



Florida Credit Union News

A publication of the Florida Credit Union League

December 2000 • Vol. 9 - No. 12

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Florida CUPAC contributions yield notable results

During the 2000 general election cycle, the Florida Credit Union League donated \$55,350 to state candidates and \$85,500 to federal candidates, through Florida CUPAC and CUNA's CULAC. These contributions to credit union friendly candidates yielded an astounding 91.2% success rate in their races for public office.

On the federal scene, one congressional race was lost in which Rep. Bill Sublette (R-Orlando) was beaten by a narrow margin in the Second Primary by his republican opponent, Ric Keller, an Orlando attorney, in his bid to replace U.S. Rep. Bill McCollum (R). In the remaining 18 U.S. House races to which CULAC contributed, FCUL supported the winning candidates.

In one of the most widely watched U.S. Senate races in the country, CULAC dollars assisted Insurance Commissioner Bill Nelson (D) in a winning campaign against U.S. Rep. Bill McCollum (R).

The state races rendered a few surprises in the General Election. Every candidate receiving CUPAC support for the Florida

Senate seats successfully won their race. But in the Florida House of Representatives race, five candidates with CUPAC backing were not successful in their campaigning efforts. House districts lost were 7, 12, 21, 60 and 65.

**These contributions to
CU friendly candidates
yielded an astounding
91.2 % success rate.**

In District 7, which is more than 70% Democratic, FCUL supported a credit union friendly candidate and former state representative, Jamey Westbrook (D), in his bid to unseat one-term representative Bev Kilmer (R). Kilmer won by 2600 votes.

In District 12, which is 70% Democratic, FCUL was an early supporter of Bobby Hart (D). Hart is a member of several credit unions in the Jacksonville area. Unfortunately, his Republican opponent, Aaron Bean, president of Compass Bank in Fernandina Beach, won.

In House District 21, which is 54% Democrat and 35% Republican, FCUL supported incumbent Democratic Rep. Kelly Smith's business partner, Skeet Alford (D). Again, a Republican won. Joe Hill Pickens is an attorney who serves as independent counsel to the Putnam County School Board. Pickens also served as chairman of the board of a local community bank.

In House District 60, formerly held by Rep. Victor Crist, FCUL supported Crist's handpicked candidate, Ed Homan (R), an orthopedic surgeon. Homan was the far better financed of the two candidates, yet he lost to local civic activist Sara Romeo (D) by less than one-half of one percent, triggering a recount. Unlike the presidential election, Homan conceded early.

In House District 65, where voter registration is 51% Democratic and 37% Republican, FCUL supported Democrat Marlene Bozeman over Republican Marty Bowen. Bowen won. Bozeman retired from the US Air Force to become a teacher and is a credit union member.

FCUL lobbyist Jim Smith receives honorary doctorate

Former Florida Attorney General and Secretary of State Jim Smith, currently one of the Florida Credit Union League's lobbyists, received an honorary doctorate from his alma mater, Florida State University. A crowd of nearly 300 friends and well-wishers were on hand to witness the degree being conferred on Smith by FSU President Talbot "Sandy" D'Alemberte. The ceremony was conducted at Smith's home in Tallahassee.

Among the spectators on hand to witness the ceremony were Florida Governor Jeb Bush, U.S. Senator-elect Bill Nelson, FCUL President/CEO Guy Hood, Florida Central Credit Union President/CEO Ed Gallagly and FCUL Executive Vice President Aletta Shutes. Also spotted in the crowd were newly elected State Treasurer Tom Gallagher and his family; lead attorney for Texas Governor George W. Bush, Barry Richard; and many other Tallahassee insiders from both the government and educational fields.

The weather was cold and rainy, but Smith, in his remarks in response to receiving the doctorate degree, thanked everyone for braving the elements to witness the event. Smith paid homage to a number of people who had backed his career over the years, but paid special tribute to his wife of 38 years, Carole, and his three children and five grandchildren.



During the barbecue held after the ceremony, Guy Hood, FCUL President/CEO; Ed Gallagly, Florida Central CU President; and Jim Smith posed for this picture.

