



Florida Credit Union News

A publication of the Florida Credit Union League 

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Florida's governor signs title loan bill at central Florida credit union

With Orlando's Martin Federal Credit Union as the backdrop, Florida Governor Jeb Bush signed into law a bill which will limit interest rates title loan companies can charge, will require they be regulated and will provide new consumer protections. The Title Loan Reform Act of 2000 will cap interest rates that title loan shops may charge at 30% APR statewide. In addition, all title loan companies must now be licensed, examined and regulated by the state Department of Banking and Finance.

"The bill I sign today allows the free market to operate fairly, while looking out for consumers who otherwise would not have anyone to look out for them," said Bush, who came to Orlando for the bill-signing ceremony. "Consumers can now confidently enter the market knowing that they are protected against unfair practices."

The bill signing culminates the more than four-year battle waged by State Rep. Bill Sublette (R-Orlando) and a coalition of consumer groups, which included the Florida Credit Union League, to reign in the title loan industry. Testimony by numerous witnesses of abuses suffered by consumers at the hands of title loan shops helped bring public attention to the matter. In addition, *The Orlando Sentinel* published numerous stories, columns and editorials to also bring the issue before the public. *Sentinel* reporter John Bersia was awarded a Pulitzer Prize for his efforts.

During last fall's FCUL Community Outreach Conference, FCUL President/CEO Guy Hood and Chairman Bob Beskovoyne, CCUE, pledged to help enact local ordinances that would provide consumer protection to cus-



Governor Bush signs the Title Loan Bill

tomers of title loan stores. This was part of a strategy that would put pressure on the legislature to adopt a statewide



(l-r) State Rep. Bill Sublette (R-Orlando); Capt. Dave Faraldo, US Navy (Ret) of the the United States Navy Relief Society; Governor Jeb Bush; Guy Hood, President, FCUL

statute. That effort led to local county commissions in 38 of Florida's 67 counties adopting more restrictive legislation. This show of support locally helped ease the passage of HB 301.

Governor Bush paid particular respect for the efforts of credit unions in the successful passage of the new law. "It is only proper that we sign this bill in a credit union," said the Governor, "because credit unions were the first to step up and offer alternatives to title loans and relief for consumers of modest means."

Tallahassee woman wins Florida CUPAC Millennium Bug

Virginia "Ginger" Stewart of Tallahassee is the winner of the 2000 CUPAC Bug Raffle. Stewart, a member of Tallahassee's North Florida Education Credit Union, purchased three tickets and then forgot all about the raffle.

"I was stunned," she said, "when someone called us last Friday night and told me I had won the Volkswagen Beetle." Ginger had forgotten all about the drawing, but her 16-year old daughter, Jenny, had not.

"When she heard me say 'I won what!', my daughter came leaping into the living room," said Stewart. The car will be primarily driven by the young Jenny, which is why she got so excited.

The keys to the car were presented to Stewart on Wednesday, June 7 by North Florida Education President Ray Cromer.



Receiving the keys to her Volkswagen Beetle from North Florida Education Credit Union President Ray Cromer is Ginger Stewart and her daughter Jenny.

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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

Did you really think they were going to leave us alone?

The May issue of *Florida Banking* provides another example of why we can never let our guard down again. In his monthly column for the Florida Bankers Association magazine, FBA CEO Alejandro "Alex" Sanchez recounts his group's recent journey to Washington, D.C. Sanchez uses the column to reiterate that his association's number one objective is advocacy. "Advocacy is the name of the game," says Sanchez.

But, that is not the real eye catcher. Sanchez spends a great deal of his column talking about how he had the opportunity to meet with House Speaker Dennis Hastert (R-Illinois). Sanchez reports that during his moments with Speaker Hastert he managed to mention to him "the one issue that we all know without question is unfair, unjust and un-American, that large credit unions do not pay state and federal corporate income taxes."

Sanchez concludes his commentary on credit unions by saying that the bankers need to continue pushing the credit union taxation issue when opportunity knocks. In other words, when a banker gets a chance to talk to a legislator, Sanchez wants that banker to discuss the "credit union taxation issue."

I agree with Mr. Sanchez that advocacy is the name of the game. That is why we have made it our number one objective. We have made it our number one objective because that is the way this battle and subsequent battles will be won--keeping credit unions

positioned politically, publically and yes, even morally postured. These are the things that make us not only strong, but an undeniable influence with those who can shape our future. And you and I know that we have to continue to push the credit union agenda wherever and whenever we can in order to prevent Mr. Sanchez and his friends from setting our agenda for us.

