



AMERICA'S
CREDIT UNIONS™



Florida Credit Union News

A publication of the Florida Credit Union League 

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Florida's credit unions 100% Y2K compliant

Florida's credit unions have met the Y2K challenge and have all been graded ready for the turn of the century. That's the message that was delivered to the Florida Credit Union League by Florida Comptroller Bob Milligan. Various state and federal regulators have now deemed all 250 of the state's credit unions "Y2KOK." Milligan made his comments while delivering a resolution saluting International Credit Union Week at the September 28, 1999 meeting of the Governor and Cabinet.

Florida Credit Union League President/CEO Guy M. Hood greeted the Milligan announcement with a salute to the state's credit unions. "Our credit unions recognized the seriousness of this problem years ago," said Hood, "and they attacked it with the same efficiency and determination that is the trademark of the credit union movement. Our credit unions were resolved to the task of making sure our members would not be inconvenienced or affected by the Y2K issue. Apparently, we were successful."

Hood noted that all credit unions in Florida have their deposits of up to \$100,000 per member backed by federal insurance through the National Credit Union Share Insurance Fund, as the Federal Deposit Insurance Corporation does for banks. "Credit union members can rest easy knowing that their deposits have been and will continue to be fully insured up to \$100,000 per member," said Hood. "There has never been a threat to credit union members' accounts and, now that credit unions are fully Y2K ready, credit union members' fears should be greatly eased."

Most, if not all, of Florida's credit unions will maintain a steady stream of information to fully inform their members of their particular credit union's Y2K preparations between now and the end of the year. Statement stuffers, lobby posters, newsletter articles, and in some cases, public service announcements on local media will all be used to inform members. 

Credit Unions Participate in Y2K Town Hall Meeting

Responding to State Representative Marjorie Turnbull's (D-Tallahassee) request, a group of credit union professionals participated in a forum at Florida State University's



Aletta Shutes, Executive Vice President of FCUL discusses Y2K issues with Chris Oakley of the Federal Reserve.

Turnbull Conference Center to discuss Y2K concerns. The meeting was the first of its kind to provide a forum to share information on Y2K and to allay fears in the community. Participants included nearly every public and private agency in the Tallahassee area. The credit union contingent included: Ray Cromer, President/CEO of North Florida Education CU; Bradley Blake of Florida State University CU; Bob Brooks of Florida Commerce CU; Ben Morris of Sunshine State CU and Aletta Shutes, Executive VP of the FCUL.

Florida Credit Union League Service Group Department Spotlight

Editor's note: The Florida Credit Union News will feature a different FCUL Service Group department each issue for several months. The October spotlight is the Research Department.

September 1989 was the beginning of what is now considered one of the most productive credit union research departments in the U.S. From the start, the FCUL Service Group Research Department was different. Even the office space is not set up as you would expect with a nice desk and coordinating credenza and bookshelves. It's a laboratory with the focus on it's greatest tool--the computer.

"This is a totally computerized operation," said Jim Stachura, Director of Research. "Having everything we do done on screen was one of the first conscious decisions made as to how the department would be set up. We have every proposal, file, survey, all our archives cataloged on the computer."

The most common research conducted for credit unions is member surveys,



Pictured above are Jim Stachura and Mark Kelly, the FCUL Service Group Research Department.

employee surveys and mapping surveys. "More and more credit unions are being forced to do research to support management decisions. Smaller credit unions are also beginning to recognize the value of research," said Jim. — continued on pg. 9

Florida Credit Union League Board of Directors

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The **Florida Credit Union News** is a monthly publication of the Florida Credit Union League. For business information or subscriptions, write the Florida Credit Union League, call (800) 342-1266, or e-mail gracepf@fcu.org.

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President's Column

What we're all about

Hurricane Floyd proved to be a threat, but nothing more to all of us in Florida. But, in our sister states to the north, particularly North Carolina, Virginia and New Jersey, the storm was an event that was truly disrupting. And credit union members in those states need our help.

We all know the particulars. Up to twenty inches of rain fell in some parts of North Carolina. The eastern portion of the state is home to hundreds of thousands of credit union members, according to Mike Beall, executive vice president of the North Carolina Credit Union League. And that's where most of the flooding occurred. Mike reports that two credit unions were badly damaged by floodwaters. The seriousness of the disaster is best illustrated by the fact that contamination of the drinking water supplies in eastern North Carolina might linger for as much as a year.


In Franklin, Virginia, Bronco Federal Credit Union had so much water damage that the credit union was forced to conduct business out of a local motel. And the problems might linger. Because of the amount of contaminated water at the Bronco

facility, the credit union will fall under Federal environmental jurisdiction and will have to comply with those requirements before being allowed to reopen.

In New Jersey, two credit unions were forced to close because of flooding and a fire.

The point of all of this is that it is now time for us in Florida to come to the aid of our brethren in the affected states. Many of you have already responded to calls for help. Some of you have even

volunteered to go to those states if needed. I applaud all of you for your willingness to help. But, all of us need to stand up and help. In the coming weeks and months there are many credit union employees, volunteers and members in those states who will need assistance.

It may be weeks before the true extent of the damage is known. But all of us can help now. Your credit union can make a contribution to the flood relief efforts through the National Credit Union Foundation, P.O. Box 431, Madison, WI 53701. Credit unions are all about "people helping people." Let's show the folks in those states that Florida hasn't forgotten about that. 



Guy M. Hood
President/CEO


Southeast Corporate

Credit Union Forum Wrap Up

The first annual Credit Union Forum, hosted by Southeast Corporate, was a big success. Credit union attendees from around the state (Pensacola to Ft. Lauderdale) converged on Lake Buena Vista to hear a variety of speakers and meet with their counterparts from other credit unions.

