



ALLERT

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A VIEW FROM THE BOARD ROOM

Existing to Provide Financial Freedom

By Jean Yokum, Chairman, DCUC Board President/CEO, Langley FCU, VA

On January 20, our Commander-In-Chief delivered his second inaugural speech. President Bush's oration centered on the concept of 'freedom' and how our nation united 'like a single hand over a single heart' following the 9-11 attack on our soil. Although it's very obvious that the fate and actions of our nation are far grander than that of credit unions, I couldn't help but draw correlations from the President's speech to our movement.

I listened to the President make statements like, "Across the generations, we have proclaimed the imperative of self-government, because no one is fit to be the master, and no one deserves to be a slave. Advancing these ideals is the mission that created our nation." I thought about why credit unions came into existence. The whole concept of a financial cooperative was developed as an effort to provide financial freedom in a democratic environment. President Bush eloquently reaffirmed the mission of the United States and reminded me of the core essence of the movement in which we all serve.

We exist to provide financial freedom. Today, financial freedom is being threatened by too-good-to-be-true credit card offers, payday lenders, unscrupulous car deals, underhanded rent-to-own stores, and ridiculous financing schemes that only delay the inevitable. Consumers, our members, and our military are constantly

See BOARD, p. 6

CEO UPDATE

Defense Issues 2005 — Well Done!

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

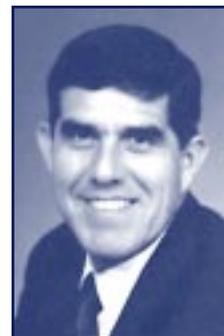
Every year for the past five years, our Defense Issues Roundtable session has exceeded expectation — 2005 was no different! Attendance was at a record high, and based on the evaluations received our program and speakers were excellent...and the subject matter was relevant and timely. Just as it should be!

Thanks to **David MacKinnon**, Office of Economic Adjustment (OEA), Department of Defense, who provided us an excellent overview of the BRAC process. With May 16th ("R-Day"...Release Day) fast approaching, David's insights and experience of what to expect and how to react were invaluable. OEA will shift into high gear once "the list" is released, working endlessly to assist affected communities. Whether it is giving technical advice, coordinating federal assistance, providing DoD resources, or assisting in the development of recovery plans, OEA will play a vital role in the BRAC process. From that perspective, we need to know and understand OEA's mission, know the rules as set forth in BRAC legislation and by DoD (e.g., property disposal and reuse) and understand how those rules and laws impact on-base financial institutions (such as, right to first refusal). With two months remaining before the list comes public, we must also shift into high gear and focus on the post closure approval date...David MacKinnon helped us do that, and he did so in superb manner!

Thanks also to **Jean Ann Fox**, Consumer Federation of America, whose presentation on Payday lending was of major interest, and to **Jack McGuire**, the new Director for Agency Enterprise Solutions, Department of Treasury, who provided us an update on DoD and Treasury's Stored Value Card (SVC) initiatives. Both of these individuals did an excellent job articulating their respective thoughts and opinions, and sharing vital information on two subjects of continual interests to our community. We sincerely appreciate them taking the time from their weekend schedule to be with us.

A special thanks to Captain (Chaplain) **Sarah Shirley**, Eglin Air Force Base for making the long journey from Florida to be with us on a Saturday. What a message...and what a delivery! In a word...Super! In a more appropriate superlative...Superfantastic!! Though Sarah was the last speaker in the queue, the long wait did not dampen her spirits or passion. To use a line coined in the movie *Jerry McGuire*, she had us all "at hello!" and never stopped. The Military Saves Campaign is a big deal (actually, it is a HUGE deal); however, it needs some help...it needs a push. It needs some leadership and support at the local level, and our troops need some incentives to save. That said, Sarah challenged attendees to take the lead on-base and to develop some special and exclusive savings products for the troops. According to the good Chaplain, the Saves campaign is all about marketing and all about people...and

See CEO UPDATE, p. 4



Roland A. Arteaga

DEFENSE CREDIT UNION COUNCIL, INC.

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

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President Nominates 2005 Base Closure Commissioners

By Samantha L. Quigley, American Forces Press Service

President Bush nominated eight people March 15 to serve on 2005's Defense Base Realignment and Closure Commission. Their names go to Capitol Hill for Senate confirmation.

The nominees are:

Former Nevada Rep. **James H. Bilbray**, who was a member of committees on foreign affairs, armed services and intelligence. He served in the Army Reserve from 1955 to 1963.

Philip Coyle of California, a senior adviser to the Center for Defense Information. He has served at DoD as an assistant secretary of defense and as director of operational test and evaluation.

Retired Navy Adm. **Harold W. Gehman Jr.** of Virginia. He served more than 35 years on active duty, and his last assignment was as NATO's supreme allied commander, Atlantic, and as commander of U.S. Joint Forces Command.

Former Utah Rep. **James V. Hansen**, who served on the House Armed Services Committee. He served in the Navy from 1951 to 1955.

Retired Army Gen. **James T. Hill** of Florida. He served 36 years, and his last assignment was as commander of U.S. Southern Command.

Retired Army Lt. Gen. **Claude M. Kicklighter**, assistant secretary for policy and planning at the Veterans Affairs Department. He served in the Army for nearly 36 years.

