition or potential job placement, he added.

"We're trying to take care of our people," he said. "We're also planning to take care of the mission in terms of the move and planning for the construction to support those moves so that the missions can be transitioned in a seamless way."

The general plans for implementing the BRAC recommendations will be in place by February 2006, Grone said. At that time, DoD will be in a better position to develop detailed implementation plans for each installation, he said.

"All these implementation plans — over 241 of them — all have their own pace, their own schedule and their own cost structure," he said.

DoD already is working with BRAC-affected communities, both those that will be losing an installation and those that will be gaining missions, Grone said. Some communities already are taking measures to prepare themselves for the changes, he said.

One thing that communities need to do and are doing is to organize early and decide what they want the installations in their areas to look like, he said. This proactive approach will help communities that are losing an installation to use that

space effectively and will help communities gaining military missions to realign their infrastructure to prepare for incoming forces, he said.

"It's a highly collaborative effort, Grone said. "And in all of these locations, we can't sustain the installations over the long term without the support of the community, which is so critically important to all of our missions."

Another way DoD is stepping forward to help communities is through a community conference, which will be held in the spring, Grone said. This will allow the communities to have dialogue with DoD representatives and with communities that have been affected by BRAC in the past, he said.

"Everyone has a role to play in this important transformational exercise of the department, and we aim to do this in as seamless a way as possible," he said. "We're all one team in this, and I believe that we've got the capacity and certainly the desire and the requirement to do all this in a way that is effective."

By law, all the BRAC recommendations have to be implemented by 2011, Grone said, and there is no reason to think DoD will have a problem meeting that deadline.



*Pictured left to right: David Weber President/CEO Armed Forces Financial Network; Gordon Simmons, SCU president/CEO; Jean Brackenbury, Director Institutional Relations from AmeriCares; Roland Arteaga, President/CEO, Defense Credit Union Council. Photo provided by Service CU*

## Service CU Donates Over \$160,000 to Hurricane Katrina Victims

*Nancy Layton, Marketing Manager*

Thanks to the generosity of Service CU members and staff, Service CU collected \$84,100 to aid the victims of Hurricane Katrina. Service CU matched the donation, bringing the total contribution to \$168,000.

In an event held at Service CU's Corporate Office, the check was presented to Jean Brackenbury, Director, Institutional Relations from AmeriCares.

# More Than 52 Million Taxpayers Choose Direct Deposit for Their Federal Income Tax Refunds

Shirley Hopkins, EFT Strategy Division

The 2006 tax filing season is now here, and the U.S. Treasury Department wants taxpayers to know their options for filing their federal income tax returns and receiving their refunds. Tax filing season 2005 resulted in 68 million taxpayers using the Internal Revenue Service's (IRS) e-file program and more than 52 million receiving their refunds by direct deposit.

## Direct Deposit

The use of direct deposit for federal income tax refunds has grown steadily in the last several years. Last year alone, there was a 7 percent increase in the number of taxpayers choosing direct deposit. Taxpayers who use direct deposit get their refunds faster — in as little as two weeks.

Direct deposit has been available for federal payments for more than 30 years and has proven to be safe, reliable and convenient, and statistics indicate that electronic transmissions also have fewer errors. Taxpayers who receive their refunds by direct deposit have significantly fewer problems than with a paper check. If a problem does occur with a direct deposit payment, it usually can be resolved in 24 hours, compared with an average of 14 days for a replacement check.

## E-file

The IRS e-file program continues to make great strides. In 2005, 68 million taxpayers filed their tax returns electronically using IRS e-file, and learned its many benefits: free/low-cost filing; fast, safe refunds; security; accuracy—less than 1 percent error rate; electronic signatures; proof of acceptance; electronic payment options; and federal/state e-file!

There are a number of ways to e-file: on one's personal computer using tax preparation software; online e-file services available free to eligible taxpayers at [www.irs.gov](http://www.irs.gov) or through a professional tax preparer. There are volunteers

who can assist taxpayers in filing electronically at VITA (Volunteer Income Tax Assistance) and TCE (Tax Counseling for the Elderly) sites. These volunteers provide free tax preparation assistance for low-income individuals and the elderly at community locations. Find the closest VITA or TCE site by calling the toll-free number 1-800-829-1040. And, taxpayers who owe money also can pay electronically!