Florida Credit Union League Board of Directors

Bob Beskovoyne, CCUE, Chairman

District #4 Director

Martin FCU

Laida Garcia, 1st Vice Chairman

District #5 Director

Florida Central CU

Melba Jordan, CCUE, 2nd Vice Chairman

District #2 Director

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At Large Director

Sunshine State CU

Carolyn Parslow

At Large Director

Suncoast Schools FCU

Jim Weibert, CCUE

At Large Director

Community Educators' CU

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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Managing Editor: Mark Ivester

Editor: Grace Potter Freni

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"And the winner is..."

If there is one thing that all of us learned in the recent elections it is the old maxim, "every vote counts." It is interesting to note that last year at this time we were worried about Y2K and its possible effects. The only "chads" we knew then were: the actor, Chad Everett; the music group, Chad & Jeremy; and some of us knew the country of Chad. What a difference a year makes.

Speaking of the election, I think credit union involvement here in Florida helped make the recent elections as successful for credit union backed candidates as any election in my memory. A whopping 91.2% of candidates backed by FCUL here in Florida won their elections. All five of the congressmen and congresswomen who co-sponsored the Credit Union Membership Access Act were reelected. Every open congressional seat was won by a candidate backed by FCUL and Bill Nelson defeated Bill McCollum for the open United States Senate seat being vacated by Connie Mack. Nelson was openly supported by credit unions with money and volunteers.

Our votes certainly counted in this election. Hopefully by the time you read this, either Al Gore or George W. Bush will have been determined to have won the presidential race. No matter who wins, both candidates had expressed their support for credit unions.



*Guy M. Hood
President/CEO*

What will make our jobs more difficult after this election, though, is the probability that the presidential race will leave both sides bitter and ready to carry on even more divisive battles in the future. This will prove to be a challenge for organizations, like ours, that have friends on both sides of the aisle in Congress. We can only hope that such predictions will prove as flawed as some of the predictions you heard last year about Y2K.

But, as the political wars continue, it will be very important for all of us to work together to plan our strategies and coordinate our efforts. That is why we feel that it will be critical for credit union staff and volunteers to continue to "Hike the Hill" in a more frequent manner. It will take an increased effort, more than the annual visit to Washington for the CUNA Governmental Affairs Conference. But with so many credit union friends now sitting in Congress, we think we stand a better chance of receiving an even friendlier reception than we did just a few short years ago.

So, as we gather our families together to celebrate the coming holidays, we know we face a unique set of circumstances in the new year. But together, as we have always done, I know we can be successful.

**HAPPY HOLIDAYS FROM THE
FLORIDA CREDIT UNION LEAGUE!!!**

CUNA Mutual

Gambling: A real plastic card program risk

Last year, gambling attracted more people than Major League baseball games. Americans spend more money on gambling than they do on groceries. The average compulsive gambler has debts exceeding \$80,000.

A Harvard University study estimates that more than 4 million Americans are addicted to gambling. Academic experts peg the social costs of this addiction at between \$40 billion and \$50 billion annually. Nearly one in five homeless people admit that gambling contributed to their poverty.

Credit unions can decline plastic card gambling transactions. By monitoring your Merchant Category Coding, you can

determine the extent to which your cardholders are using cards to gamble, and thus the potential risk facing your credit union. Congress is considering, but has not yet passed legislation, to prohibit all online gambling with a plastic card. Credit unions should assess their situation, seek legal counsel and make a business decision whether or not to decline gambling transactions.

If you would like to further discuss the issue of online gambling, please contact your relationship manager at 800.333.2644 or our plastic card loss prevention team at 800.637.2676, option #1.


Debt worries crimp consumers' holiday spending plans

Consumers, especially those with low incomes, plan to spend less this holiday season than last year. Concern about rising consumer debt appears to be one important reason why.

That's according to a new holiday spending survey released by the Consumer Federation of America and CUNA. The survey of about 1,000 consumers was conducted for the two groups by Opinion Research Corporation International.

