



A VIEW FROM THE BOARD ROOM

Identity Theft...The Fastest Growing Crime

By: *Jim Bright, 2nd Vice Chairman, DCUC Board; President, Scott CU, IL*

One evening a few weeks ago, I was sitting at my home office computer cleaning up some work when the phone rang. When I answered, a warm, friendly, professional sounding voice said, "Mr. Bright, I'd like to discuss a special program the XYZ Mortgage Company is offering a select group of homeowners who can benefit from refinancing their home mortgages. You have been selected for this wonderful opportunity to reduce your monthly mortgage payment and save quite a bit of money!" I was curious about what the caller had in mind because I like to learn more about what credit union competitors are offering.

I wrote down the rates and terms and asked the caller a few basic questions. In an effort to end the call, I told the caller I wanted to discuss the situation with my wife and would call him back if we wanted to pursue the matter. He said, "Well, I'm in a telephone operations center and I can only make outgoing calls. I can't receive incoming calls. This program is almost over. What I'd like to do is take a very short application, get you a preliminary approval and lock-in this attractive rate. Then, you can take all the time you want to decide...your loan will be locked-in until you're ready. And, you are under no obligation to take the loan,

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CEO UPDATE

Remember Our Troops This Holiday Season

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



"Arty" Arteaga

While many of us are enjoying the holiday season and sharing a moment or two with family and friends, let us not forget the hundreds of thousands of troops that are currently deployed, serving in Iraq, Afghanistan, Kosovo, Korea and elsewhere in the world. Whether they are deployed at sea, in the air, on the ground or serving in the "green zone", "down range", "in the box", or "in a fire fight"; whether inside or outside the beltway...in garrison or in-transit...at a mobilization or preparation site; pulling guard duty or taking a well-deserved break, it makes no difference. As in years past, Soldiers, Sailors, Airmen, Marines and Coast Guard personnel will be apart from their loved ones this holiday season, protecting and ensuring our Nation's strategic interest. Unfortunately, many of them will be in harm's way over the holidays...not because they want to, but because they pledged to. Because they made a commitment...they gave their word, and their word is their bond.

For these brave warriors, deployments and enforced separations are a way of life. It is a culture and ethos that is not easily understood by the general public, but one that should be very much appreciated.

Case in point. As I was awaiting my flight to DC this week, I saw a soldier in desert BDUs (Battle Dress Uniform) standing patiently at the gate waiting to board the aircraft to Dulles. I

approached this young corporal and struck a conversation with him, first thanking him for his service to our country and second asking if he was coming or going...asking him if he was returning to his unit in Iraq or coming home for the holidays. "I am going home sir. My enlistment is up and I am headed home. I was in Iraq the past two years and my commitment with the National Guard is done." The good Corporal was visibly anxious to board the plane, but as he explained to me, he was uncertain of a number of things: job, home (he purchased a home ten years ago and has lived in it 6 months!) and his marital status. In the past ten years, this Guardsman has deployed five times and those multiple deployments have played havoc on his personal life. Yet, without regard to personal matters, he did his job...he kept soldiering. He called it discipline and was proud to add that he was a soldier and his fellow soldiers depended on him.

Talk about commitment! Unbelievable! Frankly, my words of thanks seemed trivial after hearing this young man's story, but I offered them regardless and wished him well.

While I do not need to remind you about commitment, about discipline, about doing the job, nor tell you that our troops depend on you (you are the best at what you do...taking care of people, and our troops know and appreciate it), I do want to remind you that the Department of Defense holiday period typically runs from the third week in December to the

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**DEFENSE CREDIT UNION
COUNCIL, INC**

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

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BILLY BUCKNER RETIRES AFTER 42 YEARS AT FORT KNOX FEDERAL

Michael Bateman, Fort Knox FCU

It's the end of an era as Billy Buckner retires from Fort Knox FCU after more than 42 years of service.

Buckner joined the Credit Union just 10 years after 10 civilian employees at Fort Knox founded the financial cooperative. As one of the first full time employees, Buckner started as a custodian. At that time, the Credit Union had only one location on the Fort Knox military post, housed in a small building. Billy had to take the bus from his home in Elizabethtown to the post every day to go to work. It was a 40-minute commute along an old two-lane road.

"After about a week, I was ready to leave, but one of the managers told me to 'Stick it out,' so I did," Buckner said. And Billy kept coming back to work, for the next 42 years. Over those years, he says it has been the friendships he has developed with co-workers that kept him interested in staying with the Credit Union.

Guy Berry, Credit Union president in 1962, encouraged Billy not only to come to work at the Credit Union, but to think of it as his "work family."

Billy progressed through several jobs at the Credit Union. Early in his career, he traveled out of state to retrieve vehicles for the Credit Union. "On one trip to Charlotte (NC), we had to turn around and make an emergency landing at the Louisville airport. They foamed

the runway and everything. Luckily no one was hurt, but that was the last time in 30 years I ever got on an airplane," he said.

He would find an ongoing niche in the Credit Union's in-house print shop. "We used to print more than 300 different forms—everything from transaction slips to loan applications. I learned the

printing job by just watching and doing it a little bit at a time.

Pretty soon, I was handling all the printing work," Billy said.