Samuel Knox Skinner of Illinois, who served as President George H.W. Bush's chief of staff and as secretary of transportation. He served in the Army Reserve from 1960 to 1968.

Retired Air Force Brig. Gen. **Sue Ellen Turner** of Texas, a member of the American Battle Monuments Commission. She served for 30 years, most recently as the director of nursing services in the Office of the Air Force Surgeon General.

Base realignment and closure is the process DoD uses to reorganize its installation infrastructure. This reorganization allows more efficient and effective support of forces as well as a way to increase readiness, officials said.

Defense officials said DoD's process will not vary much from the past BRAC rounds. But this year's BRAC process includes a statutory requirement that the military value of an installation be a primary element of the criteria used in deciding whether an installation needs to be closed or realigned.

Military value includes criteria such as bases' mission capabilities now and in the future, and space available for force maneuver. The review will also consider the bases' ability to accommodate contingency and future force requirements and will look at the bases' operations costs and manpower implications.

The secretary of defense must submit a list of installations recommended for closure or realignment to Congress and the BRAC commission by May 16. By Sept. 8, the commission must send its recommended BRAC list to the president, who has till Sept. 23 to approve or disapprove the findings.

For the latest news, visit our Web site:

www.dcuc.org

DCUC Helps Build Debt Cancellation Model for Military Credit Unions

Specially Tailored Loan Protection Aimed at Meeting Needs of Military Members

The Defense Credit Union Council, through consultation with its member credit unions and the CUNA Mutual Group, has developed a customized debt cancellation loan protection product geared to meet the needs of military members and their families.

"During the height of combat operations in Iraq, DCUC members identified a requirement to protect and address the special needs of our military members and their families," said **Arty Arteaga**, DCUC president/CEO. "Thanks to the efforts of CUNA Mutual Group, a 'straw-man' product was designed and introduced at our 'Hot Market Issues' session in 2003. Five of our members took an immediate interest and volunteered to work with CUNA Mutual to custom-build benefits that met the unique needs of our troops — especially those in combat. As we continue to refine this debt cancellation model, DCUC will work to ensure it is specially tailored and flexible for the military members it is meant to protect."

Debt cancellation is not insurance but a loan protection agreement between the member and their credit union. Under the two-party agreement, the lender agrees to cancel or defer the borrower's debt if one or more specified life-altering events occur. Because it is not insurance, there are no agent licensing requirements.

"CUNA Mutual's debt cancellation

model is a direct response to a call I received from **Kelly Cooke**, former president/CEO of Fort Bliss Federal Credit Union during Operation Iraqi Freedom," said Arteaga. "Given the casualties resulting from the attack on the 507th Maintenance Company at An Nasiriyah, Kelly was concerned about the collection of outstanding debt. He asked for a loan protection product that would protect the estate of the surviving military spouse and credit union.... The rest is history."

The DCUC debt cancellation offering to military credit unions includes protection for death, disability, hospitalization, and honorable discharge (involuntary unemployment).

Along with available involuntary unemployment for civilian members, the new offering affords protection for covered events as a result of combat and maneuvers.

"We commend Arty for his passion and perseverance in addressing the needs of DCUC members," said **Tom Keepers**, assistant vice president, Lending Solution development. "As the catalyst of this initiative, he was instrumental in identifying the need, then involving credit unions in designing the best possible solution for military members and their families."

Military credit unions wanting information on DCUC-tailored debt cancellation should contact CUNA Mutual at (800) 356-2644 x7269.

Armed Forces Financial Network Update

AFFN 2005 Matching Grant Program

John Broda, AFFN Executive Vice President

As reported early this year, the AFFN 2005 Matching Grant Program was approved by the AFFN Board of Directors, as part of the overall AFFN Military Community Support Initiative.

Year to date, 10 AFFN

Participants have partnered with AFFN, and awarded over \$29,000.00 to military orientated organizations supporting the troops and their families worldwide. Of the 10 AFFN participants, 7 are DCUC/AFFN Credit Unions:

USA FCU & MWR South Korea – Columbus Day 2005

Hanscom FCU & Hanscom AFB Operation Concern

Service CU & The Fisher House — Landstuhl Germany

Scott CU & James S. McDonnell USO – St. Louis Lambert Airport

Pen Air FCU & Navy-Marine Corps Relief Society

Kessler FCU & Kessler Air Force Base Honor Guard

Bragg Mutual FCU & The Women's Center of Fayetteville

Funds for this program are limited and awarded on a first come, first served basis (once qualified and approved). For more information about this program, please contact **John Broda**, AFFN EVP, at John.Broda@AFFN.org or (973) 257-1216.

Service Industry Advertising and Dalton Pen Awards Honor Navy FCU

By Keasha K. Lee, Public Relations Assistant

Navy FCU was recognized by the Service Industry Advertising (SIA) and the Dalton Pen Communications awards programs for creative excellence in the field of advertising and communications content. Navy FCU was honored by the SIAA with five awards: Two Gold Awards for its Television Spot and 2004 Pocket Calendar; Silver Award for the Summer 2004 issue of *Home Port*, a periodical publication for members; Merit Award for the 2003 Annual Report; and Bronze Award for the informational booklet, *Getting Out of Debt*. The Dalton Pen Communications program honored Navy FCU with an Award of Honor for the 2004 Pocket Calendar. "We are very pleased to be recognized for the hard work and dedication it took to produce these publications," said **Patricia Schneck**, Senior Vice President, Marketing and Development. Both the SIA and Dalton Pen awards programs are prestigious international evaluation forums created to reward communicators whose works are especially creative, inventive, clever, and effective.