Most households surveyed (56%) plan to spend about as much this year as last during the holidays, but more (24%) plan to reduce spending than those who say they intend to increase spending (18%).

The survey found about one-third (35%) of American adults who plan to finance at least some of their holiday spending with a credit card are concerned about being able to pay off the resulting balance. About 54% of adults say they will make at least a few holiday purchases with credit cards.

"Through careful budgeting and smart shopping, consumers can enjoy much Christmas cheer without suffering a New Year's debt hangover," said Stephen Brobeck, executive director of the Consumer Federation of America. 

Clarke American

Clarke American debuts comprehensive checking account promotion kit

Clarke American has released a new, comprehensive checking account marketing kit. The kit provides three comprehensive marketing programs on CD-Rom with all graphics, text, forms and collateral materials. A 90-day, one-time introductory rate on check purchases for credit union members is available through participation in any of these programs. According to the company, the main goal in creating the kit was to provide all-inclusive, cost-effective and turn-key programs for partners that would allow them to promote share draft accounts as a means to establish primary financial institution status with their members.

Don Dolan, vice president and general manager of Clarke American's Credit Union Division, noted that company research

FCUL Board approves 2001 operating budget

The Florida Credit Union League Board of Directors approved the operating budget for the League for the year 2001.

The new budget anticipates that \$1,381,308 will be received in dues from affiliated credit unions, and of that amount, 82%, will be spent on what the Board terms "core functions." Core functions are Governmental Affairs, Compliance, Communications and the Horizons program. Only \$259,338 will be appropriated from dues dollars for administration and other self-supporting functions.

In support of the new budget, FCUL staff outlined key areas in each core function that will be supported by the new budget. Advocacy--the League will seek to increase the participation of all credit unions in the advocacy area. This would be accomplished by increasing CUPAC activities, lobbying government officials, cultivating and continuing relationships that were established during the 2000 elections with elected officials and monitoring the status of the Cabinet reorganization of the Department of Banking and Finance.


Compliance--the League will continue providing compliance workshops, refining and enhancing the Strategic Planning Processes that are facilitated by League staff,

maintain the leadership shown in regulatory responses and continue to develop additional information for inclusion on the League website.

Communications--budget will allow continued expansion of electronic communications such as email news releases and newsletters and the League website. In addition, the communications department will continue to promote and tell the credit union story to media outlets.

The Horizons program will develop, in conjunction with the Education Department, a program geared to small credit unions. In addition, the Horizons program will continue to assist Horizons credit unions with updating policies and procedures.

The Board did not appropriate any dues dollars for other League functions such as Education and Training and the League Convention. These areas are supported by fees and will be self-supporting. The League Service Corporation is also self-supporting and designed to be a profit generator.


"This budget reflects the commitment to credit unions to utilize the new dues formula in a targeted, yet prudent, effective and efficient manner," said FCUL Board Chairman and President of Martin FCU Bob Beskovoyne. 

demonstrates that credit unions that have a strong share draft program show sound financial health in categories such as higher loan-to-share ratio, lower delinquency ratios and faster growth rates overall. Further, these financial institutions exhibit more successful ATM, credit card and debit card programs and are better able to offer more services and conveniences to members.

Dolan said, "It is commonly known in the industry that if a member has a share draft account, they are more likely to use other products and services; however, at this point 68% of all checks written by member households are not from a credit union account."

The promotional campaigns include Dare to Compare[®], AccountabilitySM and

Explore the Value of MembershipSM. Each campaign provides pre-designed marketing materials including: account closure, direct deposit and automatic payment change form; statement stuffer; postcard; on-hold message copy; poster artwork in two sizes; newsletter article copy; and Internet banner ad. Flashcards and statement stuffers with the check designs linked to these programs are also available to credit unions participating in this program.

Additionally, to make it easier for credit union employees to use the kit, Clarke American has provided a training outline and materials to assist in the introduction of the checking account promotion campaign of their choice to credit union employees. 

News from You



Central Florida Educators' Federal Credit Union has announced the adoption of Give Kids The World as one of the selected community organizations to receive CFEFCU-coordinated employee support.

