



A VIEW FROM THE BOARD ROOM

Standard of Service

By: *Bob Morgan, Member, DCUC Board;
Board of Directors Treasurer,
ABNBFCU, VA*

This past August at our annual conference we reminded our attendees of a resolution that was adopted some twenty-four years ago. On September 16, 1980, at the annual DCUC business meeting a resolution was offered and unanimously approved, outlining the Standards of Service for defense credit unions. For two and a half decades these standards have withstood two BRAC Rounds, a couple wars, more than a few peacekeeping operations, and a number of deployments.

As the year rapidly comes to an end and we begin preparations for the coming year, I wanted to share our Standards of Service with all. Now, more than ever, we must take notice and proudly support each one of the following principles.

Defense Credit Union Standards of Service

As credit unions serving the Department of Defense personnel, worldwide, both civilian and military, we 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;

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

(See BOARD, p. 8)

CEO UPDATE

Brace and Embrace

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



"Arty" Arteaga

During our 42nd Annual Business Meeting this past August, I offered two words of advice in my brief report to attending delegates: **brace**

and **embrace**. Brace for the challenges that lie ahead, and as you are working those challenges, **embrace** the credit union philosophy and defense credit union principles.

Now that the 2005 DoD Authorization Bill has passed and put to rest any possibility of BRAC being delayed for two years, and the Department has submitted its report to Congress outlining the Transformation of forces overseas, we must await the release of DoD's planned efforts and brace ourselves for the future. From a strategic perspective, you need to be thinking about the impact BRAC and Transformation will have on your operations; from a tactical perspective, you need to be planning how best to support our troops during these extraordinary times. For the first time ever, DoD will be conducting a round of base closure *while* simultaneously undergoing a major shift in force structure overseas *and* fighting a war. DoD has never faced such a challenge, and frankly, neither have our troops nor you. Yet, shy of a significant emotional event, we soon will.

The BRAC process moves from deliberate planning to execution next March, when the nine member independent commission is named and DoD's recommendations are made known shortly

after... May 2005; the elections in Iraq are scheduled for early next year, and depending on the results, the drawdown and/or rotation of troops in theater may soon follow; the war on terrorism will continue to be fought on all fronts throughout the year with far reaching effects on all of us; and troop reductions in Germany and the realignment of forces in Korea could begin (in earnest... in stages) as early as next Summer. Brace yourselves. Be prepared to support a military in transition...to provide financial services to an "army" at war.

As you assess your needs and those you serve, **embrace** the very principles and philosophies that form the foundation of the credit union movement. "People helping people" — that's what this "business" is all about; "not for profit, nor for charity but for service" — that's what makes you remarkably different, wanted, and needed; "serving the underserved...the low and moderate income" — that's what makes you the better alternative. Embrace the values that embody the credit union spirit and reflect our way of life — trust, honesty, and integrity. Embrace the Defense Credit Union "Standards of Service" which were adopted nearly a quarter of a century ago by you our members, for our troops...and which our immediate past Chair and current Board member, Bob Morgan (ABNB FCU), recounts for us in his "View from the Board". And, embrace our long-standing tradition of "Serving Those Who Serve Our Country".

(See ARTEAGA, p. 4)

DEFENSE CREDIT UNION COUNCIL, INC

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

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NEW GOVERNMENT WEB SITE OFFERS ONE-STOP FINANCIAL EDUCATION

By *Samantha L. Quigley*
American Forces Press Service

The Defense Department is part of a multi-agency effort that resulted in today's debut of a federal government Web site devoted to financial education.

According to DoD officials, the mymoney.gov site has been in the works since March, with the Commodity Futures Trading Commission taking the lead role in its development. Billed as a helpful resource for all Americans, the site is a coordinated entry point to all federal financial literacy and education programs.

DoD is among 20 agencies that have contributed to the site. Officials said part of the reason for its participation was the extensive financial tools it already had available.

"The leadership of the Defense Department is pleased to be part of this effort," said Charles Abell, principal deputy undersecretary of defense for personnel and readiness. "The Web site and hotline are great resources for servicemembers and their families to obtain free, credible, unbiased information on personal finance from agencies in the federal government. The Web site will be linked to DoD sites providing information on personal finance, thus ensuring this new resource retains its visibility with in the military community."

From the site, visitors can order a free financial tool kit in English or a similar version in Spanish. It generally takes two

to three weeks to arrive, but contains information on how to choose and use credit cards, get out of debt and numerous other handy financial tips on social security and investing, officials said.

No computer? No problem. The financial tool kit can also be ordered by calling (888) MY MONEY (696-6639) toll-free.

The kit, prepared and mailed by the General Services Administration's Federal Citizen Information Center in Pueblo, Colo., is recommended as a good way to start exploring financial options, officials

said. It covers savings, investing, credit and social security benefits.