As the Credit Union grew, more and more of the printing jobs went to outside vendors and Billy's role expanded to delivering supplies and

mail to each branch. "I never thought that the Credit Union would grow to having 10 branches from that first little building on post," he said. But over the years, Fort Knox Federal has grown to be the third largest credit union in Kentucky with more than \$415 million in assets.

Billy attributes a large part of his longevity on the job to a simple piece of advice from one of his early mentors, "Just keep a smile on your face and be happy." And Billy has been one of the many smiling faces at the Credit Union for more than four decades.

Upon retiring at the end of this month, Billy says he'll spend more time fishing, golfing and enjoying his family, which includes his wife, two daughters, a son and three grandchildren.



Billy Buckner

ARTEAGA

(continued from p. 1)

first week in January. A number of troops will be racing through airports looking to make connecting flights hoping to get home ASAP. Do me a favor...give them the right of way and thank them for their service. And if they have a minute or two between flights, offer to buy them a cup of coffee and/or a meal. Help them get to their gate area. If you have a cell phone, let them place a call to family, advising of their status. Visit with them, if time permits and be a good listener.

Our troops have performed admirably, honorably, and courageously over the past 20 months, and notwithstanding all the care packages, holiday operations, and letters you delivered this year (kudos to each and every one of you for bringing a "little bit of home" to our troops this holiday period!) I am asking you to go one step further...make it a point to shake hands with a Soldier, Sailor, Airman, Marine or Coast Guardsman this season. Whether at the airport or the mall, don't hesitate to extend your hand and offer thanks. With over 300,000 troops deployed worldwide, the few that will be returning home for the holidays will gladly accept your gratitude on behalf of their peers and colleagues!

Happy holiday folks...thanks for all you do, and God Bless our troops and their families! See you in February at Defense Issues 2005!!

MILITARY FAMILIES SEND HOLIDAY VIDEO MESSAGES VIA THE INTERNET

Brad Smith, VP Strategic Development

Pacific Marine CU, CA hosted a very special event to give families of deployed troops the ability to send their holiday greetings to their loved ones. The event was called "Operation Best Wishes." More than one hundred Marine and Navy family members recorded their video messages December 11, 2004.

Several of the video messages were viewed live by military service members currently deployed overseas. All of the messages are archived on the Operation Best Wishes website for up to 6 months so they can be viewed whenever the Marines and Sailors get the chance. Wives cried, sons and daughters sang jiggle bells, and Mothers and Fathers gave their holiday greetings. The event was a fantastic success and could become a hol-



Lisa Miller introduces her husband, Cpl. Daryl Miller, to their daughter Leyana, who was born after Cpl. Miller left for Iraq.

iday tradition for the credit union. "We have served Marines and Sailors for more than 50 years, and currently have thousands of members stationed in the Persian Gulf and Afghanistan," said Brad Smith, VP Strategic Development for Pacific Marine CU. The technology behind the event was provided by CIA Studios located in San Juan Capistrano, and WesCorp Credit Union out of San Dimas.

1ST ADVANTAGE FCU SENDS HOLIDAY CHEER TO FT. EUSTIS TROOPS



Dwight Benton and Stephanie Randall with all of the boxes ready to ship.

Mj Dawley, 1st Advantage FCU

Nothing says "Happy Holidays" to the troops overseas than treats from home, so 1st Advantage Federal Credit Union colleagues sent 300 pounds of holiday greetings to Ft. Eustis troops over in the Middle East. The ten boxes were filled with home baked cookies, fudge, and brownies, as well as the old standbys, Oreos and Chips Ahoy. Hard candies and candy canes filled the boxes to their brims. The boxes should arrive before the Christmas holidays.



Left to Right: Donna Martin, Tiffany Waersch, Mj Dawley, Jenny Jones, Nicole Widell and Debbie Clark

2005 BASIC ALLOWANCES FOR HOUSING RATES ANNOUNCED

Office of the Assistant Secretary of Defense (Public Affairs)

The Department of Defense released the 2005 Basic Allowance for Housing (BAH) rates today, continuing the department's initiative of reducing military members' out-of-pocket housing costs. In total, the planned increase in housing allowance funds for fiscal 2005 above the fiscal 2004 amount is about \$2.5 billion. The 2005 rates represent the final phase of the planned buy down in out-of-pocket housing expenses. Other components of the increase are geographic rate protection and housing cost inflation.

Out-of-pocket expense, the portion of the typical member's housing cost that the member is responsible for, has been reduced from 3.5 percent last year to zero this year. The 2005 rates represent the final phase in a series of steps taken to bring the average member's out-of-pocket expense to zero by 2005. However, the actual expense for an individual may be higher or lower than that average, based on his/her actual choice of housing.

Three components are included in the BAH computation:

- Median current market rent
- Average utilities (including electricity, heat, and water/sewer)
- Average renter's insurance

Total housing costs are calculated for six housing profiles (based on dwelling type and number of bedrooms) in each Military Housing Area (MHA). BAH rates are then calculated for each pay grade, both with and without dependents. An estimated \$12.3 billion will be paid to more than 910,000 service members in 2005.

Data are collected annually for approximately 400 MHAs in the United States, including Alaska and Hawaii. An important part of the BAH process is the cooperation from the services and local military housing offices in the data collection effort. Input from local commands is used to determine in what neighborhoods data is collected and to direct the data collection effort towards adequate apartment complexes and individual housing units.