The day started with welcoming remarks from Jim Taylor, President of Southeast Corporate, who then turned the podium over to Miles Strickland who presented the State of the Corporate and an overview of some exciting new services they plan to introduce in the near future. Along with Senior Management, Kirk Cuevas, the executive assistant to NCUA Board Member Dennis Dollar, brought everyone up to date

on some very topical and important items with which the NCUA Board is currently dealing. Christopher Oakley and Elizabeth Hipple from the Federal Reserve Bank told everyone about the Fed's Y2K readiness and shared information about the use and availability of the Discount Window for year end. To finish the day, Phillip Gellot and Jamie Botts from CNBS addressed the forum concerning investment strategies prior to year end and into the next century.

Comments received from attendees indicated a high degree of satisfaction with the Forum. Southeast Corporate would like to thank all the participating attendees, and looks forward to seeing everyone at the second annual Forum next year. 


Clarke American

Checks that appeal to members and work for you!

Picking out a check or label design is now as easy as 1-2-3. Clarke American, partner of CUNA Service Group, is introducing a new trifold check portfolio that features check products in lifestyle categories that reflect the way people live and work.


Lifestyle categories make selecting checking materials that express a member's personal style easier than ever. *From the Heart* includes new, heart-warming baby scenes from Anne Geddes™, inspirational quotes, the endearing children photography of Karen Dvorak and fun-loving characters from Mary Engelbreit®. *Just for Fun* showcases Tom & Jerry™ and Scooby Doo™ on checks and address labels, along with a host of other amusing cartoons. *A Piece of America* designs evoke pride and patriotism in the USA through the scenic beauty of our great country. Golf enthusiasts will enjoy the New Pebble Beach series from the *Rest & Relaxation* category, while weekend gardeners can indulge in the Floral Fantasy® displayed *In the Garden*. College sports fanatics can also get in on the action and show their school pride with Clarke American's *Collegiate* line.

Members can actively support a number of favorite nature or educational causes by selecting checks and address labels in the *Cause Related* category. A portion of the proceeds from selections here supports, among other causes, Save the Children®, the National Park Foundation, A Better Chance and The Lighthouse Preservation Society. For those who prefer a more sophisticated style, the *Classic* or *Refined* categories are sure to please even the most discriminating check writer.

Producing more than 8 billion checks a year at unmatched rates of accuracy and rapid delivery, Clarke American Checks Inc. is the third largest printer of checks in the United States, and is the nationally endorsed security printer of CUNA Service Group. 



FCUL FCUMI

Pictured above are some of the class members of the 1999 Florida Credit Union Management Institute. The school was held at the Florida State University Center for Professional Development Sept. 12-16, 1999--the week of Hurricane Floyd. Many class members had to leave the conference to help prepare their credit unions and homes for the potential disaster. 

CUNA Mutual

Cuna Mutual pension website page enhanced:

Now you can view your pension balances online


The CUNA Mutual Group recently completed a Pension Services website page enhancement that allows credit union retirement plan participants to view their retirement account balances through the Internet. "Credit union staff have indicated a strong desire for more access to their pension information," says Gary Peterson, Product Development Manager. "In response, we've added an inquiry function to our existing page."

Prior to the enhancement, Pension Services plan participants could access electronic forms, the quarterly performance booklet and educational materials. Through the enhancement, Plan Administrators and plan participants can now access and view account balances by fund, investment election percentages, loan information, daily unit values, educational materials, news topics and a list of frequently asked questions.

According to Peterson, future Pension Services website changes are planned. "Our next enhancement will allow plan participants to transfer funds within their account and make changes to their current allocations," he says.

Secured Access

Due to the sensitive nature of pension information, the website is a secured site. To access the site, users will need to enter their social security number and a PIN number. "The PIN number is the same PIN used with our Pension Information Line," Peterson says. If a new PIN is needed, contact CMG Pension Services at 1-800-999-8786.

To access the CUNA Mutual Pension Services page, visit the CUNA Mutual Group website at www.cunamutual.com. Click on the red Credit Union Staff button. Next, click on the green Electronic Services button. Then click on the green Menu button. Trustees and Plan Administrators should then click on [Plan Administration](#), others should click on [Your Retirement Plan](#) to access their specific account. 

Advocacy in action

Congressman C. W. Bill Young Honored at St. Petersburg Chamber Appreciation Dinner

U.S. Congressman Bill Young (R-10), senior member of the Florida delegation and current Chairman of the Appropriations Committee, was recognized for his outstanding leadership and contributions to Pinellas County by the St. Petersburg Chamber of Commerce. More than 900 constituents and supporters attended the appreciation dinner and reception at The Coliseum on Saturday, September 18, 1999. Among the attendees were Anthony Dominick, President/CEO of Bay Pines FCU, his wife, Maryann; John Pacheco, VP Member Services, Bay Pines FCU and his wife Tammy; Bay Pines FCU board member, Tony DiMatteo and his wife, Susan; Bay Pines FCU member Tom Robbins; and Dianne Jones, FCUL Political Action Coordinator and guest, Lynn Hodge. Also seated at the credit union table was state Representative Leslie Waters (R-51) current Vice-Chair of the Florida House Insurance Committee and member of the House Finance & Taxation Committee.

Proceeds from the appreciation dinner will be donated to the Congressman C.W. Bill Young Scholarship Funds at the following colleges and academy: Eckerd College, St. Petersburg Junior College, University of South Florida St. Petersburg, and the Chamber Entrepreneurial Academy/Leadership St. Petersburg.



Pictures L to R: Tony Di Matteo, Board Member Bay Pines FCU; Tony Dominick, President/CEO of Bay Pines FCU; and Tom Robbins, member of Bay Pines FCU. Both Matteo and Robbins are candidates for the Florida House of Representatives.



Pictured L to R: Tammy Pacheco; Rep. Leslie Waters (R-51); and John Pacheco, VP Member Services, Bay Pines FCU.

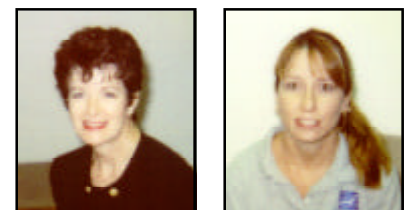
Have you ever considered your member newsletter as a tool for political action? While your newsletter's main function is to promote products and services, it can also help lawmakers understand the credit union difference. Consider featuring articles about advocacy, meetings between lawmakers and credit union people or the political activity the FCUL is doing on your behalf. Every effort counts in credit union advocacy!