The mymoney.gov site allows for quick location of any of a number of financial topics of interest to consumers. Clicking on a topic redirects consumers to a categorized list of links that offer specific information on a topic. The amount of information is vast,

but special effort was put into keeping it well organized, officials said.

President Bush signed the Fair and Accurate Credit Transactions Act, which established the Financial Literacy Education Commission, in December 2003. The commission, a partnership of 20 federal agencies chaired by the secretary of the treasury, was charged with improving the country's financial literacy and education. At its first meeting in January, the need for the mymoney.gov Web site was determined, officials said.



GLOBAL POSTURE PART AND PARCEL OF TRANSFORMATION

By *Jim Garamone*

American Forces Press Service

The global posture of American troops is part and parcel of the transformation of the U.S. military, said the Joint Staff's deputy director for strategy and policy.

Navy Rear Adm. Richard Hunt said a global readjustment of American forces is overdue and, with other changes, will increase U.S. military capabilities with fewer forces.

The global posture changes will allow the president to reposition forces more quickly, and this could allow the forces to deter problems before they escalate to conflict or to stomp out small conflicts before they grow, Hunt said.

Global posture is transformational, Hunt said. "It goes hand in hand with other transformation areas we're working," he said. "In the past, we've developed war plans, put them on the shelf, and dusted them off when we needed to execute them.

"We're beyond that," he continued. "The environment we have to operate in is just too quick."

American forces are moving around the world. U.S. forces in South Korea will drop by 12,500 personnel over the next three years. Those forces have been in some of the same positions in Korea since the armistice was signed in 1953. "In the meantime, the Republic of Korea has grown economically and matured politically," Hunt said. The Korean mili-

tary has grown, become more professional and has many world-class capabilities.

Further, the country has a well-integrated command-and-control network with U.S. forces in Korea.

"The U.S. contribution in Korea comes less from troop numbers than from better intelligence, surveillance and reconnaissance," Hunt said. The United States will invest more than \$11 billion over the next few years to improve these capabilities.

The other piece to global posture in Korea is the consolidation of forces into better locations. Hunt said U.S. forces must get out of areas that are now overly congested. "We don't want to be stepping all over our host nations," he said. "We want to exist in a very non-intrusive way."

Fifty years ago, these areas were in the middle of nothing. U.S. forces could train right outside the gates. Now, apartment complexes, industrial parks or other developments surround many of the bases. Consolidating forces further south will allow the troops that remain in Korea improved access to training areas. It will improve their mobility and will simplify the force-protection equation, Hunt said.

"This improves the overall combat effectiveness," Hunt said. "The lower (U.S.) numbers do not diminish the abil-

ity to accomplish the mission. In fact, U.S. capabilities are enhanced."

American forces permanently based in Europe will drop from about 100,000 to around 50,000. U.S. European Command officials said the tentative plan is for the two heavy divisions in Europe to return to the United States. In their place will be a Stryker brigade in Germany, a light infantry brigade in Italy, and another light brigade "in Eastern Europe," officials said.

Hunt said the key to a U.S. posture shift in Europe is that it is being done in close collaboration with allies. "We are working closely with our allies," Hunt said. "They understand what we are doing and why."

Many NATO allies are going through the same restructuring process, he said. There is no need for a defensive posture in Europe in the traditional sense. "We have succeeded over last 60 years," he said. "Now we need to apply those kind of forces to other regions."

Hunt said the global posture picture will constantly change in the future. "If someone were to ask me what the global posture will be over the next decade, my answer is 'I don't know,'" he said. "We cannot predict where threat will be. The whole global posture effort ... will provide the military with the opportunity to be more dynamic."

NAVY FEDERAL CREDIT UNION ANNOUNCES NEW PRESIDENT/CEO

Loren Moeller-Carson,

Public Relations Manager Navy FCU

John Lockard, Chairman of the Board of Directors of Navy FCU, VA announced that the board has selected Cutler Dawson as the new President and CEO of Navy FCU. Mr. Dawson replaces retiring President/CEO Brian L. McDonnell.

Mr. Dawson, who served as a Navy FCU volunteer official for five years until March 2004, will begin his new job effective 6 December, after completing a 34-year career in the United States Navy. His most recent Navy assignment was as Chief Financial Officer of the Navy and

principal advisor to the Chief of Naval Operations for the annual development of the Navy's \$100 billion program. Mr. Dawson holds a MS degree in financial management.

Mr. Lockard commented, "We are very pleased to welcome Cutler Dawson as Navy FCU's next President and CEO. Mr. Dawson's financial management, legislative affairs and operational experience provide an excellent foundation on which to assume his new responsibilities. I am confident that his leadership, vision and

understanding of the company's values will champion the credit union's mission of providing the finest quality of service and support to our membership and will ensure the success of Navy FCU in the future."