DCUC 2005 kicks off its 42nd Annual Educational Conference in Charleston, SC from August 21-24!

Look for your Preliminary Program in the mail this month.

CEO UPDATE, from page 1

no one knows marketing and people better than defense credit unions. I now better understand why Captain Shirley has a “full house” every Sunday! Talk about a motivator!

In addition to the formal session, we had the opportunity to acknowledge and congratulate our two GEM scholarship winners for 2004. **Darrell Roos**, President/CEO, Northern Tier FCU, Minot, North Dakota, and **Michael Guida**, President/CEO Fort Monroe Credit Union, Hampton, Virginia were selected last month by the GEM Scholarship committee to each receive a \$2500 scholarship. Though Darrell could not attend DI 2005, Michael was present and accounted for. **Jean Yokum**, DCUC’s Chairman and President/CEO of Langley FCU, presented Michael with his check during lunch, lauding him for his continued support of the Council and his unrelenting support of the Hampton community and Virginia Credit Union League.

Jean also presented **Gordon Simmons**, President/CEO Service Credit Union (and DCUC’s Treasurer) and one of his Board members, **Cliff Taylor**, a U.S. Flag flown especially for Service Credit Union over the U.S. Capital. The flag and accompanying certificate were but a small token of our sincere appreciation to Service Credit Union for their magnanimous gesture of last October. Thanks to Gordon and his Board of Directors, a room has been named in honor of the Defense Credit Union Council at America’s Credit Union Museum. The Council’s name, mission, and history...and the vital role played by defense credit unions (in support of our troops the past seven decades) will be permanently enshrined for all to see when visiting America’s Credit Union Museum.

As I said upfront, Defense Issues 2005 exceeded our expectations. Truth be told, however, speakers and program aside, without the likes of our staff, **Beth Thompson** and **Debbie Caruso**, and our Board, led by Chairman **Jean Yokum**, DI 2005 would not succeed. Thank you ladies for your hard work and dedication...and a warm thanks to our Board for their guidance and direction.

Next up...Charleston, South Carolina and our 42nd annual conference, **“Defense Credit Unions: A Tradition of Service...A History of Support.”** Block your calendars now for August 21 to 24, 2005, and be on the lookout for our preliminary program; it should arrive in the next couple weeks. You can’t beat the location...the hotel (Charleston Place)...the program...the cost — and you can’t beat the opportunities to network with peers.



Michael Guida accepts his scholarship check from Jean Yokum and Arty Arteaga.



Gordon Simmons and Cliff Taylor accept the flag from Jean Yokum.

DoD — DID YOU KNOW THAT...

...DoDD 1344.7 and DoDI 1344.xx (Personal Commercial Solicitation policy and guidance) continue to be reviewed and scrutinized by the arm of Congress. I no longer want to venture a guess on the release date. Suffice it to say, we do look forward to the approval and implementation of these two documents, provided they have not changed their intent — protecting the troops from unscrupulous individuals and organizations.

...the Independent BRAC Commission was named this week and the names were forwarded to the Senate for confirmation. Another major milestone in the BRAC process has been completed. Next on the calendar, “release day”...I call it “R-Day.” I know many of you are anxious to get

your hands on the list, but don’t be. Monday, May 16, 2005 will come soon enough. For now, FOCUS...focus on what you do best, taking care of your members!

...The House Financial Services Committee marked up H.R. 458, the Military Personnel Financial Services Protection Act, and H.R. 749, the Expanded Access to Financial Services Act. H.R. 458 was introduced to help safeguard military personnel from unfair financial products and bad sales practices, which is strongly supported by DCUC. The Military Personnel Financial Services Protection Act of 2005 would ban the sale of contractual mutual funds (an obscure product that disappeared from the

civilian market more than two decades ago); and clarify that state insurance commissioners have jurisdiction over military bases located within their borders, as well as military installations overseas and require that military personnel be informed about life insurance available from the federal government prior to the sale of any private insurance.

THE DEFENSE CREDIT UNION COUNCIL

ALERT

Got News?

Send e-mail to Beth Thompson
at bthompson@cuna.com

Defense Credit Unions in the News...