THE Credit Union of Palm Beach County has successful Deduct-A-Buck promotion

"Working for a good cause," made it easy for Judith Dugo and Sheri Whitehead, tellers at THE Credit Union of Palm Beach County, to ask their members to participate in the CUPAC Deduct-A-Buck program. The sixty-day promotion in the lobby and drive-thru of the credit union resulted in 393 members signing authorizations for the automatic deduction of funds from their accounts for the Credit Union Political Action Committee (CUPAC). The authorizations consisted of both quarterly and one-time deductions.

Peter Pagliaro, Marketing Director, commented that both Judith and Sheri took just a few minutes to explain the importance of preserving the future of their credit union through political action and the members responded very favorably.

Thank you to Judith Dugo and Sheri Whitehead for their hard work.



Judith Dugo and Sheri Whitehead, THE Credit Union of Palm Beach County, were the top producers in their recent Deduct-A-Buck sign up promotion.

Florida Credit Union League Campaign School December 6, 1999



A one-day, intensive training--just what an aspiring candidate needs to know to run a successful campaign on the local, state and national level.

Learn how to:

- make planning strategies and prepare a budget
- conduct research and interpret surveys
- raise campaign funds
- recruit and manage volunteers
- work with the media

To register for the FCUL Campaign School to be held in Tallahassee at the Doubletree Hotel on December 6, 1999, call Dianne Jones at (800) 342-1266.

Regulatory Update



Bill Berg, CCUE, Director of Credit Union Development and Regulatory Support, brings regulatory changes to your attention through this column. If you have any questions or suggestions for additional topics, call (800)342-1266 or (850)576-8171, FAX to (850) 574-6374 or e-mail billb@fcu.org.

Regulation CC - Fed Withdraws Nonlocal Check Proposal

The Federal Reserve Board has withdrawn its proposal to modify its availability schedule for nonlocal checks under Regulation CC. Last December, the Fed issued an advance notice of proposed rulemaking requesting comment on the potential benefits and drawbacks of a modification to Regulation CC that would have shortened the maximum hold for many nonlocal checks. The Fed Board has concluded that return times for nonlocal checks did not support a reduced availability schedule for nonlocal checks in the aggregate at this time; and that the costs and potential risks would outweigh the likely benefits of establishing subcategories of nonlocal checks for availability purposes. This notice appeared in the July 13, 1999 Federal Register, Volume 64, Number 133.

NCUA Letter to Credit Unions on Real Estate Lending and Balance Sheet Risk Management

NCUA Letter No. 99-CU-12 augments the real estate lending guidelines outlined by NCUA Letter No. 124, issued in June, 1991. This letter is the first in a series of letters providing guidance on balance sheet risk management. This letter briefly identifies three of the most substantial inherent and interrelated balance sheet risks involved with real estate lending. They are interest rate risk, liquidity

risk, and credit risk. NCUA will evaluate the effectiveness of a credit union's risk management process relative to the amount of the credit union's potential balance sheet risk and capacity to absorb such risk. This letter is available at the NCUA's web site www.ncua.gov

FED Proposal to Allow Electronic Disclosures

On August 18, 1999, the Fed voted to issue another round of proposed rules that would permit financial institutions and others to provide electronically the disclosures that are required to be given in writing under Regulation B (the Equal Credit Opportunity Act), Regulation E (the Electronic fund Transfers Act), Regulation M (the Consumer Leasing Act), Regulation Z (the Truth-in-Lending Act), and Regulation DD (the Truth-in-Savings Act). In March 1998, the Fed issued proposed rules to permit financial institutions, creditors, lessors, and others to use electronic communication to provide federally mandated disclosures to consumers, and issued an interim final rule for Regulation E. The proposals have not yet been published.

The Fed issued an interim final rule for Regulation DD for the limited purpose of allowing consumers to elect to receive periodic account statements by electronic means. The Truth in Savings Act requires the NCUA Board to adopt regulations that are substantially similar to those of the Federal Reserve Board, taking into account the unique nature of credit unions, so the final interim rule does not apply to credit unions. CUNA is

in touch with NCUA on how soon it will take similar action. The Fed's interim final rule is consistent with the existing interim final rule for Regulation E regarding electronic disclosures. It has not yet been published in the Federal Register.

Child Support Enforcement Garnishments

Florida credit unions have been receiving requests for child support collections from other states such as New York, Texas, etc. Those other states must follow one of two methods to successfully collect in Florida.

One, they can obtain a judgement from a court of competent jurisdiction. This will afford members the chance to defend themselves in a local court.

Two, the Child Support Enforcement authorities from the other state can go through a process where Florida's Child Support Enforcement Department will stand in their place and obtain the money.

Caution: in your response to the out of state Child Support Enforcement Division, do not acknowledge the authority of that department. If you do so, you may give them the right to take your member's money without following one of the above processes. It would probably be a good idea to have your credit union attorney send this response. Florida Statutes Chapter 88 and 409.25656 or 409.25657 contain relevant information.

News From You

on the move



8 Flags Federal Credit Union is pleased to announce that Linda Gamble, COO, has been named as its branch manager for the new Callahan Branch which is scheduled to open November 15, 1999. Gamble has been with 8 Flags FCU for 10 years.

Tallahassee Federal Credit Union has hired Fran Fletcher as its manager. She's been in and out of the credit union movement for more than 20 years. She reported to Connie Stoutamire, League Horizons Director, that she is looking forward to the challenge and is glad to be back in a credit union.



Samantha Strickland

Florida Commerce Credit Union has promoted Samantha Strickland from communications director to director of marketing. She supervises the credit union's public relations, promotion and business development efforts. Samantha earned her bachelor's and master's degree in communications from Florida State University.



Ralph R. Story

Ralph Story, a Jax Navy Federal Credit Union Board Member, was elected treasurer of the Defense Credit Union Council. This Council represents all Department of Defense credit unions who serve both civilian and military personnel worldwide.