For members with dependents, average increases in the BAH are approxi-

FORT MONROE CU TAKING CARE OF MILITARY & CIVILIAN FAMILIES

John Broda, AFFN Executive Vice President

For the second consecutive year, Fort Monroe CU, VA has partnered with the Peninsula Salvation Army in support of The Write Stuff Campaign. The Write Stuff Campaign assists families who are financially challenged by providing back-to-school supplies for their children living on the Virginia Peninsula.

Michael J. Guida, President & CEO of Fort Monroe CU, has once again successfully enlisted the support of the credit union's membership, employees, and volunteers with contributions of both

cash and school supplies to The Write Stuff Campaign.

"This year we have significantly increased our support to military and civilian families in the Peninsula Community thanks to the AFFN Matching Grant Program, allowing Fort Monroe CU to match funds and increase our contribution by 50%," said Mr. Guida. He added, "Civilian and military families have benefited through this program and the generosity of our membership, employees, volunteers, and business partners such as AFFN."

SERVICE CREDIT UNION RECOGNIZED BY THE NEW HAMPSHIRE STATE VETERANS CEMETERY ASSOCIATION

Nancy J. Layton, Service CU

Marketing Manager

Service CU has been recognized by the New Hampshire State Veterans Cemetery Association. Service CU's financial support was used to build a walkway, which highlights twenty points of New Hampshire military history.

"We are grateful to the men and women in uniform, who have put their lives on the line to defend freedom," said Gordon Simmons, President/CEO of Service CU. "This is a small way we can show our appreciation to those who have

served and continue to serve this country."

"Vision may have illuminated the way for this project, but it's through the generous support of individuals and organizations like Service CU, that this was made possible", said John Blair, Major General (ret.), New Hampshire National Guard. "This is a fitting tribute to the men and women who served our country so proudly."

In addition to serving as a final resting place for NH Veterans and eligible dependents, the cemetery also helps to educate the public by celebrating 320 years of New Hampshire military history.

mately 8 percent. A typical E-4 with dependents, for example, will find his/her BAH about \$47 per month higher than last year. An E-8 with dependents will have about \$60 more in his/her paycheck.

An integral part of the BAH program is the provision of individual rate protection to all members. No matter what happens to measured housing costs, an individual member in a given location will never see his/her BAH rate decrease. This policy assures that members who have made long-term commitments in the form of a lease or contract will not be penalized if the area's housing costs decrease.

Geographic rate protection has also been provided to members. Geographic rate protection maintains a BAH rate at last year's level while the planned buy down in out-of-pocket expense is phased in. Geographic rate protection means that newly arrived members to an area will not see BAH rates that are substantially less than current members' rates.

The continual improvement in housing allowances represent the Defense Department's commitment to the preservation of a compensation and benefit structure which will provide members with a suitable and secure standard of living, that will sustain a trained, experienced, and ready force in the future.

CEDAR POINT FCU HEADS UP GIFT DRIVE FOR MARINES IN IRAQ

Reprinted by permission

By *Kevin Connon*
The Enterprise Staff writer

Cedar Point FCU, MD employees launched an ambitious campaign to collect donated goods and gifts and send them to a contingent of Marines in Iraq in time for the holidays.

While Southern Maryland is home to two naval installations, there aren't many sailors in the desert, explained Lisa Shender, director of marketing for Cedar Point. So the next best choice was the Marines, which is a component of the Navy. At CEO Barbara Horn's suggestion Lisa contacted Arty Arteaga, President/CEO of DCUC, asking how to go about "adopting" some troops for the Holidays. Arty contacted Dean Hunstad staff accountant with the Assistant Secretary of the navy (Financial Management and Comptroller) (Office of Financial Operations) ASN (FM&C) (FMO), Washington, DC and Gene Healey, Marine Corps Banking and Credit Union Liaison Officer. Dean connected Cedar Point FCU with Major Keith Forkin USMC.

The credit union hooked up with Regimental Combat Team 1 based at Camp Fallujah. "There are hundreds of Marines in the unit, many of whom have little or no family to keep in touch with during the holidays," Maj. Keith Forkin wrote in an e-mail to Lisa from Camp Fallujah. "I am sure they would love the support during the holidays from Cedar Point." It's a challenging mission, Forkin wrote in an e-mail. "RCT-1 is here to fight terrorism and lift the veil of oppression that has been on the Iraqi people for over 30 years. "Morale is high. The Marines know why they are here and they have a purpose ... We appreciate all of the support we have from everyone back home."

This drive was a big departure from the past when credit union employees aided three local families at Christmas-time. Lisa figured the credit union could help maybe 20 to 25 Marines. But when she saw the e-mail referencing "hun-



The Cedar Point Heroes - MM1 Josh Melius; HM2 Rob Cato; EM1 Phil Cusick; HM3 John Ramirez; BM1 Hans Jacob; Lance Corporal Matthew Beckman; Lance Corporal Miguel Negron

dreds" she became a bit concerned. "That gives us a margin of error of 1,000," Shender said. Cedar Point has 27,326 accounts, but some of those people have retired from active service and left the region. That's why the credit union turned to the public for help. Collection boxes were placed at the five branches, four in St. Mary's County, and one in Calvert County. One business, Heritage Printing and Graphics, donated shipping containers. Cedar Point's Web site had a section where people could make donations and see a detailed list of items that could be donated. There was also a link at the La Plata-based Web site www.Anysoldier.com, which sends supplies out to troops.