Make no mistake, my friends, the bankers are still smarting from their defeat on H.R. 1151. They are not going to go away. Even Sanchez admits that the credit union taxation issue for right now is a lost issue. But, that doesn't mean it won't be in a couple of years. That is why we have to develop our own advocacy strategy. We even have a recent example to show it is working.

As we report in this issue, Governor Bush signed the Title Loan Reform Act at Martin Federal Credit Union in June. That came about because of the efforts of Representative Bill Sublette, the bill's primary sponsor. We have been helping Representative Sublette in his efforts to move on to Congress. And, he showed his appreciation for our help by arranging the bill signing ceremony. Representative Sublette is just one of many friends we are developing for the future.

The fight goes on. We will never rest. We will never let up. Remember, the bankers will do the same. Our futures depend on our vigilance.

presentation on Member Street, a new e-Commerce solution for your credit union.

The Forum accommodations, The Caribe Royale, is only minutes away from all major attractions, restaurants and premier shopping. A block of suites have been set aside at a discounted rate for all Forum attendees. For reservations, call 1-800-823-8300 and be mention you want the Southeast Corporate Credit Union Forum rate.

For more information on the Forum, call Southeast Corporate FCU at 1-800-342-0203, Ext. 205.



Guy M. Hood

Southeast Corporate

Southeast Corporate will be hosting its 2nd annual Credit Union Forum on Sept. 12, 2000 in Orlando. The Forum will spotlight Mr. John Franklin, President/CEO of the South Carolina Credit Union League and Affiliates, and Mr. Doug Duerr, President/CEO of NASCUS.

In addition, the Corporate Network Brokerage Service (CNBS) will be conducting a half day seminar on Risk Management. Also included in the Credit Union Forum will be a



Gail Kruse, President of SCORE FCU (at right) and a fellow employee wash car windows to raise money for the Childrens Miracle Network. Great idea!

State award recognizes Educational Community CU

Educational Community Credit Union in Jacksonville was recently honored at the 13th annual Florida Commissioner of Education Business Recognition Awards ceremony for ECCU's role in the Duval County Schools. ECCU's partnership with the Duval County Schools involved every level of the organization, and the credit union participated in a variety of activities from classroom mentoring to corporate gift sponsorship.

"ECCU is also proud of its function in furthering education and assisting the Duval County School Board," said Linda Murrow, Vice President of Marketing and Member Services. "ECCU hopes to continue to set high standards in the schools."



Announcing the award to ECCU staff and school business partners are Linda Murrow, ECCU VP of Marketing and Member Services and John Hirabayashi, ECCU CEO/President.

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Education & Technology Assessment Survey Winners

A drawing for a \$30 gift certificate to the Cracker Barrel Restaurant was held from those who completed the survey and returned them to the League by June 7. The winners of the drawing are:

**Arthur J. Wood,
President/CEO
Railroad & Industrial CU**

**Ellen Chatfield, President
Florida State Employees FCU**

**Michael J. Welch Jr.,
President/CEO
University CU**

Thank you to all of you who took the time to complete and return the survey. The information you provided is invaluable.

South East Regional Credit Union Schools (SRCUS) Financial Counseling School

was held this spring. Photos of the participants are at the right. Eight southern states sent representatives to the schools which was held on the campus of Florida State University at the Center for Professional Development.

Effective in 2001, the SRCUS Financial Counseling School will become a one-week school rather than the two-week school presented over a two year period. For information about this school and other continuing education opportunities, contact the FCUL Education Department at 800.342.1266.



News from You

NEWS from you

Larry Dunne has been named President of **Columbia/HCA Federal Credit Union** in Gainesville. He previously served as President of Colony Credit Union and White Springs Federal Credit Union.



Larry Dunne

Eddie Thomas, a retired Brevard County educator, has been re-elected to the Board of Directors **Community Educators Credit Union** in Rockledge. Mr. Thomas was among the original directors of the credit union when it was founded in 1953.



Eddie Thomas

Educational Community Credit Union in Jacksonville proudly announced its new Board members for 2000: *Brenda R. Simmons*, Executive Dean for the Florida Community College; *Beverly Williamson*, Director of Manufacturing Richard Street, Vistakon Johnson & Johnson; and *Howard Winesett*, retired Director of Instructional Research, Duval County Public Schools.

Health Services Credit Union in Jacksonville received its 23rd consecutive Superior financial rating from the independent rating service, IDC Financial. HSCU maintains a capital ratio of more than 14.7 percent, reported Return on Assets of more than 1.80 percent with almost no loan losses. Congratulations!