Rock Wester of NCSC Federal Credit Union was Florida's representative at the CUNA Mutual's 1999 National Policyowners' Conference held in New Orleans this summer.

Peoples Credit Union gets on the stick

Peoples Credit Union recently made a donation to the South Florida Golden Wolves hockey team for boys ages 15-17. Tom Braga, coach of the Golden Wolves, said "This money will allow several disadvantaged youth on the team the opportunity to participate."

Jeffery Miller, Peoples Credit Union CEO, said his credit union was pleased to give some of the less fortunate kids the opportunity to play.



Jeffery Miller, Peoples CU CEO, presents a donation to Golden Wolves hockey team coach Tom Braga. In the background is the Golden Wolves hockey team.



Ed Gallagly

Ed Gallagly, President/CEO of Florida Central Credit Union, is one of five individuals who will be inducted into the Credit Union Executives Society Hall of Fame this November. The CUES Hall of Fame recognizes individuals who have made a significant contribution to CUES and the credit union movement throughout their career.

Gallagly has been with Florida Central for 33 years and has guided the credit union from its infancy to its current position at \$133 million in assets. Gallagly was instrumental in creating the Congress of Central Credit Unions and pioneered the concept of select employee groups. In 1998, he was named CUES Executive of the Year for his contributions to his credit union, CUES, its Councils and other credit union organizations.

USF Federal Credit Union is celebrating its 40th year of service. USF FCU was founded in 1959 and currently serves more than 29,000 members.

GTE Federal Credit Union, headquartered in Tampa, has opened a new branch in Land O'Lakes--its 21st branch. The branch manager is Jackie Garofolo. GTE FCU has more than 137,000 members and \$735 million in assets.

Seaboard Credit Union announced mergers with two other Jacksonville credit unions. First is Jax Columbia Credit Union, which had 300 members. Second is Florida Physicians Credit Union, which also has about 300 members.

Seaboard also reported a successful car sale with Enterprise Car Sales. More than 67 vehicles were sold on location at the credit union earning the credit union \$1,100,000 in sales.

The Certified Credit Union Executive (CCUE) designation was awarded to three Florida credit union people. Congratulations to Lusia Archiletti, CCUE, Times Staffers FCU; Sheree Eddie, CCUE, Jacksonville Utilities ECU; and David Pardue, CCUE, Suncoast Schools FCU.

The CCUE is the hallmark of professional credit union achievement designed for managers and those aspiring to credit union leadership, and teaches advanced credit union management and operations techniques.

Two credit union executives graduated from two **Credit Union Executive Society** programs: David J. Eckhardt, Florida Credit Union, graduated from the Executive Marketing Institute and R. Christy Lee, Community Educators Credit Union, graduated from the Executive Operations Institute. Congratulations!

STAR, VAP, VLP & MERIT

Congratulations to those who have earned certification levels in the Staff Training and Recognition (STAR), Volunteer Achievement (VAP), Volunteer Leadership Program (VLP) and Mid-Manager's Enrichment Training (MERIT) Programs. Additionally, we salute these credit unions who have recognized the importance of investing in their most important assets ... their staff and volunteers.

VAP CERTIFICATES:

Suncoast Schools FCU - *Technology*: Annette Barwick, Louis Freijo, Jr., Mildred Harvey, Gary Huskey, Anthony Satchel, Joseph Trumbach, Hernie Vann, Earl Whitlock, Kendrick Williamson, Susan Turner, John Lizer
Escambia County Employees CU - *Bergengren*: George Wilkinson, Jr., Philip E. Richmond - *Filene*: Richard McCormack - *Technology*: Richard McCormack
8 Flags FCU - *Technology*: Frank Hickman, William Kennedy
Central Florida Healthcare FCU - *Filene*: Wally Richardson, Michael F. Hester
St. Petersburg Municipal ECU - *Filene*: David Nichols
IBM Southeast EFCU - *Board of Directors/Filene*: Charles Wilmarth
Dade County FCU - *Filene*: John Muncey
City County ECU - *Filene*: Neil Letgers, III
Harvesters FCU - *Board of Directors*: Stephen Yerg, Jr.
Hollywood Municipal ECU - *Supervisory Committee*: Donald Sarley
Orlando FCU - *Board of Directors*: Peggy Furlow-Black
Pinellas County EFCU - *Raiffeisen*: Diane Nelson
Sarasota Coastal CU - *Board of Directors*: Jacqueline Pfister
Tampa Bay FCU - *Technology*: Walter J. Sluga, Jr.
University CU - *Filene*: Grace Ali

STAR Certificates Earned

Central Florida Educators FCU - *Advanced Lending*: Rosemarie Kemper, Marion Arden, Pat Coon, Joan Farino - *Credit Union Accounting*: Cindy Michel, Marion Arden, Kelly Calkins, Myriam Davila, Bonnie Cawvey, Joan Farino - *Consumer Lending*: Joan Farino, Edna Joyner, Deborah Oliver, Heather Slusher, Marion Arden, JoAnne Brown, Bonnie Cawvey, Krista Uffelman - *Credit Union Sales*: Carol Whitfield, Bonnie Cawvey, Joan Farino - *Member Services*: Jackie Buckland, Monice Echevarria, Krista Uffelman, Karen Berghauser, Kris Martin, Heather Slusher, Deborah Oliver - *Loan Officer*: Bonnie Cawvey, Jackie Buckland, Cindy Michel, Scott Warner

Suncoast Schools FCU - *Advanced Lending*: Jennifer Glisson, Tamara Tribble - *Credit Union Accounting*: Rob Ambrosio, Dorothy Sites, Tammy Bodwell, Amy Marie Furches - *Consumer Lending*: Sandy Piatt, Carol Frisco, Charlene Maybin, Anita Ramos - *Credit Union Technology*: Joan Halle, Wanda Chambers, Kathleen Murphy, Jamela Reid - *Credit Union Sales*: Karen Townsend - *Member Services*: Charlynn Meier, Arvis Bennett, Sharon Cable, Linda Calhoun, Carol Frisco, Rosemarie Morreale, Tammy Bodwell