Give Kids The World is a 51-acre resort for children with life-threatening illnesses who wish to visit Walt Disney World and other Central Florida attractions. The credit union has committed to volunteering throughout the year.

"The employees found the experience self-motivating and extremely worthwhile," said Joseph A. Melboure, President/CEO. "We are looking forward to supporting Give Kids The World."



Central Florida Educators' FCU employees volunteer for the Give Kids The World Organization.

Florida CU receives national honorable mention

An Honorable Mention award goes to **Educational Community Credit Union** in the \$200+ million asset category of the Dora Maxwell Social Responsibility Award sponsored by CUNA and the Florida Credit Union League.

The 2000 winners of CUNA's Social Responsibility Awards were selected from among 127 state winners submitted to the

national awards committee. Award winners will be honored with a reception in their honor during the CUNA Governmental Affairs Conference in February 2001, in Washington, D.C.

Since 1987, the Dora Maxwell and Louise Herring Social Responsibility Awards have honored credit unions for charitable works in their communities.

Sarasota Coastal Credit Union held a ground breaking for its new Corporate Offices.

The new 11,000 -square-foot building will contain all back office operations including administration, accounting, information systems, phone center, marketing, collections and human resources. Construction is scheduled for completion in August 2001.

Sarasota Coastal Credit Union is a community credit union serving residents and employees of Manatee, Sarasota and Charlotte counties.



Pictured left to right: Thomas Randle Jr., CEO Sarasota Coastal CU; James Johnson CCD, Treasurer, Sarasota Coastal CU Board of Directors; Joe Corbett Jr., President, Florida Concepts Inc.; Lee Fischer, Chairperson, Sarasota Coastal CU Board of Directors; and Edwin Repulski, Director, Sarasota Coastal CU Board of Directors

Central Florida Educators' Federal Credit Union participated in the American Heart Walk 2000 and raised more than \$2,800 to help fight heart disease.

Employees rallied behind a fellow co-worker, Danielle George, who underwent open-heart surgery in late August. In an effort to support George and her speedy recovery, several employees, family members and friends walked with her on October. 22.

The American Heart Walk campaign is an effort to help raise money to fight heart disease and stroke.



Central Florida Educators' FCU employees gather to support the American Heart Walk to fight heart disease and stroke.

CUIG Board Elects New Officers-- The Board of Directors of CU Interchange Group, Inc. (CUIG), which owns and operates the Member Access ATM Network, elected new officers for the upcoming year. James Park, president and CEO of Credit Union 24, Inc., Tallahassee, was elected as Secretary for the 2001 CUIG Board of elected officers. Congratulations!

Educational Community Credit Union was recently approved by state regulators to serve residents of Baker and Nassau counties.

ECCU is now community-charted in the two counties, which means anyone who lives or works in Baker or Nassau counties may join.

Florida Telco Credit Union conducted a public service campaign in October to promote voter registration and encourage citizens of the community to exercise their right to vote. In the two weeks prior to the October 10 registration deadline, the credit union ran 240 radio spots on six major stations in the Jacksonville area. Florida Telco not only provided, but mailed the registration application to the Supervisor of Elections office. The credit union produced 200 of the posters for its employee groups and for display in all branch offices.

The voter registration campaign kicked-off at Florida Telco's September staff meeting, where employees were encouraged to register themselves.



Voter Registration Applications available here!

October 10 is the deadline to register for the Year 2000 Presidential Election.



Regulatory Update



Bill Berg, CCUE, Director of Training and Credit Union Development, brings regulatory changes to your attention through this column. If anyone has 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.

Deposit Broker Alert

The Federal Deposit Insurance Corporation (FDIC) recently issued an alert to CEOs of Banks and Savings and Loans that are insured by them about Zero-Coupon Investments sold by San Clemente Securities, Inc. (SCS).