"Cutler Dawson will be an outstanding CEO for Navy FCU," said Brian McDonnell. "I am excited about my replacement and his ability to lead this credit union into the future. I've worked closely with him throughout his years as a member of Navy FCU's volunteer family."

Brace yourselves for the challenges that lie ahead, and as you assess the environment and you assess your needs and those you serve, embrace your history...our history. Stay the course. Our troops and their families need you!

DoD –DID YOU KNOW

...that the FY 2005 DoD Authorization bill was passed prior to Congress adjourning for the Fall recess earlier this month. While there was some language in the House bill to delay BRAC until 2007, during the conference session, a compromise was reached to delete this language. As a result, BRAC 2005 will move forward as planned.

...that HR 5011, Military Personnel Financial Services Protection Act, was passed by the House this month, and now awaits the return of the Senate in November. This legislation is a direct result of a series of articles written by the NY Times this past summer, highlighting some questionable sales practices that were aimed at our troops, and it accomplishes two things: 1) it addresses and bans the sale of contractual mutual funds and 2) it directs State Insurance Commissioners to develop standards to protect our troops. Not sure when the Senate will take-up this bill, but we look forward to its passage in current form.

...that DoDD 1344.7 (Personal Commercial Solicitation on Military Installations), and its companion instructions (DoDI 1344.xxx) will probably not be available for release until the November timeframe. Initially scheduled for the Federal Register in late August early September, this policy and guidance is still being reviewed at the Pentagon by the Military Departments and DoD. Should the Senate version of HR 5011 be passed, it will greatly compliment and provide additional leverage to DoDD 1344.7.

TAX RELIEF ACT WORKS FOR LOW-INCOME TROOPS IN COMBAT ZONES

By *Samantha L. Quigley*
American Forces Press Service

Troops in combat zones stand to reap tax benefits from provisions in the Working Families Relief Tax Act of 2004, which President Bush signed into law Oct. 4.

Income earned in combat zones is not taxed. However, the Child Tax Credit and the Earned Income Tax Credit are dependent on taxable-income figures. This had previously left a number of servicemembers at a disadvantage, Army Lt. Col. Janet Fenton said.

“When servicemembers are in combat zone areas, they have a lot of their earned income excluded for income tax purposes. These two particular credits, in order to qualify for them, require you to have income that’s included for income tax purposes as gross income,” said Fenton, executive director of the Armed Forces Tax Council. “So a lot of our junior members were losing out on these tax credits because it appeared for tax purposes that they did not have (enough) taxable income.”

The Earned Income Tax Credit affects many servicemembers, and the CTC applies to anyone with a qualifying child. When considering the EITC, servicemembers can elect to include or exclude their tax-exempt pay earned in a combat zone, whichever will provide the greatest benefit.

It might seem contradictory to include income to qualify for a low-income tax credit, but a taxpayer must have taxable earned income to report. This was a problem for many servicemembers in a combat zone because, while their salaries fell under the cap, it appeared for tax purposes that they did not have taxable income, Fenton said.

While those with children will find the greatest benefit from EITC, the credit shouldn’t be dismissed just because there are no children in the family. It is still possible to qualify, but the income cap is much lower and there is an age

requirement that must be met.

If servicemembers are eligible for the CTC, they do need to be aware that it is different than the EITC in regard to the combat zone pay situation, Fenton said. Including combat zone pay as part of total wages is not optional for the CTC. However, the formula to determine CTC has been reworked, and the amount that is refundable has been increased from 10 percent to 15 percent.

This could easily work in servicemembers’ favor because, again, many appeared to have no taxable income and were losing out on this credit because they weren’t earning enough to qualify.

“This way, we suspect that more junior members will actually qualify for a portion of the refundable tax credit,” Fenton said.

The 2004 Act extended the CTC at \$1,000 per qualifying child through 2010. The previous amount was \$700 per child.

Fenton said officials have estimated that 114,989 servicemembers will qualify for these tax credits. The estimate only takes into account military incomes of less than \$35,000 if the servicemember is not in a combat zone. It also does not take into account a spouse’s salary.

She said the Defense Finance and Accounting Service will make it easier to determine what was taxed and what wasn’t by reporting tax-exempt pay earned in a combat zone in box 14 of each servicemembers’ W-2 form.

“We don’t want to confuse people with this election (of inclusion or exclusion of pay). Their (combat zone income) is still excluded for income tax purposes,” she said. “It’s only included to see if they can qualify for the additional credit.”

This rule change is not retroactive, Fenton said. No amendments can be filed for previous tax years.