The IRS has entered into partnership agreements with IRS e-file partners (companies) to foster the use of electronic filing. As a convenience to taxpayers, the IRS provides links to these companies' Web sites, and the companies provide descriptions of their products and services. The IRS and the U.S. government do not endorse or warrant these companies or their products or services. The decision to use or not to use any of these products and services will not result in any special treatment from the IRS. For more information about IRS e-file partners, visit the IRS Web site at [www.irs.gov/elec\\_svcs/partners.html](http://www.irs.gov/elec_svcs/partners.html).

To learn about the status of your refund, visit the IRS Web site at [www.irs.gov](http://www.irs.gov) and click on "Where's My

Refund?" or call 1-800-829-1040. You will need your Social Security number, your filing status (single, married filing joint return, married filing separate return, head of household, or qualifying widow/widower), and refund amount.

Treasury's Financial Management Service and the IRS are collaborating to promote IRS e-file and direct deposit in future tax filing seasons. For direct deposit information, visit FMS' Web site at [www.fms.treas.gov/efit](http://www.fms.treas.gov/efit). For general tax information, call IRS' toll-free tax help line number 1-800-829-1040 or visit [www.irs.gov](http://www.irs.gov).

## How to Enroll in Direct Deposit

To choose a direct deposit refund, taxpayers indicate on the refund portion of the electronic return, or on the paper form 1040, the financial institution's routing transit number, their account number and the type of account—checking or savings.

Successful direct deposit payments require accurate information, including the financial institution, the depositor account number, type of account (checking or savings), and routing transit number (RTN). If the check is payable through a financial institution different than the one where the checking account is, do not use the routing number on the check. Instead, contact the financial institution for the correct routing number.

## Report on the George E. Myers Fund

### *2005 White House Ornament Sale a Success*

A huge "thank you" to all the people who purchased the 2005 White House Christmas tree ornament through DCUC. This is the Council's annual fundraiser for the George E. Myers Scholarship Fund, which was again a tremendous success, grossing nearly \$12,000.

This fundraiser is a win-win for all concerned — purchasers get the beautiful White House Christmas tree ornament while supporting the GEM Fund, which helps the Fund to grow and continue awarding scholarships.

The Scholarship amount is \$3,000, and allows for the expense of travel with tuition. It is available for credit union education based on the need of the individual to be used toward registration/expenses only. Educational programs at the following levels will be considered: a) DCUC conferences; b) chapter; c) league; d) national.

Contributions to the Fund are tax-deductible. Share drafts/checks should be made payable to the National CU Foundation – GEM FUND, and sent to DCUC at 601 Pennsylvania Avenue, NW, Suite 600, South Building, Washington, DC 20004-2601.

# AFFN Teams Up with Credit Unions to Help Fisher House

*John Broda, AFFN Executive Vice President*

The Armed Forces Financial Network (AFFN), in partnership with members of DCUC presented donations to various Fisher Houses.

The check recipients are military families who are staying at the Fisher Houses during the holiday season. The gift checks are redeemable at any Department of Defense Commissary and are for assistance with holiday meal expenditures.

AFFN Banks and Credit Unions have partnered together with AFFN, granting nearly \$300,000 to “Military Focused” organizations serving our global military and defense communities over the past two years. It is through their generosity that troops and their families are receiving direct benefits during such a critical time in our nation’s military history. “AFFN is proud to be in partnership with our AMBA Banks and DCUC Credit Unions in this giving campaign,” said David Weber, AFFN President/CEO. He added, “now, more than ever, our participating partners are showing their patriotism, spirit, generosity, and true colors — red, white and blue!”

The AFFN Military Community Support Program, which includes the 2005 AFFN Matching Grant Effort, has provided direct support to our troops and their families. This support includes such services as care and comfort, communication, entertainment, financial literacy education, and family and children’s programs.

FirstLight FCU presented a donation in the amount of \$1,000 to the Fisher House at William Beaumont Army Medical Center, El Paso, Texas. Karl Murphy, President and CEO, FirstLight FCU, and members of his management team, Michelle Thyfault, Business Development Specialist, and Brian Cedergren, Vice President Operations, made the presentation to Harry Hicks, William Beaumont Army Medical Center Fisher House Manager, who accepted the gift checks.

Pentagon FCU and The Pentagon FCU Foundation presented a donation in the amount of \$3,000 to the Fisher Houses at Walter Reed Army Medical Center, Washington, D.C. Roderick (Rocky) Mitchell, President and Mary Lynn Stevens Vice President, The Pentagon FCU Foundation, made the presentation to Vivian Wilson, Walter Reed Army Medical Center Fisher House Manager, who accepted the gift checks. The Pentagon FCU Foundation hosted a Christmas Dinner, in conjunction with the Mount Vernon chapter of American Society of Military Comptrollers, for the wounded soldiers and their families.