It was a multi-faceted campaign. There were jars to put loose change, coloring paper for children to draw art to send to Iraq, even paper for people looking for pen pals. Time was tight. The deadline for donations was November 20, with everything shipped by December 4.

It started slowly but all of a sudden the Cedar Point staff was awash in donations. Gifts ran from books to writing paper to baby wipes, candy and yes, soft tissue paper specifically requested by the troops. One man brought in World War II-era Marine Corps stationery. A woman donated her entire collection of 200 Beanie Babies. Packets of Tootsie Rolls donated by St. John Francis Regis Knights of Columbus Council lay on the conference table with a handwritten greeting "Merry Christmas God Bless All." The base commissary could not donate so they contacted their vendors who donated cases of kool-aid, cereal and other non-perishable items. The conference room on the second floor of the credit union headquarters in Lexington Park was filled with gifts that spilled out into the hallways. Staff and members sorted and assembled the donations and put them in boxes, often on their own time. The boxes were transported to the post office by the "Cedar Point Heroes",



Boxes ready to ship to Iraq.

sailors and marines attached to the base, who heard what was going on and on their own time showed up at the credit union and hauled packages, in their own vehicles to the post office.

"Never in our wildest dreams did we think we'd get this kind of response," said Barbara Horn, packing boxes with other staff.

When the first of the care packages arrived in Iraq. Capt. James Kimber, com-

(See CEDAR POINT, p. 7)

PEN AIR FEDERAL CREDIT UNION'S SECURITY/COMPLIANCE OFFICER IS WELCOMED HOME FROM IRAQ

Patty Veal, Marketing Mgr.

Vivian Hughes, Pen Air FCU's Security/Compliance Officer said her good-byes as she proudly answered the call to duty and began preparations for deployment to Iraq with the rest of her unit.

Now, after over a year, Vivian has returned home to pick up where she left off as mother, wife, friend, and co-worker. In an interview with Lieutenant Colonel Vivian Hughes of the U.S. Army Reserve, she had many things to share about her time away and her homecoming. Here are some excerpts from that interview.

"...more than 95% of the unit had known before October (2003) that they would be deployed through orders and advance notice....so I was scrambling in all ways possible. Initially, I was part of the stay behind training team, but then was selected to deploy as part of the main body. I was very concerned about the effect (of my deployment) on my kids and husband and how both my husband and kids would cope and adjust without me. But, as an officer and a soldier, I was prepared to accomplish the mission assigned.

While in Iraq, I was stationed at the Republican Palace (a.k.a. CPA – Coalition Provisional Authority's Headquarters) now known as the U.S. Embassy in Baghdad, Iraq. There, I did a variety of Civil Affairs functions. I was the Operations Officer for the Economic Group and later on the Governance Group. I eventually became Deputy Director of the Programs & Support Group. Additional duties included working as a Civil Affairs Liaison Officer in the Ministries of Human Rights, Health, and with the United Nations. My last assignment was as the Multi-National Force-Iraq Civil Affairs Liaison Officer appointed to the United Nations (UNAMI a.k.a. United Nations Assistance Mission to Iraq) where I

met and worked with wonderful people from Australia, Britain, Egypt, Iraq, Sudan and many others countries.

It was always wonderful to hear from back home. I received great support from family, friends, and co-workers. The care



Vivian Hughes is given a Hero's welcome by family, friends, and Pen Air FCU co-workers.

packages sent really saved my days. But then, sometimes right after an attack, we would hear news of the extent of the damage and locations from the media before the Coalition conducted assessments.

Overall, I have very mixed and sad feelings, and some things are just too troubling to talk about right now. My son, Adrian, is still in Iraq. He asked for me to re-enlist him on September 23, 2004 and the next day he was gone to Fallujah and is still there. I was honored as an officer and soldier to re-enlist him in the service to our country, but as a mother, I wanted to protect him and send him home.

When I learned that I was to go home, I had 'touch and go' stressful moments. I didn't know for sure if I would be extended (on duty) in country as some others had been. And, I didn't know if routes out of the country would be passable. I was very relieved when we actually touched ground in the USA. Although we landed first in Bangor, Maine...it was still the USA.

The reunion with my family and friends has been great. I am still adjusting and with Hurricane Ivan remains still around at home in Pensacola, it is tough winding down. There is still the lingering shock of a new reality for me...remembering I can sleep safe and quietly through the night. Every day I thank God that I live in the USA.

Although I am safe at home, I continue to grieve for the soldiers and marines that have paid the ultimate price. I grieve for their families. I also grieve for the wonderful Iraqi people that I met that continue to assist us in our efforts and that lost their lives or loved ones because of their association with us."

Vivian Hughes was deployed as a Major and was promoted to Lieutenant Colonel effective January 26, 2004. She has served in the Army National Guard and Army Reserve since October 1981. Vivian has now completed her tour of duty in Iraq,

honorably, and received a Bronze Star medal for meritorious service to country. When asked about retirement plans, she explains that there is a Stop Loss on her for 90 days. However, she has served 23 years and plans to get her retirement points in order and validated so that she may retire after the 90 days.