SCS was formerly known as San Clemente Financial Group, Inc. (SCFGI) and/or San Clemente Financial Group (SCFG) is a registered broker dealer that has listed its deposit broker activity with the FDIC. SCS is in the business of brokering certificates of deposit (CDs), selling other investment products and providing custodial services through an entity known as United Custodial Corporation (UCC), San Clemente, CA. UCC conducts business in the same location as SCS. The CDs are held in custody by UCC.

Their latest efforts involve a package marketed as a "reverse arbitrage" in which SCS sells long-term, zero-coupon CDs to the institution. The purchase of these investments may be tied to an agreement by the bank to accept short-term, below market-rate deposits from SCS. A substantial broker's fee is extracted from the amount invested in the zero-coupon CDs, reducing the CDs value to below the contract amounts.

SCS has a history of problems with federal and state regulatory agencies. The National Credit Union Administration (NCUA) issued a Cease & Desist Order, dated July 10, 1997, against SCFGI and SCFG and three of its principals. That order remains in effect. The FDIC's concerns mirror the NCUA's concerns when they issued letter 00-CU-05 in September of 2000.

If you have any questions or concerns about an investment, I recommend, you call the NCUA's **Investment Hotline at 800-755-5999**.

NCUA Advanced Notice of Proposed Rulemaking on the Regulation of Foreign Branches of State Chartered Credit Unions

NCUA issued an advanced notice of proposed rulemaking requesting comments on the agency's role in the regulation of state chartered credit unions' operations on foreign soil. This issue concerns the agency's proper role in insuring the safety and soundness of credit unions and the National Credit Union Share Insurance Fund.

NCUA Final Rule on Civil Money Penalty Inflation Adjustment

As required by the Federal Civil Penalties Inflation Adjustment Act of 1990, NCUA has adjusted civil money penalties (CMP) based on the rate of inflation since the last adjustment. The adjustments are based on the Consumer Price Index and are rounded to a certain multiple, depending on the penalty.

The adjustments are effective October 23, 2000.

Disclosure Requirements for Credit and Charge Card Solicitations

The Federal Reserve Board (FED) issued a final rule revising the disclosure requirements for credit and charge card solicitations and applications under Regulation Z, the Truth in Lending Act. Some revisions include using 18 point-type size for the Annual Percentage Rate (APR) and requiring the "penalty APR" to be included in the Schumer box. This box is commonly referred to as the FED box. Supplemental information about penalty rates must be outside of the Schumer box.

The final rule is optional until October 1, 2001.

Privacy Preparedness Check-Up

The Office of Thrift Supervision (OTS) issued a "Privacy Preparedness Check-Up" for examiners to use when determining the efforts of institutions when preparing for the new privacy law. The OTS Check-Up may be a good indication of what to expect when exam procedures will be issued on an interagency basis later this year.

The check-up poses a series of statements and questions to guide examiners in assessing an institution's approach to achieving timely compliance. This includes an inventory of current privacy practices, an evaluation of these practices, and privacy policies. Additionally, examiners may ask whether senior management and directors have endorsed their institution's approach to compliance, whether management has evaluated the impact of alternative privacy procedures and whether the institution is prepared to deal with customer inquiries about their privacy protections.

You can find a copy of the Privacy Preparedness Check-up at

www.ots.treas.gov/docs/77078.html

NCUA Proposed Rule Implementing Parts of the Fair Credit Reporting Act (FCRA)

The Gramm-Leach-Bliley Act of 1999 granted NCUA rulemaking authority on FCRA for federal credit unions (FCUs). Therefore, NCUA approved a proposed rule that implements parts of the FCRA allowing FCUs to share certain information about their consumers with their affiliates, without being considered consumer reporting agency. The proposed rule requires FCUs to give consumers a notice and an opportunity to opt out before the FCU discloses certain information to its affiliates. The FCRA opt out disclosures will most likely be combined with the privacy disclosures.

STAR, VAP, VLP & MERIT

The **STAR, VAP, VLP and MERIT programs** are nationally recognized standards of professionalism for credit union staff and volunteers. These individuals have expanded their capabilities for the benefit of their credit union. For information on any of these programs call the League Education Department at 1.800.342.1266.