PEN AIR FEDERAL CREDIT UNION COMES THROUGH FOR MEMBERS IN THE AFTERMATH OF HURRICANE IVAN

Patty Veal, Marketing Manager, Pen Air FCU

In the early morning hours of Thursday, September 16, the eye of Hurricane Ivan made landfall with the eastern most edge causing one of the worst national



John Davis, President/CEO of Pen Air FCU with representatives from Wright Patt Credit Union and River Valley Credit Union.

disasters ever recorded as it slowly moved across Pensacola, FL and the rest of the Panhandle.

Its peak winds exceeded 130 miles per hour and drove a 16-foot storm surge at just under Category 4 strength. Several of the areas major waterway bridges and Interstate bridges were severally compromised with missing sections causing those few roadways still available to become the lifeline for help.

Pen Air FCU was ready for Ivan. Pen Air FCU's Disaster Recovery Team had been meeting often as it became clear Pensacola could be the target of Ivan's wrath. Supplies were delivered to all offices, extra cash ordered for offices and ATMs, and extra fuel for generators was purchased. Contact information was distributed with the plan to begin contact with all managers and employees as soon as possible following the storm. Then, when it became clear Ivan was definitely coming, Pen Air FCU closed its doors Tuesday afternoon to give employees enough time to make their hurricane preparations or evacuation plans.

On Wednesday morning, our old Data

Processing Building was transformed into a Hot Site for operations and for use as an evacuation location. John Davis, President/CEO along with two Board of Director members and their families resided at the Hot Site during the storm and for eight more days after that. As it turned out, because the Hot Site is next door to our Sauffley Field

Road Office, all those occupying the Hot Site were able to immediately clean up debris from the office and make the drive up area and drive up ATM accessible. "We were right there to do the work and knew it had to be done,"

commented Maurice W. Johnson, Vice Chairman of Pen Air Board of Directors.

By Thursday afternoon, Hurricane Ivan had done its damage and Pen Air's Disaster Recovery Team began to contact Managers to visit offices to assess damage. By Friday morning, all but one office was accounted for (as the Gulf Breeze Office could not be accessed due to a down bridge). Almost all offices had some facial damage and roof leaks – some more than others.

Pen Air FCU manages and staffs its own Cash Handling Department. Consequently, money could be easily removed from ATMs not working and placed in ATMs with power right away. The Cash Handling Manager reported that from the beginning of the storm on Wednesday evening through



Damage caused by Ivan to the offices of Pen Air

Sunday, over \$1 million in cash was disbursed from ATMs. "People, whether members or not, were able to get funds before, during, and after the storm if they needed it," remarked Mark Decker, Cash Handling Manager. "And, I was proud to know that our efforts were helping so many people, so quickly."

Once the Disaster Recovery Team got an idea of what Pen Air FCU could work with, all employees were contacted over the weekend, and those that did not suffer extreme damages from the storm were asked to report to the Corporate Office



Pen Air FCU partnered with Wright-Patt CU and River Valley CU to help serve hot meals for two days to anyone in need.

on Monday morning for assignment. That morning 95% of all employees were

(See PEN AIR, p. 7)

ARKANSANS AGAINST ABUSIVE PAYDAY LENDING

Rodney Showmar, Vice President of Marketing, Arkansas FCU

Arkansans are coming together to help inform consumers about the predatory nature of payday lending. September 17th was the first meeting of Arkansans Against Abusive Payday Lending (AAAPL). This meeting was brought to order to narrow down a solution to this overwhelming problem in Arkansas.

H. C. "Hank" Klein, President/CEO of Arkansas Federal Credit Union has comprised a group of individuals to help in this fight. Jean Ann Fox, Director of Consumer Protection for Consumer Federation of America, specializes in financial services, electronic commerce, and consumer protection issues. She is also Vice Chairman of the Board of Directors of Consumers Union, publisher of Consumer Reports magazine, "Payday lenders in Arkansas are using every trick in the book to hide their usurious loans."

"Quick cash advances masquerading as rebates and loans made by out of state financial institutions ignore the constitution of Arkansas and must be stopped," stated Jean Ann. For information on her studies on Payday lending go to www.consumerfed.org.

Paul Kelly, Senior Policy Analyst for Arkansas Advocates for Children and Families works daily to help fight for families and individuals that are caught up in the payday lending trap. Paul completed a report in March 2004 on Living Poor in Arkansas: Bartering, Banking and Still Broke. He also works closely with The Annie E. Casey Foundation, they composed an essay on The High Cost of Being Poor for this study and others go to www.kidscount.org.

H. C. "Hank" Klein, President/CEO of Arkansas Federal Credit Union reported on the regulated and unregulated Check Cashers and Payday Lenders in the communities of Pulaski County, Conway, and Fort Smith, Arkansas. This study was conducted by managers of Arkansas Federal Credit Union to ensure that Arkansas Check Cashers/Payday Lenders were complying with the Check Cashers Act of 1999 and the regulations published by the Arkansas State Board of Collections Agencies, Division of Check Cashers were being enforced. To read about the results of this study visit http://www.afcu.org/pdf/Check_Casher-

[Payday_Lending_Study_-_August_2004.pdf](#).