Also, shortly after this interview with Vivian, Pen Air FCU learned that her son, Adrian, was being sent back to Fort Campbell after completing his tour in Iraq. Vivian wanted to let everyone know how happy and proud she is of her son and their upcoming reunion.

Pen Air Federal Credit Union is very proud to welcome back Vivian Hughes. We are extremely proud of her fortitude, endurance, and accomplishments during her time away from home. We are also very thankful for her safe return. And, we feel pretty confident in saying that her desk at work missed her, too.

PLANNING BEGINS FOR *DEFENSE ISSUES 2005*

As previously announced, DCUC is again sponsoring a one-day mini-conference in conjunction with, but not part of, CUNA's GAC. Defense Issues 2005 will be held on Saturday, February 26th at the Washington Hilton Hotel. The all-inclusive fee is still only \$100.

The time-line will remain the same as last year: check-in outside the Georgetown West Ballroom to begin at 9:30 AM, with the opening session planned to begin at 10:30, plated luncheon at 12:15 PM with the presentation of the George Myers Scholarship after the luncheon; afternoon sessions to begin at 1:30 PM, with adjournment around 3:30 PM.

Some of the topics being considered:

BRAC; Transformation; Military Saves, Internet Pay Day Loans, and a DoD Update (to include Financial Readiness campaign). As in the past, we expect some excellent discussion points and look forward to the ensuing dialogue.

You may register on-line at www.d cuc.org or you may print and fill out the registration form and send your check/share draft or credit card information together with your completed registration form to DCUC, 601 Pennsylvania Avenue, NW, South Building, Suite 600, Washington, DC 20004-2601 or fax to 202/638-3410.

Space is limited so please get your registration in early!

CEDAR POINT (continued from p. 5)

manding officer, HQ Company Regimental Combat Team 1 sent this e-mail to Shender: "Thank you so much for the packages, the Marines are very appreciative of your generosity.

"You will be happy to know that some of the toys (Beanie Babies and stuffed animals) have already been given out, and were a huge hit with some of the Iraqi children we see on our trips to and from Camp Fallujah and the actual city of Fallujah.

"The children know our routes out of Camp Fallujah, and during the course of our trips we usually provide them water and food; the delight evident on their faces when the toys started being given out were truly something to behold. I

have some pics that I will share once I get the chance, but know that your donations have already touched some hearts. We will keep you posted on events as much as we are able, thanks again!"

As of December 3, 2004 Cedar Point FCU had shipped 317 boxes totaling



Cedar Point staff packing boxes for the troops

6,548 pounds!

There were 4 large boxes of donations that were deemed unshippable (aerosol cans, chocolate, etc.), which Cedar Point donated to the local shelter.

NAVY FEDERAL BECOMES A TOP 10 VISA CHECK CARD ISSUER

Navy Federal's Check Card Growth Surpasses Industry Standard

Loren M. Carson, Public Relations Manager

Navy FCU is now one of VISA USA's top ten check card issuers. Navy FCU began offering its VISA Sharechek® Card to members in 1999, and in just under six years the credit union's check card program has grown to be among the largest in the nation.

During the second quarter of 2004, Navy FCU's VISA check card sales/purchase volume increased 35% over the same period last year, with almost 87 million transactions for \$3.5 billion in sales/purchase volume, year-to-date. This surpasses the industry standard increase of 21% for sales/purchase volume growth in offline debit. In addition, the credit union's check card penetration is 83% of its active checking account base; 62% of the check cards in circulation are active.

"Navy FCU's VISA Sharechek Card has been an extremely popular product with members due to its convenience and worldwide merchant acceptance," said Dave Willis, Navy FCU's Vice President of Debit Card and Fund Services. "While we don't have the biggest card portfolio, we have extremely high penetration and usage among our members. In fact, our members' average card usage is 15 point-of-sale transactions per month, which is above the industry average of 11.9 monthly transactions per user."



CUES® HONORS WHEATLEY AS DEF™ DIRECTOR OF THE YEAR

Teri Schacker, CUES VP/Marketing

Henry Wheatley, CCD, chairman of the board at Fort Knox FCU, KY was named the 2004 CUES Directors Educational Forum Director of the Year at a ceremony held Friday, December 3, during the Credit Union Executives Society's 2004 Directors Conference in Waikoloa, Hawaii.

J. Alvin George, vice chairman of the board at North Island FCU, CA and the 2003 CUES DEF Director of the Year, presented Wheatley with an engraved crystal trophy. Accepting the award, Wheatley commented, "I'd like to thank CUES for having such an award—that recognizes the volunteers of this great movement. This is also your award," he said to the crowd, "for all of you who have given your time for the credit union movement, because it's right here in your heart."

Wheatley has been a member of Fort Knox FCU's board of directors for more than 27 years and served as chairman of the board in 1990 to 1993 and from 2002

to present. Since he became a member of the board, Fort Knox FCU has grown



Henry Wheatley

from \$36 million to \$420 million in assets, reserves have quadrupled from \$1.2 million to over \$57 million and ROA consistently exceeds 1.66 percent. He has helped to guide the credit union

from a single-sponsor group organization to a diversified multi-SEG financial institution.

Since 1999, Wheatley has served on his state credit union league board and as a long-time advocate of education for professional advancement. Wheatley attended CUES' Directors Leadership Institute and earned his CCD in 1998. As a volunteer for the Boy Scouts on a local and district level and a dynamic contributor for his church, he is also very active in his community.