Jax Federal Credit Union - *Advanced Lending*: Virginia Rosales, Warren Fleeman - *Consumer Lending*: Warren Fleeman, Virginia Rosales - *Technology*: Judith Brown, Jennifer Doudna - *Loan Officer*: Judy Brown, Lynn McCrosky, Donna Wedding - *Member Services*: Sara Gandy, Jennifer Doudna, Margaret Jones, Edith Long, Warren Fleeman, Nicketris Thomas

Jax Navy FCU - *Advanced Lending*: Karen Dickinson - *Credit Union Accounting*: Jean Clark - *Credit Union Sales*: Karen Dickinson - *Consumer Lending*: Audrey Braasch, Karen Dickinson, Kellie Taylor - *Member Services*: Karen Dickinson, Kellie Taylor, Mary Best, Naomi Powell, Linda Smith, Michael Smith, Janice Deacon

Escambia County ECU - *Advanced Lending*: Tammy Davies, Barbara Peavy - *Credit Union Accounting*: Tammy Davies - *Consumer Lending*: Tammy Davies - *Loan Officer*: Tammy Davies - *Credit Union Sales*: Tammy Davies, Barbara Peavy - *Credit Union Technology*: Tammy Davies - *Member Services*: Tammy Davies

Central FL HealthCare FCU - *Advanced Lending*: Laurie-Anne Green - *Credit Union Accounting*: Laurie-Anne Green, Su Henry - *Consumer Lending*: Maurice Davis - *Credit Union Sales*: Mary Snyder - *Credit Union Technology*: Colleen Pendergrast, Amy Salgado - *Member Services*: Sandy O'Hern
Vista FCU - *Credit Union Accounting*: Margaret Mullin - *Consumer Lending*: Sara Covington, Nancy Rowe, Adriana Diaz, Charles Harvey - *Credit Union Technology*: Carol Diehl, Catherine Pelletier - *Member Services*: Aelina Mehrabian
Pen Air FCU - *Credit Union Accounting*: Brenda Crenshaw, Jamie Stevens - *Consumer Lending*: Jamie Stevens - *Member Services*: Brenda Crenshaw, Jamie Stevens, Melissa Ann Chambers
Florida Commerce CU - *Credit Union Accounting*: Shantell Noles, Amy Pope - *Credit Union Sales*: Kevin Mayer - *Consumer Lending*: Sarah Brown, Kimberly Savary
TMH FCU - *Consumer Lending*: Shelia Glover, Glenda Johnson - *Credit Union Technology*: Mindy Jordan, Terrie Hays, Shelia Glover
MacDill FCU - *Advanced Lending*: Linda DuHadaway - *Consumer Lending*: Dawn McClung, Jean Wileman - *Loan Officer*: Gloria Pistilli
Central CU of Florida - *Consumer Lending*: Karen Richardson - *Credit Union Technology*: Kelli Palmer, Dawn O'Brien - *Loan Officer*: Evelyn Uncel
Bay Credit Union - *Credit Union Sales*: Terry Masciello, Honor Six - *Consumer Lending*: Honor Six - *Credit Union Accounting*: Honor Six
Community Educators CU - *Consumer Lending*: Christine Tindell-Dawson - *Credit Union Technology*: Joanne Miller - *Member Services*: Christine Tindell-Dawson
Fairwinds FCU - *Credit Union Technology*: Charlene Ferguson - *Member Services*: Twila McGrath, Linda Lee, Kathy Quatrini
Tampa Bay FCU - *Credit Union Technology*: Walter Sluga, Jr. - *Member Services*: Diana Gabriel, Edward Reyes

Campus USA FCU - *Advanced Lending*: Virginia Hunt - *Loan Officer*: Virginia Hunt, Vicki Moore
Federal ECU - *Credit Union Accounting*: Paula Beauchesne - *Member Services*: Roxanne DeBias

FPL FCU - *Credit Union Accounting*: Linda Novo - *Member Services*: Janette Alvarez
Central Florida Postal CU - *Member Services*: Kathleen Gontarek, Brenda Marafioti
Orlando FCU - *Credit Union Technology*: Heather Alexander
IBM Southeast EFCU - *Credit Union Accounting*: Denise Ruiz
The CU of Palm Beach County - *Loan Officer*: Patrick Shandorf
Florida Credit Union - *Consumer Lending*: Christine Suarez-Jenkins
NCSC FCU - *Consumer Lending*: Ruth Forst
Sarasota Coastal CU - *Consumer Lending*: Chandler Day
Tallahassee-Leon FCU - *Consumer Lending*: Fawnisha Brown

Merit Certificates Earned

Jax Federal Credit Union - *Basic*: Lacsra Tucker - *Sapphire*: Joyce Lewis, Lacsra Tucker

Campus USA FCU - *Sapphire*: Virginia Hunt - *Ruby*: Virginia Hunt

Central Florida Educators FCU - *Basic*: Myriam Davila - *Sapphire*: Myriam Davila

Central FL HealthCare FCU - *Basic*: Yasmin Jones - *Sapphire*: Iralda Shollar

St. Petersburg Municipal FCU - *Basic*: Michael Fee, Patrick Taylor

POC FCU - *Basic*: Altermease Williams

Suncoast Schools FCU - *Basic*: Lorain Beckmann
Tallahassee-Leon FCU - *Sapphire*: Barbel Gibson

The STAR, VAP, VLP and MERIT Programs are nationally recognized standards of professionalism for credit union staff and volunteers. These staff and volunteers have expanded their capabilities for the benefit of their credit union. For additional information on any of these programs call the League Education Department at 800-342-1266 or 850-576-8171.

Greater credit union market share keeps loan rates down

A new Filene Research Institute study shows that the greater the credit union market share is in local markets, the more competitive loan rates become.