The ground has been broken for a new Temple, TX branch by **Texas Partners FCU**, TX. The new branch, to open in June 2005, will feature remote teller units, drive-up lanes with two way video capabilities, a children's play area, drive-up ATM and safe deposit boxes... **Alaska USA FCU**, AK is planning to open a branch in a new Safeway store in Seattle. The branch will open in May 2005... **Fairwinds CU**, FL raised \$13,000 which was donated to the Greater Orlando's Children's Miracle Network. The funds were raised during the Fairwinds Charities, 5th Annual Golf Tournament. Fairwinds Charities, a charitable foundation of **Fairwinds CU** contributed \$10,000 to raise the donation to \$23,000... **March CU**, CA has been named the lender of choice for the City of Moreno Valley Homeownership Opportunity Program. The program provides down payment assistance to qualified low-income home-buyers purchasing an eligible home within the City. Some of the housing is built by the Moreno Valley YouthBuild program designed to help young adults at risk complete their education and learn the construction trade... **Global CU**, WA was presented with the Large Business of the Year award by the Spokane Valley Chamber of Commerce. Global was recognized for its outstanding customer service, exemplary service to the business community, contributions to community development and exceptional leadership in the area... **Fort Bragg FCU**, NC donated \$1,400 to the Fort Bragg Fisher House. Fort Bragg FCU was awarded a certificate of appreciation for their contribution... **ENT FCU**, CO donated over 2,250 pound of food to the Care & Share Food Bank. 344 companies participated and ENT FCU was in the top 10 food contributors and was also awarded second place in the per employee category with 4.67 pounds per employee. Care & Share Food Bank provides food to nearly 400 regional home service agencies and 25,000 people each week... **Pentagon FCU**, VA said it has acquired another credit union, its sixth-merger mate in the past two years. The acquisition of **Budget FCU**, serving employees of the White House Office of Budget and Management, is the first by Pentagon of a non-defense credit union. The \$10 million Budget FCU has requested the merger because it was experiencing diminishing net worth—down to just 7.3% at September 30 last year. **Frank Pollock**, president of **Pentagon FCU**, acknowledged the merger was a departure from the credit union's normal field of membership. "But we thought there was some potential there." Pentagon, the nation's third largest credit union with \$7.3 billion in assets, has added significantly to its field of membership through the mergers. Over the past two years Pentagon has also acquired: **Fort Shafter FCU**, **Coast Guard Employees FCU**, **D.C. Veterans Affairs Medical Center FCU** and **Fort Hood Military FCU**...

Defense Credit Union People in the News...

Kelli Jo Anthon has recently joined Fort Belvoir FCU, VA as the Financial Counselor. Kelli is a graduate of Utah State University with a Bachelor's degree in Family and Consumer Sciences/Family Finance and is an Accredited Financial Counselor (AFC)... **Paul McCoy** has been promoted to vice president collections and **Dee Anne Cloke** has been promoted to senior vice president human resource development by Columbia CU, WA... **David Griffin** has been named financial consultant for the Harrisonburg, VA market by Commonwealth One FCU... Alaska USA FCU promoted **Chad Montgomery** to Alaska USA Trust Company vice president of trust operations... **Claudia Holman** has been promoted as the new Business Development Director for Aberdeen Proving Ground FCU, MD. Holman has worked as the Member Development Officer for the credit union for nearly seven years... **Joseph Todd** has recently joined Fort Belvoir FCU, VA as its Technology Services Manager. Todd has over 18 years of credit union and financial services industry experience with extensive operational, technology and strategic management... **Ralph Story**, 1st Vice Chairman of the DCUC Board of Directors was elected to a second term as Chairman of the Board for VyStar CU, FL... **John Duncan** of Alaska USA FCU, AK has been named 2004 Employee of the Year. USA FCU also named **Liz Behlke** 2004 Manager of the Year... **Joseph C. Anderson** of AmeriCU CU, NY has been promoted to chief operating officer... **John MacPhee** has been promoted to senior credit manager of member business services at Global CU, WA...



Kathryn R. Coleman

Former Commonwealth One FCU President/CEO Kathryn R. Coleman Dies

Kathryn R. Coleman was a well-known and much loved figure in the credit union movement for some 40 years. Joining what was then known as Gravelly Point Credit Union as a teller in 1956, Coleman steadily worked her way to President/CEO in March 1981. Under her leadership through 1994, Commonwealth One FCU grew to \$125 million in assets and served 29,000 members. Coleman also became very active in the credit union movement at the national, state and local levels from serving as the chapter president of the Northern Virginia Chapter of the Virginia Credit Union League and VCUL board chair, to CUNA national director/governmental affairs committee member and Filene Institute board director.

Coleman is survived by her husband of 58 years, **Victor N. Coleman Jr.**, her brother, **James Riddelle**, and several nieces and nephews. A memorial service is planned for April 5, 2005 at 10 a.m. at Greenspring Chapel in Springfield, Virginia.

Mark Your Calendar!

DCUC 42nd Annual Conference
August 21 – 24, 2005
Charleston, SC
Visit www.dcuc.org for details.

Communities Affected by BRAC Have Transition Partner

By Samantha L. Quigley, American Forces Press Service

As the next round of base realignment and closure looms on the horizon, the Office of Economic Adjustment stands ready to assist affected communities.

The office's role, said **Patrick O'Brien**, OEA director, is to help communities affected by Defense Department program changes. That assistance comes in the form of helping communities envision a strategy for positively weathering the changes.

"Our office is expected to go out (and) work with the affected jurisdiction or jurisdictions and, in essence, assist them to plan and carry out adjustment strategies in response to the program actions of the department," O'Brien said.

OEA has project managers who go out and become part of the "fabric" of the affected communities, O'Brien said. They get to know the needs and desires of the community. Once the issues are identified, they then work to bring the community together to begin to address the changes it's facing, he explained.

O'Brien said getting project managers into the field to assess needs is critical to a smooth transition through BRAC. "Success is dependent on partnering," he said, "partnering with the military department that may be undertaking the action locally, partnering with other public sources. You have states that have a tremendous amount of talent and resources and expertise. You have other regional and local governmental entities that should be brought to the table."