Central Florida Educators' Federal Credit Union in Orlando announced that Micki Ruiz is the new Assistant Vice President/Branch Manager of its Winter Garden office. Ruiz was previously the Assistant Branch Manager at the Kissimmee branch, and she has been employed with the credit union for 10 years.



Micki Ruiz

Bay Gulf Credit Union in Tampa named Peggy Yenny as its Manager of Information Technology. Penny will be responsible for the local area network administration, data processing and systems analysis and design. Penny previously served on the Bay Gulf Credit Union's Board of Directors for six years.



Peggy Yenny

Bell-Tel Credit Union in Orlando is pleased to announce the recent completion of a Masters Program at Rollins College by two of its employees. Richard H. Simonton, Sr., received his Masters of Arts and Corporate Communication and Technology. Simonton has been with the credit union for six years and serves as its Chief Financial Officer.

Donnette F. Adamczyk also received a Masters of Arts and Corporate Communication and Technology. She has been with Bell-Tel for 23 years and is the Member Service Manager.

Florida Commerce Credit Union in Tallahassee recently awarded \$5,000 in college scholarships to three local high school graduates. The winners were members of the credit union and selected based on academic achievement, extracurricular activities, community involvement and essay responses.



Central Credit Union of Florida employees and their family members camped out recently at the 18-hour American Cancer Society Relay for Life fundraiser. The credit union team alone raised \$2,420 for the cause, which is dedicated to help prevent cancer through research and education and to comfort those who are suffering from the disease.

Central Florida Educators' Federal Credit Union

in Orlando announced the promotion of Tangie Johnson to Assistant Vice President/Branch Manager of the Apopka branch. Formerly the assistant Manager of the Pine Hills Branch, Johnson has been with the credit union for eight years. She is a past recipient of the Central Florida Educators' "Employee of the Year."



Tangie Johnson

Terry R. West, President/CEO of **Jax Navy Federal Credit Union** in Jacksonville, announced the following promotions and appointment. Kelly Blount was promoted to Vice President Deposit Services. He has been employed by Jax Navy for two years and was previously the IRA Administrator.

Brenda Turner was promoted to Vice President of Consumer Lending. She previously worked as a Lending Analyst and has worked for Jax Navy for more than 16 years.

Don Rahn has been appointed Network Manager in the Information Systems Department. Rahn comes to Jax Navy from Automatic Data Processing, Inc.



Regulatory Update

Bill Berg, CCUE, Director of Credit Union Development and Regulatory Support, 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.

Data Match

Last year, in accordance with state and federal laws, Florida's Department of Revenue implemented the Financial Institution Data Match program. The program allows the state of Florida to identify accounts, through a quarterly data match, that belong to non-custodial parents who are delinquent in their child support payments. Once the accounts are identified, the Department of Revenue garnishees these accounts. The Department of Revenue, through the support of the financial community, has collected approximately \$2 million over the last year in past due child support.

NCUA Board Approves Final Rule on Privacy

NCUA approved a final regulation on Privacy (Section 716) which requires all federally insured credit unions to have a privacy policy in place and disclose the policy in an initial and provide annual privacy notices to all members with a continuing relationship with the credit union. In addition to the disclosure rules, credit unions may have to offer individuals an opportunity to "opt-out" of information sharing in some cases.

The initial and annual notices must disclose the following information: information the credit union collects; information the credit union discloses; the categories of 3rd parties to whom information is disclosed; information disclosed about former members, and to whom; conditions under which information is disclosed; the opt-out procedure, if applicable; FCRA disclosures, if applicable; and the credit union policies and practices regarding the confidentiality, security, and integrity of the information.

Additionally, the regulation has different requirements depending on the different categories of 3rd parties with whom the credit union shares information. Requirements differ regarding the disclosure language on the notice, the opt-out rights available, and the permissibility of sharing account numbers.

The Final rule is effective on November 13, 2000; however, compliance is optional until July 1, 2001.

We are drafting a comprehensive Technical Release on the new Privacy Regulations that will be published during July.

Final Rule revising Official Staff Commentary to Regulation Z, the Truth in Lending Act (TILA)

The Federal Reserve Board (Fed) has issued a final rule clarifying the Official Staff Commentary to Regulation Z that "Payday Loans" constitute credit and are covered under TILA. Payday Loans are defined as a cash advance made to a consumer in exchange for a personal check or debit authorization totaling the original advance plus a fee. Generally the lender holds the personal check or debit authorization until a future date—usually the borrower's payday.

This final rule will require creditors that regularly extend Payday Loans and impose a finance charge or fee to provide the required TILA disclosures to the consumer. Compliance with the final rule is optional until October 1, 2000.