Todd Turner, Attorney with Batson, Arnold, Turner and Turner has worked for victims of Payday Lenders since 1999. He has given most of his time as an Attorney fighting for the rights of Arkansans that have been taken advantage of by Payday Lenders. Todd has even taken the process a step further. He is seeking to stop the State of Arkansas from issuing licenses to Check Cashers/Payday Lenders and has oral arguments before the Arkansas Supreme Court on October 6, 2004 to fight against this, "loan sharking", as Todd puts it.

AAAPL is made up of an amazing group of consumer advocates like Dale Charles, President of NAACP; Linda Tucker, Director of Education for Consumer Credit Counseling; Joy Buffalo, County Extension Agent, Maria Reynolds-Diaz, State Director with AARP, Alan Hughes, President, Arkansas AFL/CIO, Ashvin Vibhakar, Director, UALR Institute for Economic Advancement and others.

THE HOLIDAYS ARE COMING...

Would you or your Credit Union like to make a soldier's life a little brighter during the holidays?

Soldiers are getting four-day breaks from the war effort in Qatar where there is an R & R program that takes care of the troops who come in from the front lines out in Iraq and Afghanistan. These men and women crave anything that will bring a little taste of "home" and the good ole USA to them while they are on their four-day break. While they are there in Qatar, they have a chance to enjoy dinner at a Chili's restaurant, partake of some beverages (at a cost of \$3 each and a limit of 3 per day) so they would be tickled to get a card with \$10 in it to let them enjoy something like that. Current popular maga-

zines, music CD's, batteries, toothpaste, candy(that won't melt), and DVD's are all big hits. Sending packages to the R & R program will let you have direct access to soldiers and know that your donation is being used directly.

The contact for the R & R program is Master Sergeant Walbridge. Her international cell phone is 011-974-581-4539. You can mail or ship large items/shipments to her attention at the following address:

ARCENT-QA
Att: MSG Walbridge
S-1 Box 500
APO AE 09898

DEFENSE DIRECTORY UPDATES

- AZ** -Credit Union West has moved. Their new mailing address is P.O. Box 7600; Glendale, AZ 85312-7600. Their street address is 5801 W. Talavi; Glendale, AZ 85308.
- VA** - Fort Monroe CU. Michael Guida's e-mail address has changed to: mguida@fortmonroecu.org.
- VA** - Navy PWC FCU changed its name to "Naval Mid-Atlantic Federal Credit Union".

PEN AIR

(continued from p. 5)

present and ready to start serving members. “I was extremely pleased to see the turnout and enthusiasm of our employees. Although we knew we had branches that could open, nothing would be possible without staff. When I saw everyone waiting for their assignments, I knew everything would work out,” explains John A. Davis.

CUNA Mutual Insurance was contacted and a representative was on site Monday already getting damage reports and taking photos. The insurance representative was escorted by Pen Air FCU’s VP of Operations to all offices so that claims could be filed quickly.

Pen Air FCU was able to open the drive-thru service of three offices including their attached ATMs immediately. Pen Air’s Mobile Service Center was fully loaded and already making stops at those



John Davis, President/CEO of Pen Air FCU helping to serve hot meals.

office locations not yet operational. By the end of the first week after Ivan, most Pen Air Offices and ATMs were fully operational and over \$3 million in withdrawals were made at our ATMs.

Because the area was hit extremely hard, Pen Air FCU partnered with Wright-Patt CU and River Valley CU, both traveling from Ohio, to help come and serve hot meals for two days to anyone in need. With the support of sponsors like McDonalds, Pepsi Corp., and Mike Sells Potato Chip Company – nearly 2,500 people were given a hot meal. Angel Lewis of Wright-Patt Credit Union let it be known to people getting

hot meals that, “This is what credit unions are all about...people helping people.”

Pen Air FCU knew members would need to borrow funds to help start repairs so concessions were made to extend Line of Credit Loans and offer a Disaster Recovery Loan. Pen Air FCU’s Disaster Recovery Loan was designed to help those with insurance problems to help get them back on their feet while waiting for insurance adjusters. The Disaster Recovery Loan is for amounts up to \$10,000 at a low 6.5%

APR for up to 60 months term. Also, special arrangements were made for those members about to become past due on existing loans. Many fees were waived in consideration of the storm, lack of mail service, gas shortages, and power outages.