The study, *The Effect of Credit Unions on Market Rates for Unsecured Consumer Loans*, examined the pricing of personal, non-credit card loan rates in up to 90 small U.S. markets where credit unions had between zero and 31 percent of deposits. The study found that loan rates increased as the combined market share of the two largest banks or thrifts increased. Conversely, rates decreased as credit union market share increased.

But perhaps the most significant finding of the study, says Bob Hoel, Executive Director of the Filene Research Institute, is the rate restraining impact credit unions have on the two largest banks or thrifts in the marketplace.

"The greater the market share of the big banks, the more impact the credit unions have in keeping rates down," Hoel says. "This is significant, because it raises anti-trust issues for bank and thrift mergers when there is an absence in the marketplace of small financial institutions such as credit unions."

The study was authored by Robert M. Feinberg, professor of economics and chair of the Department of Economics at the American University.

Copies of Filene studies are free to Institute members; \$50 for non-members. For information about Filene studies or on becoming a member of the Filene Research Institute, call (608) 231-8550 or visit on-line at www.filene.org.

The nonprofit Filene Research Institute examines vital issues affecting the future of credit unions and consumer finance. The Institute is located in Madison, Wis., and works in cooperation with the Center for Credit Union Research at the University of Wisconsin School of Business. 

Youth and money: report shows need and desire for education

by Heather H. Harris, Chairman of the National Youth Involvement Board

Only one of five high school or college students has taken a personal finance course, according to the "1999 Youth & Money Report." Add to that the rise in bankruptcy filings and the record low savings rate, and you easily see how 70% of high school graduates are entering the workplace as illiterate financial consumers.

The report is the result of a 1999 telephone survey conducted by the JumpStart Coalition for Personal Financial Literacy of 1,000 students, age 16 to 22.

The survey, sponsored by the American Savings Council (ASEC), the Employee Benefit Research Institute (EBRI), and Mathew Greenwald & Associates, Inc., was underwritten by the TIAA-CREF Institute.

While most students are "confident about their understanding of financial matters," the survey found that 44% said they did only an average to poor job at managing their money, and 64% believe they "do not know as much about money management as they should."

Although 94% of students say they are "likely to use their parents as a financial source," 31% reported their parents *rarely* or *never* discuss setting financial goals with them. Also, 30% report their parents *rarely* or *never* discuss saving and investing with them.

The implications of this report for credit unions are far-reaching. Within a few years, these young adults will represent a major lending and savings market. Many credit unions are appealing to the youth and the teen markets now by offering youth savings

clubs, teen clubs, student and college credit unions, and youth seminars.


Hundreds of credit unions across the U.S. actively support educational efforts. According to the Credit Union Network's National Youth Involvement Board (NYIB), the credit union movement leads the nation in financial- and consumer-focused presentations conducted. More than 300 credit union professionals and volunteers reached more than 100,000 students during the 1998-

70% of high school graduates are entering the workplace as illiterate financial consumers

99 school year. Providing ongoing education and building member stability is not only a good thing for credit unions to do, it's also part of our International Credit Union Operating Principles, set forth by the World


Council of Credit Unions.

In addition to classroom efforts, credit unions can include educating parents on how to teach their children about financial literacy. Parents are student's top information resource, but they aren't saying much. Educational seminars and workshops work, as do free materials distributed in lobby displays and sent with member statements.

Overall, the "1999 Youth & Money Report" contains some encouraging results, but it does raise some red flags. Students are earning money (41% worked full time last summer), and many are saving that money--but not in credit unions. With nearly two-thirds of students admitting that they should know more about money management, it is our obligation and to our benefit to help students of all ages ensure their long-term financial independence. 

The Florida Credit Union League's Tampa Chapter was the number one chapter in the United States for conducting the most classroom presentations by 56 different credit union employees during 1998-99 school year. The program, "The High School Financial Planning Program," is designed to educate juniors and seniors about money management. The students study topics such as prioritizing financial

goals, saving money, earning an income and the time value of money.

If your chapter or credit union is participating in youth classroom programs, please report your activities to the National Youth Involvement Board via its website NYIB.org or by contacting Sarah Hamby, FCUL Full-Family Marketing Committee Chair at shamby@fairwinds.org or at (407) 306-6011. 



Special challenges for human resource departments

by Liz Russell, FCUL Human Resources Manager

The 90's workforce has the power to be very discriminating when choosing their place of employment. The fact that there can be four or more generations working for the same employer creates a special challenge for Human Resources in terms of creating an enticing workplace. One resource is an attractive benefits package, but be aware that the old adage "one man's junk is another man's treasure" holds especially true in this situation. What might be more attractive to a younger person (child care, education reimbursement, mortgage assistance) might not be as relevant to an older person who might be more interested in retirement programs, long term care insurance options, and financial planning services. Gone are the days when you can offer cookie cutter benefits and expect to retain top workers.

A proactive HR department must always be on the lookout for new services to enrich every worker's life. Some of these include "work-life" benefits such as flexible work arrangements and hours, sabbatical programs, and family leave programs. These programs can serve to provide flexibility for an employee to attend to personal issues and thereby increase productivity.¹ Other options to consider are various insurance programs: flexible spending accounts and long-term care or elder care can be attractive to employees who are struggling to balance dependent requirements with aging parent concerns. Yet another suggestion is re-

source assistance such as child-care, tuition reimbursement or computer purchase plans.

Your current and future workforce demographics are two important things to consider in developing a benefits package. In considering your current employees, take into account personal situations. Do they have dependents or family concerns? Are they interested in pursuing higher education? Take a poll and see what some of their concerns are. While planning for your future workforce, a consideration is your strategic plan and the type of employee you want to attract that would support that plan. For example, if one of your organization's goals is to become more technology oriented you might want to attract people who are interested in developing their skills through training and computer acquisition.

An employee benefits package is never a complete product, but rather one that develops and changes to meet the demands of the workforce. HR departments are constantly challenged to be creative and implement programs that benefit a wide variety of employees, especially when the desire is to attract a diverse group of people. It is important to keep in touch with the various needs and be proactive in meeting these needs as well as supporting the organization's goals. Not an easy challenge, but one that has the potential to create loyal employees for years to come.