VAP CERTIFICATES:

Central FL HealthCare FCU: Michael Hester
City County ECU: Mark Goheen
Community First CU: Denver Phares
Florida Commerce CU: Cindy Webber

VLP CERTIFICATES:

Suncoast Schools FCU: Anthony Satchel

STAR CERTIFICATES:

8 Flags FCU: Katherine Gronager
Bell-Tel CU: Angela Nelson, Angela Toth, Marjorie Campbell, Deana Crenshaw, Kristy Wielan
Central Florida HealthCare FCU: Stacy Yeziarski, Kristin Wright
Central Florida Postal CU: Kathleen Gontarek
Community Educators CU: Lisa Browder, Lynne Warrick, Joanne Cooper
Escambia County ECU: Tammie Marshall
Fairwinds CU: Katrina Williams
Florida Commerce CU: Kasie Harper, Amy Pope, Shantell Noles, Eva Chester, Barbara Jenkins Jones, Darlene Robinson, CCUE, Susan Oliver, Alisa Doerrfeld
Florida West Coast CU: Carmen Bell
Jax FCU: Christine Crawford, Christy Stewart, Debra Williams
Jax Navy FCU: JoAnn Bornemann, Jami Bartlett, Marsha Hicks, Takesha Hopper, Janine Knight, Rhonda Green, Kristina Hendrix, Jamie Odeh, Paulette Turgeon, Marlene Somera
MacDill FCU: Debra Hopkins, Leila Bowman, Laura Tingley
NCSC FCU: Dawn Barse
Orlando FCU: Virginia Gavin, Nancy Sipes
Pen Air FCU: Shirley Harris
Pensacola Government FCU: Jessica Wood

PGA CU: Jamie Spencer

Pinellas County Teachers CU: Bonnie Loughlin
Power 1 CU: Marsha Tanicien, Juanita DeLeon, Sheila Renea Johnson, Grace Dent, Gidget Aybar, Manual Gonzalez, Kimberly Romanelli
Sarasota Coastal CU: Elsie Agrifolio
Suncoast Schools FCU: Kimberly Collins, Melissa Stephens, Stacy Kistner, Linda Huger, Cheryl Watson, Karen Townsend, Lori Carl, Sheri Eaton, CCUE, Melissa Stephens, Janet Brownell, Katiana Mederos, Sonia Babinsack, Stephanie Gulledge, Mona Arnold, Tom Wilk, Terry Corbine, Raylina Zell, Sharon Cable, Linda Helms, Rita Ciamillo, Yolando Santos, Mary Jane Demko, Robin Beckman, Cynthia Jenkins, Karen Cogswell, Stephanie Coleman, Ostile Peck
Sunshine State CU: Christopher Smith
Tampa Bay FCU: Felicia Dalcour, Lizzy Delgado, Lorna Richardson, Deborah McCoy, Felicia Dalcour
Tampa Postal District FCU: Tandra Burney
Tyndall FCU: Pam Griffin, Shanon Brown, Gladys Touchet, Veronica Griner, Deborah Eldridge
West Coast Federal ECU: Patsy Bacon, Jeanne Reich, CCUE

MERIT CERTIFICATES:

Florida Commerce CU: Darlene Robinson, CCUE
Jax FCU: Virginia Rosales
Jax Navy FCU: Doryn Gardner, Angela Howard, Linda Koon, Pamela Michael, Kimberly Moore, Rhonda McNutt, Kristina Hendrix, Cecelia Hicks
Sarasota Coastal CU: Heather Caballero
Suncoast Schools FCU: Anita Ramos, Victoria Lovett, CCUE, Lorain Beckmann
Tyndall FCU: Lynn Myers, Sandra Strange, Patsy Parker

FCUL Education Department sponsors regional Privacy Compliance Workshops

In today's fast-changing world of regulatory requirements governing the operation of financial institutions, it is critical that credit unions operations are in compliance.