The DEF Director of the Year award recognizes board members who raise the bar of excellence in credit union volunteerism. Judging was based on leadership positions held at the credit union, contributions to other credit unions and credit union organizations, professional development and education, community service, and credit union performance during the time the nominee has been on the board. As part of the award, CUES will donate \$250 to a charitable organization on Wheatley's behalf.

BOARD

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if you change your mind."

Bingo... A voice inside my head said, "All the bad cons are already in jail. It's only the really good cons that are still running around out there." No, I'm not schizophrenic...that's what a mentor of mine told me when I first started in the banking business so many years ago. Whenever I smell a rat, that story about the con pops into my head.

The caller was a con...and, a good one. He wanted my personal information to steal my identity. If I had provided what he wanted, I'd probably own ten cars by now and have twenty bogus credit cards. It would take me years to clean-up the mess. The other thing I knew was that his scam worked. Otherwise, he

wouldn't be doing it. Good cons don't waste their time on scams that don't work most of the time. Good cons are heartless and without conscience; they are happy when they rip-off an innocent person and simply don't care about their victims.

A few days later, I went to the hardware store to purchase some materials for a major home improvement project that I'd put off for the last five years! My wife had read me the riot act and threatened to hire someone to do the work if I didn't get off my lazy rear-end and get the job done! When I arrived at the hardware store, they were promoting their credit card, "Get 10% of your purchase if you apply for a credit card," the sign said. So, I thought what the heck and went over to the service counter to complete a credit application and save about fifty bucks!

I was greeted by a young girl about

nineteen who was on the phone, calling in some of the credit applications. As I waited, I could hear everything she was saying about the credit applicant. In addition, she had about 10 other applications on the counter, in plain view, waiting to be processed. As I waited, I could see the private information on every application laying there!

So, you think you protect your privacy by shredding all your old bills and financial information with the fancy paper shredder you just bought? Well, I've got news! Why would a criminal go rummaging through your dirty trash when all he needs to do is hang around the hardware stores on Saturday afternoons? Or, call you on the phone with some scam?

I could site countless other situations where honest people's private informa-

(See BOARD, p. 9)

RICK CRAIG NAMED CUES EXECUTIVE OF THE YEAR

Nicole Cypers, Public Relations Coordinator

The Credit Union Executives Society has named Rick Craig, president and chief executive officer of America First CU, UT as its 2004 CUES Executive of the Year. The presentation was made during a special awards banquet on November 7 at CUES' 26th annual CEO Network held in Phoenix, AZ.

Accepting his award, Mr. Craig said, "In accepting for the team at America First, I'm proud to follow in the footsteps of many of the 'giants' in the credit union movement."

Craig was presented with an engraved crystal award in recognition of his honor by last year's CUES Executive of the Year, Robert J. Harvey Jr., president and chief executive officer, Seattle Metropolitan CU, Seattle. In addition, Craig will be profiled in CUES' Credit Union Management magazine.

A CUES member for 27 years, Craig has served America First CU since 1977, where he held the position of executive vice president until his promotion to president and chief executive officer in 1997. Asset growth at the credit union

has exceeded \$1.6 billion during Craig's tenure as CEO.

Craig has been an active member,



Rick Craig

including nine years of service on CUES' board of directors, from 1989 to 1998, and as chairman of the board in 1995. He was inducted into the CUES' Hall of Fame in 1996. Additionally, he is a popular figure at CUES Council events

throughout the country and is a frequent breakout speaker at CUES conferences. Currently, Craig is a member of the CUES Advisory Committee for billion dollar credit unions; and, was a participant in the first-ever summit for CEOs of billion dollar credit unions. He is also a member of the CUES Chairman's Club for recruitment of new members. Additionally, he has served on the Filene Research Institute Advisory Committee; the CUNA Governmental Affairs Subcommittee; and has taught at the Western Management School for the past 23 years.

Recipients of this prestigious award must show exceptional leadership skills, be committed to professional development, contribute successfully to their credit union, play an active role in CUES and its Councils, and actively participate in civic and community affairs.

CUES is a Madison, Wisconsin-based independent membership association for credit union executives worldwide. Its mission is to advance the professional development of credit union CEOs, senior management and directors.

BOARD

(continued from p. 8)

tion is simply not protected and they become victims of identity theft. That's why identity theft ranks among the fastest growing crimes...because the scam is so easy to pull off!

Credit unions must do more to inform their memberships about identity theft and how credit unions can help. Credit unions work hard at protecting members' private information but fail to adequately inform memberships of our efforts. For example, at Scott CU, every employee (including me) signs a "Confidentiality and Non-Disclosure" agreement whereby the employee's failure to protect a member's personal information could result in serious disciplinary consequences... including termination. We utilize internal audit procedures and systems of inter-

nal control specifically intended to protect members' financial and personal information. Most credit unions do the same.

Members should be reminded to wonder what happens to their old credit application after they leave the dealership with their new car. What does the salesman at the used car lot do to protect members' private financial information after the member drives the used car off the lot? Is a nineteen-year-old hardware store clerk even aware of the importance of protecting customers' private information?

Credit unions are an important asset to members by being serious about protecting members from identity theft. One can tell by the number of paper shredders that are being sold that members are concerned about protecting their privacy. Yet, are members coming to their

credit union first (or the car dealer) to finance their new car purchase?