Because the community was under curfew ordinances in the evenings, Pen Air FCU’s hours of operation had to be adjusted to allow for consideration of employees’ driving times. The increase in traffic on the few good roads and bridges left was causing a 15-mile trip to take 2-3 hours. Pen Air FCU’s hours began at 9:30 a.m. – 2:30 p.m. and by the end of Wednesday after the storm, hours were 9:00 a.m. – 4:00 p.m, still an hour shy of regular business hours. “Although we are here to serve our members, we also care deeply for our employees well being. After all, they are our members, too,” adds John A. Davis.

By week two, it was clear that although Pen Air FCU was going to have a full plate with repairs for the next possi-

ble year, it would get done. Contractors were already busy removing carpets, ceil-



Damage caused by Ivan to the Drive Thru at Pen Air

ing tiles, repairing roofs, and making sure Pen Air staff had a clean environment to work in.

Although there were many deaths reported due to Hurricane Ivan, Pen Air FCU’s family was blessed. All staff eventually returned, each sharing devastating stories of blown out, washed out, or crushed homes, cars, and boats. Some shared stories of having stayed in their homes not knowing if the next loud sound was a tornado. Others shared evacuation stories of having to find any hotel with a room available. But, all in all, those we know survived – and that’s what counts more than anything.

According to the Pensacola’s HAAS Center for Business and Economic Development, \$6-12 billion dollars of damage occurred in the entire state of Florida from the recent hurricanes, and about half of those were uninsured. Most of the damage occurred in the Santa Rosa and Escambia counties (Pensacola area) and the job market is expected to be down for 1-2 months while businesses rebuild. A complete restoration of the area will take several years.

Pen Air FCU is one of the few financial institutions that was able to be almost 100% operational in the first week with 12 of 13 offices opened and 23 out of 30 ATMs back on line, which can be attributed to a well thought out Disaster Recovery Plan, advance preparation and follow-through by the Disaster Recovery Committee, and great staffing.

U. S. NAVY IS 229 YEARS OLD THIS MONTH

This year marks the 229th anniversary of the United States Navy.

It was on October 13, 1775 that General George Washington's Revolutionary Forces were assisted by the navy and depended on the ships to supply and re-supply land forces.

It was that event that marked the birth of the Navy.

The United States Navy has been a cornerstone of America's freedom, military power, and service to other nations. The Defense Council is proud to send congratulations and Happy Birthday to our Navy!



BOARD

(continued from p. 1)

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."

While all of the standards of service are critical, I believe that "offering intelligent and sound financial guidance" and "serving with dedication and integrity" are most significant during these times of conflict. Our troops and their families need sound financial advice, more so today than yesterday, and who better to provide that advice than defense credit unions. Never forget — "we are the better alternative".



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. Watch for all the details coming soon in a future ALERT and at the DCUC website, www.d cuc.org.

Start planning now for DCUC's 2005 Conference in Charleston! We'll be at Charleston Place August 21 – 24.

Details coming soon in a future ALERT and at the DCUC website, www.d cuc.org.

The United States Postal Service is offering free packing materials to spouses and families of military members who are deployed overseas. To take advantage of this service call: 1-800-610-8734 and press 1 (for English & then! 3 for an operator) and they will send you free boxes, packing materials, tape and mailing labels.

DCUC ROOM DEDICATION HELD AT AMERICA'S CREDIT UNION MUSEUM

A room dedication ceremony was held October 22, 2004 at the America's Credit Union Museum paying recognition to the Defense Credit Union Council (DCUC). According to Gordon Simmons, President/CEO, Service Credit Union, who was the main impetus behind this tribute, "Both the Council and Museum represent very important pieces in the history of our country. One need only look around the room to see the connection between the credit union movement and military service". Jean Yokum, DCUC's Chair, and President/CEO, Langley Federal Credit Union, graciously thanked Barbara Roberge, Service Credit Union's Chairwoman of the Board and the entire SCU Board of Directors for honoring DCUC on this day. "I have been involved in the credit union movement and worked at Langley FCU for over 50 years. While I have borne witness to many "firsts" in my lifetime, I must be honest, never have I experienced the recognition bestowed today... for me, this is unprecedented; it is a moment in time I shall not forget and forever will be grateful". DCUC's President and CEO, Roland 'Arty' Arteaga, echoed Ms. Yokum's words of thanks and said "It is a great day for those who came before me and those who stand with me now".

The DCUC room includes a panel that highlights the history of the Defense Credit Union Council and details the role of defense credit unions over the past seven decades. A bronze Eagle, representing the Council's strong character and tenacious might, stands tall in the corner of the room acknowledging DCUC's members, "Serving Those Who Serve Our Country".

Among the many distinguished guests were the Honorable Robert Baines, mayor of Manchester; Will Wroblewski, staff member to U.S. Sen. John Sununu (R-N.H.), Frank Guinta, staff member to U.S. Rep. Jeb Bradley, and Air Force Banking Officer Josephine Davis.