The Fed's actions dovetails very nicely with the actions of the Florida legislature did on Title loans. See related article and pictures on page 1 of the *Florida Credit Union League News*.

ATM Security Features Digital Video

Several banks are testing a new safety technology for ATMs—digital video storage. The new technology arrives just in time. New York's Banking Department just issued a regulation governing the frequency and length of use of surveillance camera videotapes. It made the emergency rule after a video tape recorded an attack at an ATM but produced images too fuzzy for law enforcement officials to use.

Digital video storage, which has been on the market for about a year, saves images as computer files instead of on videotapes. Images on videotapes are subject to degradation caused by an aging or faulty tape or overuse. Videotapes require full-time maintenance for a good quality. A digital camera's hard drive can be reused thousands of times to store new data.

Wells Fargo & Co. installed several hundred digital systems and plans to phase out its use of video cassette recorders and tapes. The bank's spokesman said the tapes are ineffective, ineffi-

cient, and vulnerable to mismanagement. Wachovia Corp. is piloting the technology at two ATMs. And ATM supplier Diebold, based in Canton, Ohio, has sold its Accutrack digital video servers to about 50 financial institutions.

New York's Banking Department imposed its rule after it found out the tape used in the ATM attack was fuzzy because the tape was four years old.

Under the new regulation, financial institutions may reuse tapes only 12 times—not more than once every 30 days—and must retire the tape after one year of use. The rule includes a provision that banks can develop alternative methods to ensure clear picture quality.

NCUA Final Rule Amending Truth in Savings to Permit Electronic Periodic Statements

NCUA approved a final rule amending the rules under the Truth in Savings Act (TISA) to permit the delivery of periodic statement disclosures in electronic form, if the member agrees. The rule states that the member agreement must be based on state law, but does not specify the requirements for a valid agreement. Other requirements include that the periodic statement must be in a clear and conspicuous form that can be retained by the member and can be displayed as visual text. This rule only applies to periodic statement disclosures and not other TISA and Regulation DD disclosures.

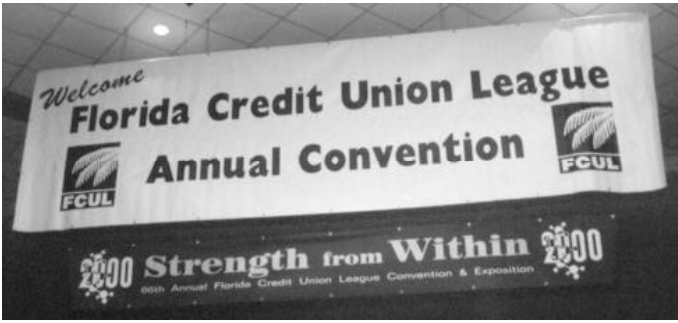
The final rule was effective on May 22, 2000.

NCUA Final Rule on Secondary Capital Accounts to Conform to PCA

A final rule was approved amending the rule regarding secondary capital accounts (SCAs) in credit unions with less than 2% net worth ratio (NWR) or new credit unions with less than 6% NWR. Under the final rule, NCUA has discretionary authority to prohibit a credit union from paying principal, dividends, or interest on SCAs established after August 7, 2000. This amendment conforms to the recently issued PCA rule which gives NCUA this authority for credit unions that are "critically undercapitalized" (less than 2% NWR) or "new" credit unions with an NWR of less than 6%.



66th Annual Convent



Tom Gallagher (far left) and Willie Logan (far right), candidates for U.S. Senate, were the guest speakers for the Governmental Affairs Luncheon. Pictured with the candidates is Aletta Shutes, Executive V.P. of the League.



Above are members of the FCUL staff registering the 144 golfers for the Annual Golf Tournament. L to R: James Sumner, Keith Hopkins, Brian Weaver, Connie Stoutamire and Corinne Henningsen.



Pictured in the Exhibit Hall, Marvin Garland, Chief Operating Officer of the FCUL Service Group, awaits the opportunity to share information with convention attendees about all the new services being offered for credit unions through the FCUL Service Group.



Dr. Bob Arnot, NBC's chief medical correspondent for the Dateline and Today shows and keynote speaker for the Convention Opening Session, answers questions from the crowd.



Joe Melbourne, Central FL Educators' FCU; Trudy Prince, CCUE, Central FL HealthCare FCU; and Lynn Owen, Bell-Tel CU pause for the camera at the Florida CUPAC Ambassador/Capital Club reception.