Members trust their credit unions for good reason. It's time that we remind our members why it's better to come to their credit union first, if they are concerned about identity theft.



Why I Serve: Lt. Col. Catherine A. Reese

By *Tam Cummings*
Fort Hood Sentinel

FORT HOOD, Texas — “Both my parents were immigrants. My father was second generation Welsh and Czechoslovakian and my mother is a first generation Japanese immigrant. I was taught this is the greatest country in the world, and it is an honor to serve,” Lt. Col. Catherine A. Reese, commander, 704th Division Support Battalion, 4th Infantry Division, said.

“My mother was from Japan, but grew up in China and Russia during World War II. My parents met when she came to the United States in 1950 to attend college in Maryland. My brothers and I

were all brought up with a respect and desire to serve this country, one way on another,” Reese, 42, said.

That legacy of family respect and service to one’s country came from Reese’s father, who served in the U.S. Army and also from a maternal grandfather who served in the Japanese army during World War II.

Reese said her grandfather spent much of the war as an American POW and always told her he was “well treated” by the American troops. One of Reese’s older brothers also served in the Navy after graduating from the Naval Academy. But the Baltimore native said for her, it was always the Army. “I’ve been in the

Army 19 years and I learn something new everyday,” the soft-spoken, Texas A&M graduate explained. “I work with people from all walks of life and because of that, my own life has been enriched.

“There is no other job in the world like this. The Army has taught me discipline, and it just doesn’t get any better in terms of a job. I know there are easier ways to make a living, but there is nothing more satisfying,” Reese said.

“Everyday is a challenge. It’s a little like golf. You never quite master it and every day is different. But when soldiers and leaders and the training all come together and everything clicks, there is nothing quite like it,” she said.

REPORT ON THE GEORGE E. MYERS FUND

DCUC is happy to report that the Christmas ornament sales event held every year was once again a great success and we have sold out all of our ornaments! Thank you to all of you who purchased this year’s beautiful ornament.



DCUC 2004 DUES STATEMENTS ARE IN THE MAIL

It’s time to renew your membership in the Defense Credit Union Council! The 2005 dues statements went out on December 1st; if you have not yet renewed, we hope you will do so today.

In his year-end letter to the Council membership that went with the statements, “Arty” Arteaga, DCUC president/CEO, reviewed some significant accomplishments of the Council during 2004.

Mr. Arteaga wrote, in part:

Matters involving commercial solicitation, the one credit union/one bank policy, e-commerce initiatives (such as Navy Cash and Stored Value Cards), Financial Readiness, payday lending, in-store banking, Fair Market Value, government leases, Morale Welfare & Recreation...and those addressing levels of support (for our troops and their families) while the Department of Defense is reorganizing, preparing for combat, and fighting a war. These and a number of ancil-

lary issues were on our plate in 2004 and, along with Base Realignment and Closure (BRAC) and Transformation, will require continued vigilance and oversight in 2005.

As was the case this year, the DoD environment will be volatile and uncertain in 2005, and with the injection of new political leadership (Presidential appointees and non-career Senior Executives) plus a number of new senior level managers, I can assure you, the environment will be even more complex. Educating key leaders will be vital, and as such, will be one of our top priorities next year. Whether these new decision makers are in Financial Management or Personnel and Readiness, our story needs to be told...our value needs to be realized...and our mission needs to be understood — and we are ready to take on that charge...ready to be your advocates in the Building!

NOTES ON DEFENSE CREDIT UNIONS IN THE NEWS . . .

Langley FCU, VA has opened its doors at 11742 Jefferson Ave. The branch facility provides increased parking, multiple drive-thru lanes and improved branch accessibility. “Our members asked for improved amenities and that’s what we have provided,” stated Jean Yokum, LFCU President/CEO. “We are delighted to offer another world-class facility to improve convenience and service for our membership.” . . .

Randy M. Smith, President/CEO of *Randolph-Brooks FCU*, TX and Stephen J. Coomes, President/CEO of *USAA FCU* announced that a shared ATM agreement has been approved by the boards of both credit unions. At no cost, credit union members from both institutions are able to access their funds at ATMs owned by both credit unions. By working together, these two credit unions have more than 60 ATM locations in South Texas and at USAA offices nationwide to serve their combined membership of 256,000 members. . . .

When the 737th Explosive Ordnance Disposal Company returned to Fort Belvoir, *Fort Belvoir FCU*, VA presented each of the returning service people with a certificate for \$100. All they had to do was come to the credit union to collect it. The Commander of Fort Belvoir and the troops were very appreciative, and the employees of Fort Belvoir FCU felt it was a small way to thank them for a job well-done. . . .

Pen Air FCU, FL President/CEO, John A. Davis, Jr., presented USO President Roger Murray with a check for \$5,000 to be used to replace needed equipment that was destroyed by Hurricane Ivan. The local USO would like for other businesses or individuals, as well, to help with their relief efforts. Hurricane Ivan left much of Naval Air Station - Pensacola’s waterfront buildings in disrepair including the USO Office. All office furniture, eight computers, and all equipment were completely lost. The

USO receives all its financial support from private donations. These donations help provide support for programs that assist deployed personnel and their dependents and support Thanksgiving and Christmas programs for our enlisted personnel at home and abroad. “The USO has always been there for our military, and Pen Air FCU is proud to be able to be there for the USO – if you support our military, you should support your local USO,” said Davis. The local USO is now trying to replace what was lost during Ivan. For more information about the USO or on how you can help, contact the USO office at (850) 455-1064 or at www.uso.org.