A reception, sponsored by the Armed Forces Financial Network, was held after the dedication ceremony, permitting attendees to visit the museum (which is located on the site of America's first credit union) and enjoy the afternoon.



Gordon Simmons, President/CEO of Service CU and Treasurer of the DCUC Board of Directors greets the attendees at the DCUC Room Dedication.



Gordon Simmons, Jean Yokum and Arty Arteaga in front of the DCUC Panel which represents the past and present of Defense Credit Unions.



Gordon Simmons along with Jodie Davis, Air Force Banking Officer, and Dave Weber, Larry Borden and John Broda of AFFN.



Members of the DCUC Board of Directors and Arty Arteaga stand by the bronze eagle that was dedicated by Service CU.



Members of the Service CU Board of Directors attended the room dedication.

Why I Serve:

Injured Soldier Vows to Return to Full Duty

By Donna Miles
American Forces Press Service

FORT SAM HOUSTON, Texas, Oct. 13, 2004 — “As long as you have heart, there’s nothing to stop you,” said Army Sgt. Joshua Forbess, one of just five soldiers who survived a fiery Black Hawk helicopter collision over Mosul, Iraq, last November.

The driving force behind his efforts to recover fully from his injuries — and to return to full duty in the military — is “all in here,” Forbess said, tapping his chest.

By just about anyone’s standards, Army Sgt. Joshua Forbess has done his duty and served his country.

The 27-year-old Decatur, Ill., native never woke up from the incident until eight weeks later, and still tears up when he discusses the 17 of his fellow 101st

Airborne Division (Air Assault) soldiers who died in the crash, many of them his friends. Forbess lost an ear and half of his nose and received broken bones, extensive burns and smoke inhalation injuries.

While he continues to recover from his injuries — a process that, including reconstruction surgery, could take two or three years — he’s back working at Fort Campbell, Ky., and committed to returning to full duty with his unit, the 320th Field Artillery Regiment’s 1st Battalion.

“I love my job. I love training soldiers,” said Forbess, who was being treated here at Brooke Army Medical Center when he spoke with the American Forces Press Service. “There’s nothing else I could do that I would enjoy as much as that.”

Forbess said he barely notices the curious looks he receives when he goes out in public, revealing his facial injuries

to the world. “I don’t notice people staring,” he said. “There’s no shame. I’m still the same person inside.”

While he recovers, Forbess is helping the Coalition to Salute America’s Heroes plan its upcoming conference for wounded service members and their families. The group’s Road to Recovery Conference and Tribute is slated for Dec. 8 to 12 at Walt Disney World in Orlando, Fla.

Forbess said the highlight of his military career was earning the Bronze Star for his service in Iraq. “It means they took recognition of everything I did for my soldiers,” he said.

And Forbess wants nothing more than to be declared fully fit for duty so he can again take care of soldiers—even if that job means another tour of duty in Iraq.

“I’ll go back,” he said, without hesitation. “I’ll go anywhere I have to go.”

REPORT ON THE GEORGE E. MYERS FUND

2004 White House Ornaments Now Available Through DCUC

The 2004 White House Christmas ornament is now available for purchase through the Defense Council. This is a fundraiser for the GEM Scholarship Fund. The cost is still only \$20, which includes shipping and handling.

The snowy scene of a sleigh in winter south of the White House captures President Rutherford B. Hayes love of the season. Wintry weather seemed to invigorate the president who enjoyed taking his family and guests out on sleigh rides. It was a winter holiday pleas-

ure he enjoyed late into his life.

A picture of the ornament, ordering information and an order form are at www.dcuc.org, click on the box for the **2004 White House Ornament**.

Please make checks payable to the National CU Foundation – GEM Fund. To order by credit card (VISA or MasterCard only), please include the account number, name on the card, expiration date, and account address if different from delivery address (no P. O. Box address for delivery).

George Myers Scholarship application packets (application and guidelines) were mailed at the beginning of the month. The scholarship amount is \$2,500 and allows for the expense of travel with tuition. The scholarship will be awarded at the Council’s Defense Issues ’05, planned for Saturday, February 26, 2005. The deadline for submitting an application is **December 4, 2004**. This scholarship is available for credit union education to be used toward tuition and related travel.

NOTES ON DEFENSE CREDIT UNIONS IN THE NEWS . . .

Collecting everything from scissors, crayons, and pens, to notebooks, pencils and glue; *Langley FCU*, VA and other WAVY TV 10 Partners On Your Side have gathered over 44,000 school supply items, a 51% increase over 2003, for 18 local school districts. Helping almost 95,000 children in the free/reduced lunch program, Operation School Supplies has once again successfully made a difference in the community... *Fort Belvoir FCU*, VA hosted an Appreciation Luncheon for their business partners, community representatives, and officials from Fort Belvoir. More than 60 individuals attended the event. The featured guest speaker Brian Gagnon, President of Newtek Business Services, Inc., introduced the credit union's new small business products - merchant processing and small business loans - to the attendees. The Credit Union also presented a donation to Fort Belvoir's Army Community Services for educational resources for their military spouse vocational training program...