The first ever Nonsensical Nuptial Chapter Competition to raise funds for CUPAC, the Florida Credit Union Foundation and the Credit Union Foundation was a big hit with Chapter participants and Friday Night Fever attendees as well. The winning Chapter was the Northeast Chapter and its Royal Wedding participants were L to R: groom "Prince Cliff" Cliff Coates; bride "Katherine the Great" Kathy Harrison; and attendants "Sir" Jay Hogan and "Lady" Angie Jones.



Sandra McCracken, Educational Community Hirabayashi, Educational Community CU; CCUE, State Employees CU, visit during the Ambassador/Capital Club reception.



The Bride and Groom staged wedding couple and M



n -- Review in Pictures

Greg Blount, President of Tropical FCU, is presented an Honor Roll Credit Union certificate at the Governmental Affairs luncheon. Seventeen credit unions were designated Honor Roll credit unions in 2000 meaning all the board members of these credit unions joined CUPAC.



Connie Cason, a longtime volunteer for Educational Community CU in Jacksonville, was presented a special Lifetime Achievement Award for her service to not only her local credit union, but the state and national credit union movement. Presenting the award to Ms. Cason is Guy Hood, President/CEO of the FCUL and the present ECCU Board Chair Howard Winesett.



What? You didn't realize "The President of the United States" was the special entertainment for the Saturday Annual Dinner? He is pictured here with his "Secret Service" team.



FCUL Board Chair Bob Beskovoyne, CCUE, presents Wendell Brooks, Pinellas County Teachers CU, Board Director at Large 1997-2000, a plaque for his service to the FCUL Board of Directors. Jim Wagy, Tropical FCU, District 7 Director, 1997-2000, was also recognized for his service to the Board.



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va Jordan,
CUPAC



Randy Mims, CCUE, Florida State University CU, District 3 Director, swears in Bob Beskovoyne, CCUE, Martin FCU, to be the FCUL Board Chair for 2000-2001.



Pictured above is the Executive Committee of the Florida Credit Union League Board of Directors. L to R: Chris Brooks, Monsanto ECU, Treasurer; Laida Garcia, Florida Central CU, 1st Vice Chair; Melba Jordan, CCUE, State Employees CU, 2nd Vice Chair; Bob Beskovoyne, CCUE, Martin FCU, Chairman; and Trudy Prince, CCUE, Central Florida HealthCare FCU, Secretary. These individuals were sworn in at the Saturday Annual Dinner.

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Michael Cascone, Jax Navy FCU was named the 2000 FCUL Volunteer of the Year and also inducted in the FCUL Hall of Fame. Mr. Cascone has been a volunteer for Jax Navy FCU for 48 years.



Pat Williams, Senior Vice President of the NBA franchise Orlando Magic, was the keynote speaker for the Annual Convention Closing Session.

Credit Union Political Action

The Florida Credit Union League's continuing efforts to maintain a strong political presence on behalf of Florida's credit unions, rendered the following results for the period of May 1-31, 2000:

- **May 1-5** - Spent final week of legislative session at the Capitol tracking, monitoring and lobbying bills which we were following.
- **May 2** - Luncheon with Education Commissioner Tom Gallagher and his finance director, David Browning, to discuss ways credit unions might assist in his campaign.
- **May 5** - FSH Employees Credit Union in Chattahoochee hosted a "Candidate Meet & Greet" for Jamey Westbrook (D), candidate for House District #7. Hot dogs and refreshments were served to credit union members during the lunch hour, compliments of local businesses in support of Mr. Westbrook. In addition, more than \$700 was collected that day for Westbrook's campaign.
- **May 9** - Legislative update provided to the Gulf Coast Chapter of Credit Unions by Mark Landreth, CAE, Director of Legislative Development.
- **May 10** - Luncheon with Tony Carvajal (D), candidate for House District #9. Carvajal is one of 7 candidates campaigning for the seat currently held by Representative Marjorie Turnbull (D).
- **May 17** - Attended fundraising reception held in the home of Lt. General & Mrs. Bob Milligan for "Sunny" Carol Phillips (R). Sunny is campaigning for House District #10, currently held by Representative Janegale Boyd (D). Sunny has served as Legislative Director for the Department of Banking & Finance since Milligan's term as Comptroller for the State of Florida.
- **May 18** - Governor Jeb Bush signed into law the Title Loan legislation at Martin FCU in Orlando. Local credit union leaders and staff were present to witness, for the first time, a bill signing by the Governor in a Florida credit union. Representative Bill Sublette (R-40) who sponsored this legislation recommended to the Governor that a credit union be used for the ceremony location. Sublette is a candidate for the U.S. House of Representatives, the seat currently held by Bill McCollum (R-8). *see article on page 1*
- **May 18** - Aletta Shutes traveled to Washington D.C. to participate in an AACLE/CUNA task force to develop a grassroots political action plan. Twelve other states were also represented.
- **May 24** - Attended new FCUL Board Member orientation and presented information regarding the function and scope of duties of the Government Affairs staff