But because the impact of a realignment or closure sometimes is bigger than the public sector can handle itself, he said, the private sector also should be involved in transition planning.

While OEA has helped communities plan BRAC transitions for years, O'Brien said, the process never is routine. He acknowledged that no two communities are the same, so the response must be tailored to each community.

And though OEA's response to a BRAC announcement is quick, the organization stays out of the decision making on BRAC or any other DoD program changes, the director said. His office's job does not start until after DoD announces that a change will be made.

"Once the decision is made to close or realign a base, our office will immediately be available to sit down with the affected jurisdiction and...tailor a program to be responsive to the situation," O'Brien said. "We feel that it's very important that this process be community based — that the affected jurisdictions have to decide how their backyards are going to be used."

How long OEA maintains a partnership with a community depends on the amount of impact BRAC has, the director noted. Communities suffering a greater impact, he explained, may require assistance for five to seven years. Those less affected may need help for only two or three years.

With transformation under way and citing its effect on the U.S. military's European footprint, O'Brien said that this time around, OEA may be helping communities deal with base growth, as some units now based overseas are brought back to the United States.

But regardless of whether BRAC causes loss or growth, O'Brien said, when the list is announced in about two months, OEA will find itself again upholding its motto: "Helping Communities Help Themselves."

BOARD, from page 1

manipulated into making quick financial decisions that lead to the destruction of financial freedom. It's time credit unions acted as a single hand over our collective heart to educate the public and do everything we can to allow financial freedom to flourish.

President Bush said, "In America's ideal of freedom, citizens find the dignity and security of economic independence, instead of laboring on the edge of subsistence." Let's stand behind our leader and do everything we can to help the Commander-In-Chief achieve America's ideal of freedom, starting right here at home, where freedom rings loudest every day.

ENT Federal Extends Benefits to Military Personnel

By Curtis Fox, Public Relations

ENT Federal Credit Union provides expanded benefits to all active deployed military and their families to help relieve anxiety about basic financial services that are made difficult when so far from home. Thousands of men and women serving in the United States Armed Forces are deployed to countries throughout the world — many in hostile areas.

Formerly, military benefits were provided on a case-by-case basis. Today, Ent Federal military benefits extend to all active duty members deployed or with deployment orders as well as those called to active duty through the Reserves or National Guard.

"Our credit union has strong military roots; it was founded 48 years ago by military and civilian personnel assigned to Ent Air Force Base and Peterson Field," said **Charles Emmer**, CEO of Ent Federal Credit Union. "Not only do we honor our past, but we want to honor our current military men and women for protecting our freedoms through our expanded military services."

For those who are Ent Federal members, benefits include:

- Use of any ATM worldwide without fees through Ent Federal's partnership with the Armed Forces Financial Network and the CO-OP ATM Network®.
- Free Online Banking, Bill Pay and eStatements allow service men and women to automatically pay recurring bills, make loan payments and balance their checkbooks while away from home.
- Deployed military also receive free money orders, travelers' checks and official checks.
- Direct deposit allows military personnel to automatically deposit their paychecks into their checking accounts without a delay or the need to find a financial institution.
- The Servicemember's Civil Relief Act is honored at Ent Federal, entitling qualified members of the military to reduced loan rates and deferred payments.

Other available services include trust and estate planning and investment services.

Scott Credit Union Board of Directors Appoints Frank M. Padak as President and CEO

By Kay Dresner, Marketing Manager

After giving thorough consideration about who would make the best leader for Scott CU, the Board of Directors has chosen **Frank M. Padak** as the credit union's President and CEO. Following the sudden death of former President and CEO **Jim Bright**, Mr. Padak had been named as the interim president and CEO. This decision makes the appointment permanent. Padak was also appointed to the Scott CU Board of Directors as Treasurer.

Scott CU hired Padak in 1994 as Vice President of Mortgage Lending to develop its mortgage lending operations. In 1997, he was promoted to Vice President of the credit union at which time he took responsibility for branch operations, member services, human resources, marketing and lending. Since 2002, he served as Senior Vice President and assumed the additional duty of resolving all day-to-day operational issues in the absence or unavailability of the CEO.

Prior to joining Scott CU, Padak spent more than nine years at Highland Savings and Loan, in Highland, Illinois, where he served as Vice President in charge of loan operations, regulatory compliance and marketing. Padak earned a bachelor's degree in business administration from Southern Illinois University at Edwardsville, and a master of business administration from Webster University in St. Louis.

He keeps his perspective on the credit union industry fresh through many professional affiliations as follows.

- CUPAC Board of Directors (Secretary)
- Southern Illinois Chapter of Credit Unions Legislative Forum Representative
- Southern Illinois Chapter of Credit Unions (former Chairman)
- Illinois Credit Union League Foundation (former board member)

Frank and his wife, **Robin** reside in Highland, Illinois, with their four daughters, **Taylor, Danielle, Avery** and **Alexa**.



Frank M. Padak

YOU SHOULD KNOW THAT...

General **Tommy Franks** thanked Fort Sill FCU, OK for helping him to realize the American Dream during his speech to about 4,000 CUNA GAC attendees. Franks stated that he has never borrowed from a bank and that Fort Sill FCU gave him a car loan for a yellow Oldsmobile when he was a new lieutenant.