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

Langley FCU, VA announced it will award four \$5,000 scholarships in 2005. "Providing a scholarship opportunity to multiple graduating high school seniors was an easy decision for LFCU. It is important to recognize the hard work of our Constellation Club members who stand out both academically and within the community," stated Jean M. Yokum,

LFCU President/CEO...*Bragg Mutual FCU*, NC raised \$1,500 for Kids Voting North Carolina Cumberland County by selling candy bars to credit union members. AFFN will match this donation for an overall sum of \$3,000 to KVNCCC. The grant provided by BMFCU & AFFN will enable over 50,000 Cumberland County students in private, public, parochial, charter, military and home-based schools the opportunity for increased education in democracy and civil responsibility and engage in a 'real-life' voting experience on Election Day...

STILL MORE . . .

Service CU, NH now offers its worldwide membership access to a credit union representative, 24 hours a day, seven days a week. The upgrade to the contact centers allows members to apply for loans, open new accounts, transfer funds, request withdrawals and perform routine credit union business. "We always look at ways to enhance member value," says Gordon Simmons, President/CEO. "Members can call the credit union at anytime – day or night, seven days a week, and talk to a 'live' credit union representative. Members conduct their credit union business, when it's most convenient for them. We are committed to serving our members wherever they may be."

MORE . . .

Aberdeen Proving Grounds FCU, MD has donated \$5,000 to the Ordnance Museum Foundation at the Proving Ground. Thanking APGFCU for their

contribution, Dr. Jack Atwater, Director of the Ordnance Museum, said that financial support from the local business community was going a long way to meeting the Museum's campaign goal for special buildings to house and protect all the artifacts and military equipment currently exposed to the harsh weather... *Travis CU*, CA held a Military Appreciation Night at Travis CU Park. The event began with a salute before the game and ended with fireworks and free concert...

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

Chief Master Sergeant Adrien Augustine was elected to the Board of *Keesler FCU*, MS...*Ted Dennis*, President/CEO of *Point Loma CU*, CA was presented the Ed Callahan Award by Financial Service Centers Cooperative, Inc...

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

Jennifer Kaiser was awarded the NYIB East Regional scholarship by *Aberdeen Proving Ground FCU*, MD...*VyStar CU* has named *Angela Coleman-Rao* vice president of marketing and *Adam McGowan* branch manager III...

AND STILL MORE . . .

Robin Fitchett of *Langley FCU*, VA received the 2004 Terry McEachern Internal Auditor of the Year award presented by the Association of CU Internal Auditors...*Scott Lindley* of *Travis CU*, CA has been named vice president of information systems and technology...

IDEAS FOR YOUR CREDIT UNION...

Tammera Peppin is the mother of Capt. Todd Anderson an Apache helicopter pilot with the 1st Calvary Division out of Ft. Hood. He is currently serving his 2nd tour of duty in Iraq. Capt. Anderson's mother has grown tired of the negative media that seems never ending regarding the war. She said it is often demoralizing to the troops and she want-

ed to do something about it. She came up with the idea about a month ago to get every American in this country to wear RED on Fridays and to continue doing so until our troops come home. Wearing Red is to not only show support for our troops in harms way but for all of those good men and women who serve in our Armed Forces in every corner of this

world. What a great message to send to our men and women serving in the Armed Forces. This isn't a great political statement regarding the war or our choice of political candidates. It is simply Americans saying "We are so grateful for those who continue to come forward and accept the responsibility of helping to keep this nation safe."

ARMED FORCES FINANCIAL NETWORK UPDATE

ExxonMobil and The Armed Forces Financial Network Join Forces to Serve Those Who Serve

The Armed Forces Financial Network (AFFN) and ExxonMobil have joined forces to serve military-orientated consumers nationwide. AFFN cardholders will now have access to over 14,000 Exxon- and Mobil-branded service stations and convenience stores across the United States.

AFFN cardholders will have convenient and efficient access for pinned ATM and debit card purchases and purchases with cash back at over 14,000 Exxon- and Mobil-branded service stations and convenience stores coast-to-coast.



"ExxonMobil is recognized as a leader in providing quality automotive fuels and lubricants," said John Broda, AFFN Executive Vice President. "We are appreciative and honored that ExxonMobil has placed such confidence in AFFN and our military banks and defense credit union participants, allowing our organizations to jointly serve and support the military-orientated consumer."

For additional information on ExxonMobil, visit www.exxonmobil.com.

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