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

Liz Bradford, Redstone FCU, AL Madison Branch Manger has been named the Volunteer of the Year by the Madison Chamber of Commerce. Ms. Bradford was recognized for her involvement and support, not only in the Chamber, but also in the Madison community. . . . *Mary Ticknow* has been name 1604/Culebra branch manager of Security Service FCU, TX. . . . Recently at the Fort Bragg FCU, NC Annual Employees Christmas Party, the following employees were recognized: *Erma Starling*, Accounting Assistant as the Employee of the Year; *Myong Grimm*, Senior Teller, Hefner Branch STAR Employee; *Lori Griffin*, Accounting Assistant, *Skibo Branch* STAR Employee and *Laurie Matthews*, Titles/Insurance/Recovery Officer, *Bastogne Branch* STAR Employee. . . .

DM FCU, AZ has named *J.R. Leung* assistant vice president of business lending/services. . . . Ist Advantage FCU’s, VA executive/management team has grown with the following additions – *John Sargent* - vice president/lending; *Jim Craig* – vice president/marketing; *Maria Williams* – assistant vice president training/quality service; *Connie Forbes* controller; and *Felicia Johnson* – relationship manager. . . . Tyndall FCU, FL has named

three new Senior Vice Presidents to their ranks – *Steve Ravin* comes from Connecticut to Tyndall where he was the Executive Vice President of Charter Oak FCU; *Wanda Greggo* was promoted from Vice President of Compliance; and *Debbi Dial* has joined Tyndall from CGI-AMS in Washington State where she was a Project Manager. . . .

Nevada FCU, NV has named *Elizabeth Ecklund*, *Dawn Paoella* and *Rey Cadacio* financial service presentatives and *Mike Hambly*, *Karen Callender* and *Reginia Herron* financial service associates. Nevada FCU also named *Sara Morfin* member service representative and *Ida Isom* loan servicing technician. . . .

Fawn Terwilliger has been selected as the Vice President of Lending for Service CU, NH. Terwilliger has over 28 years experience working in the credit union industry. She was formerly with the University & State Employees Credit Union, San Diego, CA and more recently with the Arizona State Savings & Credit Union, Glendale, AZ.

YOU SHOULD KNOW THAT . . .

- ☆ The Defense Council will be hosting its mini-conference again this year. Defense Issues 2005 is scheduled for Saturday, February 26, 2005, at the Washington Hilton Hotel, tentatively set at the Georgetown West Ballroom. You may register on-line at www.dcuc.org or you may print and fill out the registration form and send your check/share draft or credit card information together with your completed registration form to DCUC, 601 Pennsylvania Avenue, NW, South Building, Suite 600, Washington, DC 20004-2601 or fax to 202/638-3410.



ARMED FORCES FINANCIAL NETWORK UPDATE



AFFN ANNOUNCES 2005 MATCHING GRANT PROGRAM

John Broda, AFFN Executive Vice President

With the overwhelming success of the 2004 Program generating over \$100,000.00 to military orientated organizations, AFFN's President/CEO, David Weber, has announced the matching funds grant program for 2005. In addition to AFFN's donations made on behalf of all participants to national military charitable foundations, this

program has been designed to allow AFFN Participants the opportunity to increase the charitable support your organization provides to our military community at the local level.

The program will allow a maximum matching grant up to \$1,500.00 per AFFN Participating Credit Union. Funds for this program are limited. Therefore, we request only one application per AFFN Participant. Funds will

be granted (once qualified and approved) on a first come, first served basis.

For an application, please visit AFFN's website at <http://www.affn.org/matchinggrant.php>

For additional information, please contact John Broda, AFFN Executive Vice President, at John.Broda@AFFN.ORG or 973-257-1216.

GOT A STAFFER OVERSEAS? NCUF ASKS FOR PHOTOS

The National Credit Union Foundation (NCUF) is asking credit unions, leagues, and credit-union related agencies or organizations to send photos of their staffers serving overseas for a special video tribute.

According to Kris Hoffman, NCUF manager of donor relations, a video tribute to the men and women from credit unions who are serving overseas will be shown at the annual Herb Wegner Memorial Awards dinner in February. The dinner will be held during Credit Union National Association's (CUNA's) Governmental Affairs Conference in Washington D.C.

Photos are due to the foundation by Jan. 31.

"We'll accept electronic photos or regular photos sent through the mail. We'd prefer them to be no bigger than 4 by 6 inches," Hoffman told News Now. The photos should be accompanied by the person's name, title, and the name of the credit union, league, or other organization.

For more information, call 800-356-9655, ext. 4397. Electronic photos can be e-mailed to Hoffman at Khoffman@ncuf.com. Or the photos can be mailed to Hoffman at: National Credit Union Foundation P.O. Box 431 Madison, WI 53701-0431

DEFENSE DIRECTORY UPDATES

- SC - R. Scott Woods has been named President/CEO of South Carolina FCU, former President/CEO Robert Dargan has retired.
- VA - Navy PWC NORVA FCU has changed their name to Naval Mid-Atlantic FCU

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

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