Service CU Raises Over \$120,000 for Tsunami Relief Efforts

By Nancy Layton, Marketing Manager

Thanks to members, non-members and employees, Service Credit Union donated \$127,632 to the tsunami relief efforts. Initially the credit union committed to match contributions up to \$50,000. A few area schools decided to contribute, knowing their funds would be matched. Within six weeks, the credit union collected \$63,816. Seeing the obvious concern and caring, SCU decided to match the donations received dollar for dollar.

"Service Credit Union sympathizes with those who are experiencing the effects of the tragedy in southern Asia and East Africa," said **Gordon Simmons**, President/CEO. "In the credit union spirit of people helping people, we offered members and employees a chance to give to the relief effort. By matching the contributions received at the credit union, the contributors will know that their donations will go twice as far."

"The generosity of Service Credit Union's members is a true testament to the spirit of giving that we have seen in the aftermath of the tsunami," said **Elizabeth Walsh**, spokesperson for AmeriCares. "A contribution such as this one will enable AmeriCares to further our relief efforts for thousands of tsunami survivors in Sri Lanka, Indonesia and India. While the immediate need has been addressed, the long-term rebuilding has just begun and we are extremely grateful for organizations such as Service Credit Union for supporting our efforts."

AmeriCares was chosen as the organization because 100% of the funds raised will support the survivors of the disaster.

Randolph-Brooks FCU Launches Financial Initiative

Randolph-Brooks FCU (RBFCU), TX takes member financial education to new levels

The RBFCU board has created the RBFCU Financial Education program to help ensure consumers of all ages make wise financial decisions with a special emphasis on educating military members, young people, and those working in communities served by RBFCU.

Financial education curriculum will be developed and taught to students by credit union representatives in the classroom while adult level financial literacy seminars will be conducted in partnership with other not-for-profit organizations.

Funding for the Financial Education Program will come from earnings on proceeds from the sale of RBFCU's interest in the PULSE EFT Association to a subsidiary of Discover Financial Services, a unit of Morgan Stanley.



Michael L. Bennett (left), CEO of the San Antonio Area Chapter of the American Red Cross, receives a check for \$50,000 from David Reynolds, SSFCU San Antonio President and CEO.

One of the First to Help

Security Service Federal Credit Union Collects \$50,000 for Tsunami Victims

Within days of hearing about the deadly tsunami Security Service Federal Credit Union (SSFCU) contacted the San Antonio Area Chapter of the American Red Cross in response to the deadly December 26 tsunami tragedy in Asia and Africa. SSFCU was one of the first to step up and offer to help. They not only opened a special fund account, but placed coin collection bins in each of the Texas and Colorado Service Centers. Along with the general donations, SSFCU made a \$10,000 corporate contribution to the fund to bring the overall total to \$50,000 raised for the Tsunami victims. SSFCU received an overwhelming response from members, employees and the general public. Contributions to the fund were made daily and ranged from spare change, \$1,000 checks and a lot in between.

“Our relationship with the Red Cross has always been a good one and we’re happy to assist them in this endeavor,” says **David Reynolds**, SSFCU President and CEO. “We know these funds will assist the many victims affected by this horrible tragedy,” expressed Reynolds during the check presentation to the American Red Cross at the San Antonio Area Chapter on February 10. Reynolds, along with **John Worthington**, SSFCU San Antonio Senior Vice President of Corporate Communications, presented the \$50,000 check to **Mike Bennett**, CEO of the Chapter, in front of media, volunteers and staff.

The International Federation of Red Cross and Red Crescent Societies announced on January 26, 2005 that the \$1.2 billion (US) pledged worldwide in the 30 days since the tsunami was sufficient to meet the costs of the entire Red Cross tsunami relief program. Following the Federation’s lead, the American Red Cross believes that current contributions and pledges, when received from the American public, will be sufficient to carry out its immediate and longer-term relief efforts to assist survivors of the deadly tsunami that roared ashore December 26, 2004.

Due to the generous financial contributions from American public, foundation and corporate supporters, which has now exceeded \$378 million, the American Red Cross, including the San Antonio Area Chapter, will no longer engage in new fundraising activities for tsunami relief. To date, the San Antonio Area Chapter has received more than \$1.4 million for the International Relief Fund from corporations, small and large businesses, schools, churches, organizations and individuals.

Department of Defense Releases the National Defense and the National Military Strategies

Office of the Assistant Secretary of Defense (Public Affairs)

The Department of Defense (DoD) released its National Defense Strategy (NDS) and National Military Strategy (NMS) recently. These strategies outline an active, layered approach to the defense of the nation and its interests. They seek to create conditions conducive to respect for the sovereignty of nations and a secure international order favorable to freedom, democracy, and economic opportunity. The strategies promote close cooperation with others around the world who are committed to these goals and address mature and emerging threats.

“Since 9/11, the Department has updated its strategic thinking — incorporating lessons learned from Iraq, Afghanistan and other operations,” said **Douglas J. Feith**, under secretary of defense for policy. “We now have a strategy that positions us better to handle strategic uncertainty, recognizes the value of measures to resolve problems before they become crises and emphasizes the importance of building partnership capacity to address security problems.”