¹ ASAE Executive IdeaLink, October, 99

Good CU press found in human resources publication

In the August issue of People & Profits, a human resources management publication, credit unions are praised as a "great employee benefit." The magazine features the column "Ask Sal & Benny: Tips and advice about salary and benefits, from experts and articles on the subject," and this particular Q&A involves a company in Sacramento, CA, that wanted advice on how

to make its benefits package more competitive.

Sal & Benny briefly detail the struggle of H.R. 1151 and explain that credit unions are nonprofit financial institutions that "typically offer better deals than banks on everything from checking and savings accounts to credit cards and auto loans."

Sal & Benny give good advice!

RESEARCH, continued from pg. 1

FCUL Department Spotlight -- Research continued

The Research Department is relying more and more on the Internet. This has enabled the department to deliver research documents to its clients more quickly. Jim reports half his correspondence is via electronic mail. The Internet has also enabled the department to expand its business into other states. This is due in part to the Research Department having had an Internet webpage three years ago. Only one year ago did its major competition have a presence on the Web.

Computers and the Internet have also helped end the days of bulky reports. The Research Department is able to streamline the information needed by its clients to reduce turnaround time and give them the data they really need. Jim has been able to deliver a report to a client in as little as five weeks, whereas just a few years ago, it was 10-12 weeks.

The Research Department conducts approximately 20 surveys each year. Most are done for Florida credit unions, but as many as 10 other states have been clients at one time or another. In 1991, the department became the Georgia Credit Union Affiliates back-office research department.

The department is fortunate to have access to the best and brightest research assistants from the College of Business at Florida State University. "They bring in fresh ideas--they are a great source of new information from the Internet, other students and professors," said Jim. "As a matter of fact, a student assistant was responsible for our Webpage and why, when you search 'credit union market research' in Yahoo, the FCUL Research Department (www.fcul.org/research) web address is first."

Before coming to work for the FCUL Service Group in 1989, Jim taught at universities in Florida, Texas and Michigan where his specialities included research and public policy. He is a member of CUNA's Technology and Marketing Councils, as well as the American Management Association. He can be reached at the Florida Credit Union League, (800) 342-1266.

Credit Unions and the Internet by Raja C. Khalaf, an attorney with Trimmier Law Firm

The use of advanced computer and telecommunications technology is commonplace within credit unions today. No longer is most advertisement of credit union services conducted by flyers, newsletters, radio or television. Credit Unions increasingly resort to the Internet to advertise and to facilitate transactions with members. A previously unseen question in credit union law is raised:

Does maintaining an Internet web site subject a credit union to jurisdiction in another state's court system if the credit union advertises outside its home state and allows on-line transactions? The answer varies from state to state.

It is almost a requirement that credit unions have a presence on the Internet in order to compete with the "other" financial institutions. Credit unions sometimes advertise services to persons who may fall within a field of membership, but who live out-of-state. Credit unions may also conduct on-line transactions with members who live out-of-state. These activities may provide an out-of-state court with facts necessary to assert jurisdiction over a credit union.

PERSONAL JURISDICTION

A United States Supreme Court case has held that for a court to establish jurisdiction over a non-resident defendant, the defendant must either have (1) "substantial, continuous and systematic" presence in the state, or (2) certain "minimum contacts." To establish general jurisdiction over a credit union that uses the Internet, a foreign court may examine the totality of the circumstances to determine whether a credit union conducted substantial business with the state so that it might anticipate that it would be required to defend any litigation that may result in that state, or a foreign court may examine whether the non-resident credit union purposefully directed activities or consummated some transaction with residents of the foreign jurisdiction so as to give rise to minimum contacts.

RECENT CASES

For credit unions, the use of the Internet is important in lawsuits alleging fraud or breach of contract. In one consumer fraud case, a Minnesota court determined that it had jurisdiction to hear a case against an out-of-state sports bookmaking service that advertised over the Internet where 248 Minnesota computers accessed the site during a two-week period and 2 of the 500 most

frequent users were located in Minnesota. In a breach of contract case, an Ohio court found that a Texas resident was subject to jurisdiction where he repeatedly sent e-mail to an Ohio-based network service provider and entered into two contractual relationships with the Ohio network service provider. The implications of these cases for credit unions who use the Internet is clear: credit unions may be subject to the jurisdiction of courts in other states if a legal dispute arises with a resident of another state which is connected to use of the Internet. However, since Internet law is still in its infancy, the jurisdictional issues are not well-settled from state to state.

CHOICE OF LAW PROVISIONS

Even though a credit union may be hailed into court in another jurisdiction, the law of the credit union's home state may still apply if the credit union includes a "Choice of Law" provision on its web page and in its electronic contracts. A simple statement such as the following may afford a credit union the benefit of using state law more favorable than that located in a foreign jurisdiction:


By proceeding beyond this home page, the user agrees that any legal or equitable disputes arising from or relating to the use of this web site will be decided in accordance with the laws of the State of Florida.

A similar statement is advisable when members conduct on-line transactions:

By providing your electronic signature to consummate this transaction, the user agrees that any legal or equitable dispute arising from or relating to use of this web site will be decided in accordance with the laws of the State of Florida.

Therefore, a credit union that uses the Internet to advertise to or conduct transactions with members may be well-served to include this statement on its home page.

CONCLUSION

The Internet is a useful tool to credit unions wishing to advertise services and facilitate transactions with members. However, credit unions that use the Internet should consider the jurisdictional issues and develop a strategy before employing it. 



Florida Governor Jeb Bush and the Florida Cabinet officially declared the week of Oct. 17-23, 1999, as International Credit Union Week in Florida. The resolution, adopted unanimously by the board at the September 28, 1999, Cabinet meeting, was offered by Florida Comptroller Bob Milligan.