USA FCU (headquartered in San Diego, CA) presented a donation in the amount of \$1,000 to the Fisher House at Naval Medical Center, San Diego, CA. Jim Bedinger, Director of Military Affairs, USA FCU, made the presentation to David Esposito, Manager, Fisher House, Naval Medical Center San Diego.

Financial institutions of Hawaii presented a donation in the amount of \$2,000 to the Fisher House at Tripler Army Medical Center, Honolulu, Hawaii. Larry Chun, President, Schofield FCU, along with Robert Makahilahila, Bank of Hawaii Senior Vice President and Vincent Barfield, Bank of Hawaii Senior Vice President, made the presentation to Avila Porter, Tripler Army Medical Center Fisher House Manager, who accepted the gift checks.



Left to right: Karl Murphy, President & CEO, FirstLight FCU, Harry Hicks, Manager, Fisher House El Paso, Texas, Michelle Thyfault, Business Development Specialist, FirstLight FCU, and Brian Cedergren, Vice President Operations, FirstLight FCU



Chaplain (BG) Doug Carver meeting with wounded soldiers and their families at the Pentagon FCU Foundation Christmas Dinner.

All photos provided by AFFN



Left to right: Jim Bedinger, Director of Military Affairs, USA FCU, Dave Esposito, Fisher House Manager, Naval Medical Center San Diego, Mrs. Dave (Bel) Esposito, Fisher House Volunteer



Left to right: Robert Makahilahila, Bank of Hawaii Senior Vice President, Vincent Barfield, Bank of Hawaii Senior Vice President, Avila Porter, Tripler Army Medical Center Fisher House Manager, Larry Chun, Schofield Federal Credit Union President and Major David Aut, Tripler Army Medical Center are pictured with the holiday gift checks at Fisher House.

## New OFAC Guidelines Released

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CUNA NewsNow

The Office of Foreign Assets Control (OFAC) will follow new procedures next month when taking enforcement actions against credit unions and other financial institutions.

The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) released guidelines called "Economic Sanctions Enforcement Procedures for Banking Institutions Regulated by FFIEC-member Supervisory Agencies."

The guidelines, effective Feb. 13, complement and expand upon OFAC's contribution to the Bank Secrecy Act Anti-Money Laundering Examination Manual published by the Federal Financial Institutions Examination Council (FFIEC) on in June 2005.

OFAC said the procedures spell out an institutional — rather than a transactional — approach to enforcement, taking into account risk-based efforts by financial institutions to ensure OFAC compliance, as well evaluating violations that appear to have occurred.

Regulators are focusing on BSA and OFAC compliance as never before, according to Valerie Moss, CUNA's director of compliance information.

"All credit unions should familiarize themselves with these new enforcement guidelines, and the FFIEC's Bank Secrecy Act Anti-Money Laundering Manual — now commonly referred to as the 'BSA bible,'" she said.

The good news is that OFAC is moving toward a more risk-based approach, taking into account that each financial institution is different, Moss pointed out. Also good news is that OFAC will be looking at violations over a period of time rather than evaluating each and every violation independently.

"These are important shifts in OFAC's practices that we first heard about last June from an OFAC official who spoke at the CUNA/NASCUS conference," said Moss.

## Armed Forces Financial Network Update

### AFFN Regional Meetings — Save the date!

*(Registration information coming soon!)*

*John Broda, AFFN Executive Vice President*

**March 14, 2006 • San Diego, CA • Marriott LaJolla**

**March 17, 2006 • Honolulu, HI • Waikiki Marriott Resort & Spa**

**April 5, 2006 • San Antonio, TX • Hyatt Regency**

**April 7, 2006 • Williamsburg, VA • Williamsburg, Marriott**

AFFN proudly supports our business partner, DCUC, and we look forward to participating in DCUC's annual meeting.

### DCUC Midwest Sub-Council Conference

June 21–23, 2006

Thousand Hills Golf Resort • Branson, Missouri

*Hosted by Mid-Missouri Credit Union*

For information on the Midwest Sub-Council Conference, please contact Tracey L. Smith, Senior Vice President Information Technology at [tsmith@midmocu.com](mailto:tsmith@midmocu.com).