This two-hour workshop is designed for credit union staff to obtain valuable information on the Member Data Privacy Regulation and what you need to know to protect your members' financial records. The session will cover the following topics:


- An overview of the Gramm-Leach-Bliley Act
- NCUA's Rules and Regulations
- Member relationship
- Publicly available information
- Compliance deadlines
- Consumer's right to "opt out" of disclosure of nonpublic personal information
- Protection of financial information privacy and
- Information Security Program.

The workshop is designed for CEO's, CFO's, COO's, compliance directors, managers, and all credit union staff that deals with credit union operations. The registration fee of \$95 includes training, educational materials and refreshments.

Bill Berg, CCUE, FCUL's Director of Training and Credit Union Develop, will be the trainer.

The workshops will be held in the following locations:

Pensacola - Wed., Jan. 17, Pen Air FCU
Panama City - Wed., Jan. 17, Tyndall FCU
Tallahassee - Thurs., Jan. 18, North Florida Education CU
Jacksonville - Tues., Jan. 23, Jax Navy FCU
Orlando - Wed., Jan. 24, Fairwinds CU
Gainesville - Wed., Jan. 24, Campus USA CU
Miami - Tues., Jan. 30, Power 1 CU
Ft. Lauderdale - Tues., Jan. 30, City County CU
West Palm Beach - Tues., Jan. 30, CSR American CU
Tampa - Thurs., Feb. 1, GTE FCU
St. Petersburg - Thurs., Feb. 1, Pinellas County Teachers CU
Sarasota - Thurs., Feb. 1, Sarasota Coastal CU

To register for the workshop, call the Education Department at 800.342.1266. 

FCUL Governmental Affairs gears up for the future

The elections are over, but it is not too soon to begin planning for the 2002 elections.

To build on credit unions' success following H.R. 1151, League volunteers set an ambitious strategic plan for the Governmental Affairs staff. A singular aspect of the plan is encouraging increased involvement by credit unions in political and governmental affairs.

While the League's lobbying staff is the tip of the iceberg and effectively represents your interests in Tallahassee, the most important, most serious work is done "back home," in legislator's districts. While "back home," politicians always look for a venue where they can meet and speak with people who might be able to vote for them.

Credit unions can easily provide that venue. Whether it be a tour of the building, a fundraising reception at your credit union, or simply a "meet and greet" where they plant themselves in your lobby and shake hands with your members, a politician will greatly appreciate any help you can provide. And, they will not forget that after the election.

If you are interested in hosting these or other activities, please contact the League Governmental Affairs department at 800.342.1266. Ask for Dianne Jones, Mark Landreth or Becky Sammons in Governmental Affairs.

The League staff can be a great help in arranging meetings with elected officials and putting them in a position where they can meet credit union staff and volunteers. If you desire, League staff will participate in the event to help ensure it runs smoothly. Simply put, we are here to make you and your credit union look good.



Michael A. Perkins

To refer, or not to refer...

by Michael A. Perkins, General Counsel, CU Personnel Solutions

The "give and take" of pre-employment references between employers has been a long-standing practice. What do you do when you are the one being asked for a reference?

Although Florida Statutes, s. 768.905, provide employers with immunity from civil liability for disclosures about former employees to a prospective employer, the immunity is an affirmative defense that can be overcome by a plaintiff's showing the information "was knowingly false or violated any civil right of the former or current employee protected under [Florida's Civil Rights Act]." In a situation where the employer does, in fact, give accurate information in a non-retaliatory manner, the statutory immunity offers some protection but does not eliminate the risk of having to defend a lawsuit. In consideration of this, conservative employers usually choose to reveal only dates of employment, position held and salary information; less conservative employers might volunteer that the former employee is "eligible" or "not eligible" for rehire. Other employers might rely upon statutory protections and "tell it all." These disclosures are often accompanied by a promise of confidentiality and anonymity by the employers exchanging the information.

Before giving out any reference information it is always a good idea to obtain an original, signed release and hold harmless agreement from the former employee that gives the employer, its employees and agents complete dispensation to say anything they might choose to say about the former employee's work performance, character, characteristics, conduct, attendance, reason for separation and disciplinary matters. This release can be built into the original job application form and a separate one from the employee or prospective employer can be required when the reference is requested.