The NDS is issued periodically, and the NMS is updated every two years. These documents outline how the Department supports the president’s National Security Strategy and provide the strategic context for the ongoing Quadrennial Defense Review. The NDS defines DoD’s strategic objectives: securing the U.S. from direct attack; securing strategic access and retaining freedom of action; strengthening alliances and partnerships; and establishing security conditions conducive to a favorable international order.

The NMS provides strategic guidance to the armed forces on how to support NDS objectives. It sets forth three military objectives: protecting the U.S.; preventing conflict and surprise attack; and prevailing against adversaries.

Link to NDS: <http://www.defenselink.mil/news/Mar2005/d20050318nds2.pdf>

Link to NMS: <http://www.defenselink.mil/news/Mar2005/d20050318nms.pdf>

Why I Serve: K-9 Couple Watches for Danger

By Pfc. Abel Trevino, USA, Special to American Forces Press Service

The most dangerous part of **Giray Jones'** day is when **Timer** squats: It means he's found explosives.

Giray and **Brad Jones** are dog handlers working for K-9 Associates International and are contracted through the 81st Brigade Combat Team. Timer is a 5-year-old shorthaired German Shepherd handled by Giray. Brad handles **Gromett**, a Belgium Malinois.

The four of them have traveled throughout Iraq with 1st Armored and 1st Cavalry divisions and are now here searching for explosives and assisting in the capture of terrorists.

"The way we look at it, these dogs have actually saved lives," Brad said. "They've found munitions and stuff that were going to be used against people. They put people in jail who were bad guys who would have gone out and hurt more people."

The couple, married for 10 years, brings years of dog-handling experience to the gates. Both have law enforcement backgrounds. Brad planned a canine unit program for a police department, and Giray started off in search and rescue. They actually met during a case while searching for a missing boy.

That first case turned into years of commitment to one another. Their jobs rarely allow the couple to spend time together. Their 10th anniversary was the first one they were able to spend

together, and it was on the plane coming to Iraq. That moment reflected the best part of the couple's job here: being together and being able to work and search together.

Their searching efforts here are used for more dangerous cases and incorporate olfactory skills of the dogs — such as smelling for explosives and drugs.

"We appreciate the support from the armed services that we get," Giray said. "We just can't thank those guys enough for their support on what the dogs do and also for their support on our safety. It makes our job a lot easier."

"The dogs are sensitive enough that they pick up on where there were explosives," Brad said. "If someone has been carrying explosives, the dogs will sometimes pick up on that. Even if they don't find any, military intelligence will question [the person] and get good information out of them."

Chasing the tail of explosives has led the couple to local national residences where they have made large discoveries of explosives and dangerous items, Brad said.

The dogs also represent a show of force and intimidation to people intent on harming the post. "Not only is [the dog's]

presence a deterrent to those bringing in explosives, but also to the people's behavior coming in," Giray said. "They don't do anything crazy at the gate."

The dogs work close to those entering the area's gate, but are prohibited from directly searching people. "We don't search people; we search bags," Brad said.

"In the morning I go over and search personnel, bags and suitcases with Timer," Giray said. "Once I get through, I help [Brad] with vehicles."

When searching vehicles and bags, the dog handlers have to be sensitive to cultural differences. "A lot of the vehicles have food in them and the [owners] get concerned about their food coming in, but the dogs are trained where they won't eat any food unless it's given specifically by us," Giray said.

She said the dogs do smell the food, but are trained not to lick or touch it.

Their job puts the couple directly in harm's way, but for a greater purpose. "Because of the nature of the job, [the danger] is to be expected. We're there to locate it first so a larger number of people aren't involved," Giray said.

Like all aspects of force protection, the Jones take their jobs seriously and concentrate heavily on watching the reaction of the dogs for clues and hints that something is amiss. "We depend on soldiers to watch our backs while we're out there," Brad said.

"We appreciate the support from the armed services that we get," Giray said. "We just can't thank those guys enough for their support on what the dogs do and also for their support on our safety. It makes our job a lot easier."

Wright-Patt CU Helps Raise Nearly \$90,000 for the American Red Cross Tsunami Relief Fund

By Chris Gardner, Division Manager, Marketing

Beginning in January, Wright-Patt CU, in partnership with WHIO-TV7, started a donation drive for the Miami Valley Tsunami Relief Fund. Recently, Wright-Patt CU's President and CEO, **Doug Fecher**, and Channel 7's Vice-President and General Manager, **Henry Delaney**, presented a check to the American Red Cross Dayton Chapter for \$84,153.45. Individual donations from Wright-Patt CU members and the Miami

Valley community were collected by Wright-Patt CU, and have ranged from \$5 to \$5,000. With continuing donations, an additional \$4,500 has been received since the check presentation, bringing the total to nearly \$90,000. "With the caring and generosity of the communities we serve, we hope that the donations gathered throughout the Miami Valley help with the enormous recovery efforts continuing today," said **Gary Easterling**, Vice

President & Chief Business Development Officer at Wright-Patt CU.

The American Red Cross, in conjunction with the International Red Cross, uses the International Response Fund donations to provide tsunami survivors with safe water and food, basic healthcare and disease prevention items, immediate family supplies such as tents and hygiene items, and support to cope with the trauma of the event.