Hotel Information: [www.thousandhills.com](http://www.thousandhills.com)

### Defense Credit Union Council (DCUC) 43rd Annual Conference

August 6–9, 2006

Marriott San Antonio River Center  
San Antonio, Texas

EXTEND our services to our members without discrimination, regardless of race, nationality, creed, color, religion, sex, rank or grade;

OFFER intelligent, sound financial guidance and advise to our members, knowing that financial fitness contributes to defense effectiveness;

ASSIST and support commands in morale and welfare matters within our capabilities and legal limitations;

ESTABLISH and maintain sound, cooperative-working relationships with commanders and legal limitations;

OBSERVE applicable laws and regulations and to pursue improvement through established procedures and channels.

HOLD integrity, unselfishness and understanding, as essential dimensions of character, necessary for optimum service to Defense credit union members;

SUPPORT the Defense Establishment in its objective of providing a sound, adequate defense to our nation;

SERVE with dedication and integrity in compliance with our motto: "Serving Those Who Serve Our Country."

They have served us well for over a quarter of century and will continue to guide us as we move forward for years beyond.

Happy New...and best wishes for good health, much success, and endless happiness!

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## DoD YOU SHOULD KNOW...

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...the DoD FY 2006 Authorization Act provides authority to the Secretary of the Army to contribute to the Thrift Savings Plan (similar to federal civilian employees) for certain first-time enlistees. A pilot program is to be conducted this fiscal year to determine the affect of this initiative on recruiting efforts, and a report will be provided to Congress no later than February 2007 with the results and recommendations. As the Army moves ahead with this test, we will provide you information, as it becomes available.

...that, additionally, Congress has levied the Department of Defense (in the FY 2006 DoD Authorization Act) to assess and draft a report on the impact of payday lending and provide such a report sometime in early March. We have asked the Office of the Deputy UnderSecretary of Defense for Military Community and Family Policy to address this matter at our *Defense Issues 2006* roundtable discussion and encourage you to attend.

...that we have been advised by Major Tony Taylor (the Army's Banking and Credit Union Liaison Officer) that he will be deploying for Afghanistan in late Spring. A loss to all of us who know and have worked with Major Taylor, and one that could temporarily impact the Army's banking/credit union program. Though this reassignment comes early, Major Taylor's replacement, Cpt David Smith, who is currently "Training With Industry," will be arriving in May. More to come, as we move closer to Major Taylor's departure.

**Learn more about DCUC's  
43rd Annual Conference in  
San Antonio at [www.dcuc.org](http://www.dcuc.org)!**

## Naval Mid-Atlantic's Holiday Spirit

*Joann Buckley, Marketing Manager*

Naval Mid-Atlantic FCU opened the holiday season with its co-sponsorship of NAVFAC's Morale, Welfare and Recreation Skating Party. MWR and Naval Mid-Atlantic FCU staff hosted more than 100 children and parents at Greenbrier Family Skating Center. Santa was on hand with presents. Santa made an appearance at Naval Mid-Atlantic FCU's Haygood office at the the annual Santa Saturday. The winner of this year's Santa Sack (red sack made by staff and filled with \$100 in toys) was Naval Mid-Atlantic FCU member John Thompson. The raffle raised \$288 for the Children's Hospital of the Kings' Daughters.

Naval Mid-Atlantic FCU's annual Angel Tree was a highlight of the season. Members and staff took home lists and ornaments from the Angel Tree, and brought in 144 new items of clothing and toys for the kids and moms at the Samaritan House (a non-profit organization that provides programs and shelter for victims of domestic violence and homeless families). "Naval Mid-Atlantic FCU members and staff really got into the holiday spirit. We had fun and were able to help our local charities," said President & CEO Bill Merritt.

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## Global Partners with Vanessa Behan Crisis Nursery

*Linda Backlund, Manager Governmental Relations/Corporate Communications*

Global CU, headquartered in Spokane, WA is partnering with the Vanessa Behan Crisis Nursery, a community non-profit organization, recognized in the Pacific Northwest as the leading child care facility providing refuge for children who are at risk of child abuse and neglect. Susan Cerutti-Jensen, the nursery's public relations and development director, said, "Global CU's mission is the same as the Nursery — people helping people. When we work together toward a common goal we can accomplish so much more."