FCUL Education Department sponsors the 2000 Disaster Recovery Workshops

Are you ready for a hurricane, flood or fire? All of these disasters can affect your credit union. Planning for the credit union to continue to serve its members in the aftermath of a disaster is a complex task. Preparation for, response to and recovery from a disaster requires the efforts of the entire staff and support organizations. Learn about the issues involved in the planning, the preparations you should make and the recovery actions at a 2000 Disaster Recovery Workshop, led by Bill Berg, CCUE, the Director of Training and Credit Union Development for the Florida Credit Union League, to be held regionally across the state. This workshop will prepare you to develop a plan to minimize loss and disruption at your credit union.

Topics that will be covered include: history of storms and their cost; buildings and how to strengthen your credit union prior to a hurricane; FLASH - Florida Alliance for Safe Homes; Credit Union Disaster Plan - before, during and after; Individual Disaster Plan - before, during and after; to evacuate or not - that is the question!;

evacuation kit and emergency repairs; and how the League can assist your credit union.

The workshop is designed for Presidents/CEOs and all credit union staff that deal with the safety and preparedness of their credit union. The registration fee of \$125 for this full-day workshop includes training, educational materials, lunch and refreshments.

Workshop Locations

Tampa - Tuesday, July 11, Suncoast Schools FCU

Orlando - Wednesday, July 12, Fairwinds CU

Miami - Tuesday, July 25, FPL FCU

Ft. Lauderdale - Wednesday, July 26, City County Credit Union

Jacksonville - Tuesday, Aug. 8, Jax Navy FCU

Tallahassee - Wednesday, Aug. 9, North Florida Education CU

Pensacola - Thursday, Aug. 10, Pen Air FCU

For more information, call the Florida Credit Union League

Education Department at **1-800-342-1266**





Pre-employment reference and background checking

by Liz Russell, FCUL Human Resources Manager

So, you've got the perfect candidate--everything you've ever wanted and more--experienced, educated, steeped in the ideal background. What more could you want? In a word, references. The verification of information and experience by means of a thorough background check has become essential in this age of litigation and changing liabilities.

How does one get started with this process? First, you need to determine what type of references and checks would best suit the position you are filling. There are many different types and levels of background checks available such as: criminal; personal; credit; driving; social security number; education; and certification verification. Remember that one of the reasons you are conducting a reference check is to avoid "negligent hiring." Whichever checks you decide you want to conduct, it is important that you base your choices on the requirements of the job and the degree of trust and responsibility entailed, not on a "gut feeling" (good or bad) you have about the applicant(s). You also have a variety of resources for your checks: former supervisors and co-workers, people who have professional interactions with your applicant, and personal acquaintances. Do not call current employers unless you feel you absolutely must and have specific permission and a signed release.

Next, decide who will to perform the checks. If your credit union has an HR department, that would be the obvious choice. If not, then the direct supervisor or his/her assistant would probably be the one to do so. It is important to remember that a level of discretion must be maintained regarding the reports. There are also numerous companies that will do all or some checks for you. Depending upon the level of the position and the checks chosen, it might be most expedient to use this service. If you decide you want to use an outside source, you still need to monitor the information

closely to make sure the company has exercised due diligence in following up on reference sources. This is especially important when doing past employment verifications because of the number of mergers that occur in the credit union community. Whatever means you choose, make sure you have a signed release before you start checking. This protects not only your credit union, but also the person or organization that is supplying the reference. Courts have protected employers who release negative information as long as the information is substantiated and the applicant has given permission to provide references.

Whoever is chosen to conduct personal references, it is best to prepare a short list of questions to ask all references before starting. Be sure that the questions relate specifically to the position and don't ask for any information of a personal nature. While you might think it is a waste of time to talk to someone who is bound to give a good reference, you may be surprised to find that if there is a concern the person will share it with you if you listen closely. An excellent question that was shared with me is to ask, "On a scale of 1-10 (1 being horrible, 10 being perfect), how would you rate this person as an employee? What would it take for them to be a 10?"

One final caution. For purposes of EEOC, federal law requires that if you have 15 or more employees you are required to keep selection records for all applicants on file for at least one year; different states may have more stringent requirements. For people you hire, you would want to keep these records for at least three years after the end of the employment relationship to be certain that any applicable statutes of limitations have expired.