Before the Cabinet meeting, the Florida contingency met with Comptroller Milligan in his office. While waiting for the meeting to begin, this photo was taken. Pictured from L to R: FCUL Chairman and Martin FCU President Robert Beskovoyne, CCUE; FCUL Board Member and Central Florida HealthCare FCU President Trudy Prince, CCUE; FCUL President Guy Hood; Cassandra Grayson, FCUL Vice President of Education; FCUL Board Member and President of Florida State University CU Randall J. Mims, CCUE; and Tallahassee Chapter of Credit Unions President and FCUL Board Member Tom Napier.

Horizons Program

The Florida Credit Union Foundation Annual Fund Drive is underway! Thank you to those credit unions who have given to the cause:

Central Florida Educators FCU
Central Florida Postal CU
Multi-Media FCU
Central Florida Healthcare FCU
Florida Customs FCU
Florida A&M University FCU
Florida Aircraft FCU
Florida Episcopal Dioceses FCU
St. Petersburg Municipal ECU
West Coast FECU
State Employees CU
Tampa Bay FCU
Coast to Coast CU

Three of these 13 donors are Horizons credit unions! While these credit unions are the most likely to receive Foundation scholarships, they are also willing to give.

Please help the Foundation continue to provide educational and credit union development opportunities by making a donation today. For more information, call Connie Stoutamire, (800) 342-1266 ext. 334.

Small credit unions are important

FCUL is a strong supporter of Florida's smaller credit unions. Connie Stoutamire, the Horizons Director, shares a summary of an article on the importance of small credit unions written by Chuck Nagel, CEO of Glenbrook CU in Northbrook, Ill., from the Sept. 15, issue of Credit Union Times.

Today's credit unions of all sizes were once small. Many of today's successful large credit unions also received special assistance when they were small. Without it they might not be around today.

A movement made up of a large number of diverse institutions will remain flexible enough to respond to future challenges. Just as a financial portfolio is less risky if all of its eggs are not placed in one basket, the credit union movement will be less risk-prone if it remains diversified by size and type of credit union.

There are nearly 14 million members in credit unions with assets under \$20 million. While there are many similarities in the benefits credit union membership enjoyed by members of large and small credit unions, there are unique features available from smaller credit unions: the sense of belonging to a small, closely defined group; greater opportunities for volunteering; more routine access to management and the Board

The foundation of credit union philosophy is "People Helping People." The movement-level version of that same philosophy is "credit unions helping credit unions." Small and large credit unions helping smaller credit unions is an opportunity to put this philosophy into action.

Elected officials need to hear many voices. Small credit unions add to the wealth of politically action, with over 75,000 volunteers. Before state and federal legislatures, there is strength in numbers.

A united credit union movement, made up of credit unions of all sizes, is essential for continued political strength. Those who would do harm to credit unions seek to drive a wedge between small and large credit unions. The healthier small credit unions are, and the more involved large credit unions are in supporting smaller credit unions, the less successful any "divide and conquer" strategy will be.

If you would like to become a mentor to one of Florida's smaller credit unions, call Connie at (800) 342-1266.

Prepare staff for extra holiday and Y2K cash

With the holidays and the Y2K date change approaching, training in robbery procedures is essential! The media has informed the public that the Federal Reserve will be printing an additional 50 billion dollars to meet cash requirement for the year 2000. This type of information provides a powerful stimulus to robbers and others with intent to remove money from your credit union illegally.

This is an ideal time to improve robbery deterrence measures and to be sure every member of your staff is fully aware and trained in robbery response and opening/closing procedures. While nothing can prepare you completely for what you may experience or feel, this workshop offers vital information and training on how to best deal with a robbery situation should you ever be involved as well as dealing with other financial crimes.

The one-day FCUL Security/Robbery Workshop will be held in four locations on four different days: November 2, Pensacola; November 3, Ft. Lauderdale; November 4, Orlando; and November 5, Jacksonville. The cost of the seminar is \$140 and includes training, educational materials, breaks and lunch. The workshop begins at 9 a.m. each day and concludes at 4 p.m. Tellers, teller supervisors, member service representatives and managers, loan officers and managers, and receptionists are encouraged to attend the workshop.

Topics include counterfeiting and fraud; embezzlement; physical security; internal controls; regulatory and training issues; prevention and deterrence; and before and after a robbery. The instructor is Kathy Brown, president of Training by Design. She has 18 years experience in the financial field. For more information, call the FCUL Education Department at (800) 342-1266.

Calendar



**IRA Essentials Workshop
November 30th and
December 2nd**

**IRA Advanced Workshop
November 29th and
December 1st and 3rd**

**Call the FCUL Education
Department for more
information and locations
(800) 342-1266**

CHAPTER MEETINGS

- Broward Chapter, n/a
- Central Florida Chapter, n/a
- Escambia Chapter, 11/4
- Gulf Coast Chapter, 11/9
- North Central Chapter, n/a
- Northeast Chapter, 11/4
- Palm Beach Chapter, n/a
- Pinellas Chapter, 11/17
- Sara-Mana, 12/9
- Southernmost Chapter, 11/16
- Tallahassee Chapter, 12/16
- Tampa Chapter, 11/9

November

- 7-9 **CU Security/Robbery Workshop**
Pensacola, Ft. Lauderdale, Orlando or
Jacksonville, \$140*
- 17-15 **Collections/Bankruptcy Conference**
Orlando, \$450*
- 29 **IRA Advanced Workshop**
Ft. Lauderdale, \$150*
- 30 **IRA Essentials Workshop**
Orlando, \$100*

December

- 1, 3 **IRA Advanced Workshop**
Orlando, Tallahassee, \$150*
- 2 **IRA Essentials Workshop**
Tallahassee, \$100*

FCUL honors employees with service award

The Florida Credit Union League held its Service Awards Luncheon and recognized two employees for their time and dedication to the League and Service Group. Jim Stachura is the Director of Research and Business Development and has been with employed at the League for 10



*Guy Hood, CEO of FCUL
presents Jim Stachura
with his 10 year pin*



*Guy Hood, CEO of FCUL
presents Sue McKenzie
with her 10 year pin*

years. Sue McKenzie is the Operations Assistant and has served in this capacity for 10 years. Congratulations and thank you for your years of quality service.



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