Pen Air President/CEO John A. Davis, Jr. presents Lt. Eileen Donovan, USM, with toys and check for Toys for Tots. Photo provided by Pen Air FCU

## Pen Air FCU Supports U.S. Marines Toys for Tots Drive

*Patty Veal, VP of Marketing*

Each holiday season the U.S. Marines assist Toys for Tots, a nationwide program that helps children less fortunate, by collecting and delivering some holiday cheer through toys. Local businesses are asked to place boxes in their lobbies to gather donations of new, unwrapped toys. Pen Air FCU and its staff have participated annually and this year are proud to report that over \$1,000 in toys was collected among the offices and a check for \$1,000 was able to be donated to support the efforts of the Marines' Toys for Tots Drive.

This year's Toys for Tots Drive was especially important due to the effects of Hurricane Katrina. Toys for Tots gave much of its collected supply to needy children in the surrounding areas that were left without anything after the storms. So this made for a shortage of toys as it got closer to the holidays. Pen Air FCU placed boxes at every branch and vocalized the importance of giving to Toys for Tots.

Pen Air FCU President/CEO, John A. Davis, Jr. met with 1st Lt. Eileen Donovan, USM, one of the areas Toy's for Tots coordinators, and presented her with the toys and check from the Credit Union for support of such a wonderful cause. Pen Air knows that these toys will bring a smile on many faces and encourages all businesses to reach out and support efforts in their local community.

## Join us in the Lone Star State

### for the 43rd DCUC Annual Conference!

The Defense Credit Union Council's 43rd Annual Conference will be up to its usual high standards in a new location — San Antonio, TX. Home of the Alamo, the famed Paseo del Rio, better known as the River Walk, Fort Sam Houston, and Market Square (the largest Mexican marketplace outside of Mexico), San Antonio is a city filled with history and tradition blending cultures of Native Americans, Old Mexico, Germans, African-Americans, the deep South, and the Wild West. Close to 20 million visitors a year delight in the discovery of San Antonio we hope you can be one of them in 2006!

The conference will be located at the Marriott San Antonio RiverCenter. Rising 38 stories above the San Antonio skyline you'll find the unmistakable San Antonio Marriott RiverCenter, a hotel that embodies the true spirit of San Antonio. Everything this incredible destination has to offer is just steps away including unique dining, shopping and famous historical attractions. Enjoy Marriott's tradition of service excellence and a full complement of amenities during your stay, including high-speed internet access and wireless access in the lobby areas.

*Registration materials will be available early in 2006.*

# Wright-Patt CU Joins Nationwide Billion-Dollar Home Loan Program to Assist Lower-Income Borrowers

*Tim Mislansky, VP, CUSO Operations*

Focusing on helping lower-income borrowers afford their first home, Wright-Patt CU is taking part in a new \$1 billion nationwide mortgage-lending initiative. The credit union is among many across the country that will begin offering a new mortgage product, called Home Loan Payment Relief (HLPR, pronounced “helper”), aimed at borrowers with household incomes at or below the median in their market. Together these credit unions have committed nearly \$1 billion to the HLPR program, a level expected to rise to \$3 to \$5 billion as credit union participation grows.

“A key part of our mission is helping people of modest means within our membership, many of whom have found themselves frozen out of the housing market because of down payment requirements and monthly payments. We can’t produce more affordable housing, but with HLRP we can reduce

their monthly payments so more borrowers can qualify,” said Doug Fecher, President/CEO. “Offering the HLPR program will help first-time homebuyers take an important step on the road to financial security through home ownership.”

Basics of the program include:

- The HLPR loan is a three-year adjustable-rate mortgage that will be offered to qualifying borrowers at one percent below the national average for these loans. Based on current market rates as of December 1, the HLPR mortgage will be offered at approximately 4.75%.
- The required down payment will be no more than 3 percent of the purchase price, and can be as little as \$500.
- The loan is available to borrowers whose household income is either at or below the area median income.
- The loan will require lower coverage private mortgage insurance, thereby further reducing the monthly payment.

**“With our first time homebuyer products, we’re giving our member-owners a greater opportunity to purchase a home and begin to build wealth as the equity in their home accumulates.” — Doug Fecher**

The HLPR mortgage will benefit qualifying borrowers in several ways: allowing for lower monthly payments; qualifying for a larger mortgage; reducing down payment requirements, or lowering the income level needed for a given mortgage.

Wright-Patt CU plans to promote the program through its member centers and other marketing outlets, including Real Estate Agents and local community development offices. The HLPR loan complements several existing mortgage products offered by WPCU that are aimed at first time homebuyers.

“As a financial cooperative, we are committed to helping our member-owners through life. With our first time homebuyer products, we’re giving our member-owners a greater opportunity to purchase a home and begin to build wealth as the equity in their home accumulates,” said Doug Fecher.

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