Reference and background checks are very helpful in linking pieces of the puzzle that make up your applicant. Done correctly, they can be valuable when making that difficult hiring decision.

Websites of interest to HR Professionals

Society for Human Resource Management
www.shrm.org

Human Resource Association of Tallahassee
www.netally.com.hrat

Workforce Online
www.hrhq.com

American Compensation Association
www.acaonline.org

American Management Association International
www.amanet.org

Employee Benefit Research Institute
www.ebri.org

BenefitsLink
www.benefitslink.com

Occupational Safety & Health Administration
www.osha.gov/safelinks.html

Benefits & Compensation Magazine
bcsolutionsmag.com/

American Society for Training & Development
www.astd.org/

International Personnel Management Association
www.ipma-hr.org/



Horizons

Connie Stoutamire

Thriving small credit unions are highly effective lenders

The following information was sent to me from CUNA Mutual and I wanted to share it with the Horizon credit unions.

Keys to Successful Lending Reference Guide Available

"Keys to Successful Lending For Small Credit Unions," a comprehensive reference guide to lending policies, procedures, products and promotions, is available for small credit unions, those with less than \$20 million in assets, from the CUNA Mutual Group. The 90-page reference guide includes ideas on member-friendly lending policies, lending operations that move money, managing lending risks, building a product line and marketing loan products.

"We developed the reference guide in response to the 1999 Filene Research Institute study that showed that thriving small credit unions are highly effective lenders," says CUNA Mutual's Steve Goldberg (CCUE), vice president, Small Credit Union Development. "The reference guide closely follows the key findings of the Filene study. In fact, the items that the Filene study identified as most essential to a successful small credit union lending program, were used as the guide's table of contents."

The loan-to-share ratio of a sample of 400 thriving small credit unions was 81.6%, far above a group of 400 shrinking small credit unions with a ratio of 65.6%. The average loan-to-share ratio of all credit unions was 72.6%, nearly 10 percentage points below the thriving small credit unions.

Thriving small credit unions also outperformed their shrinking peers and the movement as a whole in asset growth, loan growth, membership growth and net income to average assets (ROA). "A vigorous loan program goes hand-in-hand with small credit union success," says Goldberg.

"Keys to Successful Lending For Small Credit Unions" also includes a lending program checklist, the top 10 reasons to concentrate on lending, sample member-friendly loan policies, the nine steps to an open-end lending program, several self-assessments and more.

The first copy of the reference guide is free. Each additional copy is \$39.95. Credit unions can view an executive summary "CUNA Mutual's Keys to Successful Lending for Small Credit Unions: the Secrets in a Nutshell" and place an order at www.smallcu.com, or they can call their CUNA Mutual Group relationship manager at 800-333-2644.

2000 Dora Maxwell Social Responsibility Recognition Program winners

(all awards were presented by Randall Mims, CCUE, President/CEO, Florida State University CU, FCUL Board Member)



1st Place, \$20-\$50 million, Central CU of Florida, Gary Bramlette, President



1st Place, \$50-\$100 million, NCSC FCU, Rock Wester, President



1st Place, \$100-\$200 million, Bell-Tel CU, Lynn Owen, President



1st Place, \$200 + million, Educational Community CU, John Hirabayashi, President



1st Place, Chapter Competition, Tampa Chapter, Bruce Koehler, Chapter President.

TEAM Marketing materials available until July 7

"GO OVERBOARD," the new TEAM marketing campaign from CUNA Mutual Business Services, helps credit unions promote loans and credit lines. The campaign includes turnkey marketing materials that can be customized with information specific to a credit union's needs.

The materials - inserts, brochures, large and small banners, large and small posters, and return mailers - stress the advantages of competitive rates, convenience, and personal service. They also communicate the flexibility of loans and credit lines for home purchases and improvements, vehicles, vacations, debt consolidation, and more.

The cost for 500 inserts and 500

brochures is \$120. The materials are priced far below competitors due to batch order processing that limits expenses without compromising quality. New to the campaign is copywriting and professional design standardization that allows credit unions to save even more on the campaign. The program includes color proofs and order acknowledgment.

To see the design and copy, call CUNA's Fax Info Service at 800-329-9117, and request document number 320. Orders must be placed by July 7. To order, call 800-356-8010 (press 5), and request a Loans/Lines-of-Credit Commitment Packet (stock number 22866), or go to www.teammarketing.org to view the campaign materials online.