What if the former employer has knowledge that the employee has a history of actual or threatened violence, theft or other illegal or improper acts? Florida law does not expressly require an employer to affirmatively disclose this type of information about a former employee. While the "negligent referral" issue has never actually been addressed by the court, it is only a matter of time before cases are filed after an employee who causes injury, loss or death is found to have a history of "bad acts" that were not revealed by the former employer in response to a reference request. Certainly, when an employer terminates an employee for acts that, if repeated, could cause substantial loss or injury to the customers or employees of a subsequent employer, there arguably exists some moral obligation to put the prospective employer on notice of these acts; those situations should be handled individually. The former employer must be careful about how the information is disclosed in order to avoid giving out erroneous information or any information that may violate the employee's civil rights—particularly those rights provided to certain mentally or emotionally disabled persons under the Americans with Disabilities Act. A strongly worded notice that the past employee was "terminated for cause and not eligible for rehire" should put a prospective employer on notice that they are assuming some sort of risk if they hire the employee.

Finally, reference information should only be given out by designated persons within the organization who have a full understanding of the law, who has all the details concerning the employee in question and who can make sure that appropriate releases have been obtained.

Michael A. Perkins, Esquire, is Vice President/Chief Operating Officer and General Counsel of CU Personnel Solutions, assisting the Credit Union industry with human resources management and employment administration. He has been a member of the Florida Bar Association, Labor and Employment Law Section since 1986.

CU Personnel Solutions is a professional employer organization (PEO), an entity that provides integrated, cost-effective solutions for credit unions for the administration of human resource and risk management functions. For more information about CU Personnel Solutions, call the FCUL Service Group at 800.342.1266.



Season's Greetings To All

CHAPTER MEETINGS

Central Florida Chapter, 1/18/01
 Escambia Chapter, 1/18/01
 Northeast Chapter, 2/15/01
 Palm Beach Chapter, 12/30/00
 Pinellas Chapter, 1/18/01
 Tampa Chapter, 1/09/01

www.fcul.org
 800.342.1266

FCUL Calendar

January 2001

Privacy Regulations Fee: \$95*
 17--Pensacola
 17--Panama City
 18--Tallahassee
 23--Jacksonville
 24--Orlando
 24--Gainesville
 30--Miami
 30--Ft. Lauderdale
 30--West Palm Beach
 Feb. 1--Tampa
 Feb. 1--St. Petersburg
 Feb. 1--Sarasota

February 2001

7 Small CU Seminar
 Orlando--Fee: \$150*
 21 Human Resources Conference
 Orlando--Fee: \$225*
 22-23 Branch Manager's Institute
 Orlando--Fee: \$295*

Mark your calendars for
 the 2001 Convention &
 Annual Meeting
 May 24-26

*fees subject to change

CAREER OPPORTUNITIES

Credit Union Manager

Pen Air Federal Credit Union is looking for a qualified individual for a management position in Pensacola. Responsibilities entail analyzing and evaluating credit union operations. A BA/BS degree in accounting or finance, 5yrs. progressively responsible experience in accounting/auditing, CU experience preferred. Must be independent and have strong communications and PC skills. For more information call Dana Mullins at (850) 505-3200 or via email, Dana.Mullins@worldnet.att.net

Deadline is 12-31-00

**The Florida
 Credit Union League
 will be closed
 Monday, Dec. 25, 2000
 & Monday, Jan. 1, 2001
 HAPPY HOLIDAYS!**

The *Florida Credit Union News* is a monthly publication of the Florida Credit Union League (www.fcul.org). For business information or subscriptions, write the Florida Credit Union League, P.O. Box 3108, Tallahassee, FL 32315-3108, call (800) 342-1266, or e-mail gracepf@fcul.org. Two copies are supplied free to each affiliated credit union in Florida. Additional copies may be purchased for \$3 per issue or \$36 for a single one-year subscription. Articles may be submitted to the editor for publication, and are subject to editing and approval.

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