Requests for Nominations or Credit Union of the Year Award

It's that time again — Requests for Nominations for Credit Union of the Year Awards are going out from the Military Departments. We have received a copy of the memorandum sent from the Department of the Air Force (due April 25, 2005) and the Department of the Navy (due May 31, 2005), the Department of the Army has not sent their memorandum out yet but it should be soon.

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

A History of the Service Credit Union of the Year Award

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

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

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

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

YEAR	CREDIT UNION	ARMY	NAVY	AIR FORCE
1988	Fort Eustis FCU, VA	x		
1989	Fort Campbell FCU, KY	x		
1990	Army Aviation Center FCU, AL	x		
1991	Fort Knox FCU, KY	x		
1992	Army Aviation Center FCU, AL Defense Activities FCU, PA	x	x	
1993	Army Aviation Center FCU, AL Amphibious Base, VA Randolph-Brooks FCU, TX	x	x	x
1994	Fort Knox FCU, KY Kitsap FCU, WA Niagara Falls FCU, NY	x	x	x
1995	Fort Sill FCU, OK NRL FCU, MO Border FCU, TX	x	x	x
1996	Fort Campbell FCU, KY Marine Corps West FCU, CA Global CU, WA	x	x	x
1997	Fort Campbell FCU, KY ABNB FCU, VA Lackland FCU, TX	x	x	x
1998	Fort Sill FCU, OK Navy FCU, Naval Air Station, Willow Grove Branch, PA Travis FCU, CA	x	x	x
1999	Fort Campbell FCU, KY ABNB FCU, VA Keesler FCU, MS	x	x	x
2000	Fort Sill FCU, OK Navy FCU, Naval Air Station, Willow Grove Branch, PA Red River FCU, OK	x	x	x
2001	Service CU, NH ABNB FCU, VA Hanscom FCU, MA	x	x	x
2002	Hanscom FCU, MA Pen Air FCU, FL Travis CU, CA	x	x	x
2003	Fort Bliss FCU, TX VyStar CU, FL Hanscom FCU, MA	x	x	x
2004	Fort Campbell FCU, TN Navy FCU, VA Langley FCU, VA	x	x	x

“ It is impossible for me to enter Charleston from any side, whether by land or by sea, and not feel that here the land is precious; here is a place worth keeping...”

—Charleston native Elizabeth O'Neill Verner



With a rich 300-year history, Charleston today is America's most beautifully preserved architectural and historical treasure. The city's past is a testament to the spirit and tenacity of its citizens. Its appeal has been described as a "living museum." From Fort Sumter to the Citadel, military history in Charleston holds center stage. It seems fitting that we should gather in this unique city to learn, share, network and explore!

Join your fellow defense credit union members as DCUC 2005 kicks off its 42nd Annual Educational Conference in Charleston, SC from August 21-24. Look for your Preliminary Program in the mail this month.

Visit www.d cuc.org today to learn about the 42nd Annual Conference being held in Charleston, SC from August 21-24. All the information you need is easily found in the Conference section on our website. Find out what tours are being offered, see where the Golf Tournament is being held on Saturday morning and review the benefits of attending by checking out the Tentative Program.

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Alert Langley FCU Employees Help Member

By Brett T. Noel, VP/CMO

Langley FCU member, **Becky Grantham**, visited the Yorktown Branch recently to cash four \$900 United States Postal Money Orders. She received them from an internet acquaintance who lives in Africa and was told that the cash would help pay for a much needed operation.

Wanting to help, Becky presented the money orders to Langley FCU Member Service Representative, **Ashley Topping**. The member stated, "I brought the money orders to Langley FCU because I knew the Credit Union would look out for me." Ashley felt they looked suspicious, as the print didn't resemble money orders she was accustomed to processing.

Concerned, Ashley spoke to her Branch Manager,

Karen Buchwald, who felt that the money orders may have been counterfeit. Karen suggested Becky visit the post office to verify her suspicion. The local Post Master confirmed that they were indeed counterfeit. Ms. Grantham later contacted Karen to express her relief that Langley FCU had saved her from losing \$3,600, saying it would have been extremely difficult to repay such a loss.

Langley FCU employees receive annual training to develop their counterfeit detection skills. Additionally, Langley FCU's Security Officers frequently update staff on the latest counterfeit scams. "I am proud that we were able to assist Ms. Grantham and help her avoid making an expensive mistake," said **Jean Yokum**, LFCU President/CEO.



(Left to right): LFCU Branch Manager, Karen Buchwald, member Becky Grantham, Member Service Representative Ashley Topping

AltaOne and Members Raise Money for Various Charities

By Wendy Cleveland, VP Marketing

AltaOne FCU, CA and members recently donated a total of \$4,215 to various charities within their field of membership.

The funds were raised through AltaOne Federal Credit Union's Skip Pay program during the month of December. Qualified members could skip a loan or Visa payment for a \$20 fee. A portion of that fee was then donated to the charity of the branch's choice. "This was a win-win-win, for our members, the community and the Credit Union," stated **Julie Rueger**, Assistant Vice President of Member Services.

The funds benefited The Boys & Girls Club of Southern Sierra, Toys for Tots, Boron Senior Citizens, Ombudsman/Advocacy Services of Inyo/Mono's Money Management Program, and California City's new technology center for the Community Youth Center.

Defense Credit Union Council

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