CUNA Mutual

CUNA Mutual Group donates \$100,000 to the National Credit Union Foundation

Neil Springer, CUNA Mutual Group board chairman, presented a \$100,000 check to the National Credit Union Foundation (NCUF) at the CUNA Mutual board meeting. The NCUF will use the donation to further its mission of “improving the financial well-being of people everywhere.”

“CUNA Mutual’s mission, which is creating financial security, and our vision, which is to be the best at serving credit unions and their members, aligns very closely with the mission of the National Credit Union Foundation,” said Springer. “It is just a natural fit that we support their efforts.”

The donation was given to the NCUF with no strings attached. “It is our intention that the Foundation’s board and management have the maximum flexibility in the use of these funds,” Springer said. “This financial contribution is indicative of our support for all their worthwhile efforts in the credit union movement.”

Following Springer’s remarks, John Fiore, NCUF vice chairman, recognized Mike Kitchen, CUNA Mutual president and CEO, and



Pictured from l to r: C. Alan Peppers, CUNA Mutual Board Member; Neil A. Springer, CUNA Mutual Board Chair; John Fiore, National Credit Union Foundation Vice Chair; Mike B. Kitchen, CUNA Mutual President/CEO; and Pat Brownell, National Credit Union Foundation Executive Director

presented him with a plaque to thank CUNA Mutual for the organization’s continued support. “CUNA Mutual has donated more than \$4 million of the \$12 million total grant contributions the NCUF has received since its inception 20 years ago,” said Fiore. “We sincerely appreciate CUNA Mutual’s support.”

The \$4 million has been used by NCUF to develop credit unions, credit union programs and to support the credit union movement. Established in 1980, NCUF is the U.S. credit union movement’s primary charitable and fundraising organization for worldwide credit union development. The NCUF has given more than \$8.4 million in grants since 1980, including those for international development, domestic credit union development, disaster relief, national model programs and scholarships.



NYIB HOLDS CONFERENCE FOR YOUTH INVOLVEMENT

The National Youth Involvement Board (NYIB) is focusing on youth-related crises and how credit unions can work toward solutions for them.

“The need to attract young people into credit unions gets more important every day,” said Heather Harris, NYIB chairman. “Competition for their business is escalating and competitors are aggressively vying for their attention. Credit card companies, for example, are zeroing in on high school juniors and seniors to lock them in before they enter college and the world of work.”

Added to that, Harris said, is the need to financially educate youth so they understand wise money management to avoid a future of financial woes.

Solving youth financial literacy problems, meeting the financial service needs of youth and creating leaders for the future are the crises that will be addressed at the NYIB conference. Titled “Conquering the Crises,” the conference will take place August 24-26 at the Edgewater Hotel in Madison, Wis.

“Credit unions are being forced to think outside of the box to explore new ways to keep current members and attract new ones,” Harris said. “By focusing on these important youth-related issues at the NYIB conference, we can assist credit unions by helping to secure their futures.”

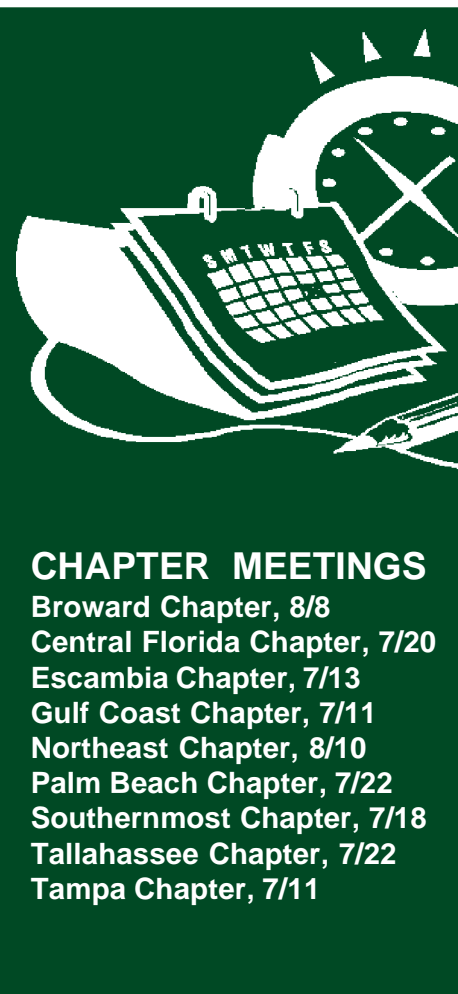
The educational programming, presented by credit union and youth industry leaders, focuses on broad-based theory as well as practical and proven strategies. Sessions will cover cutting-edge technology, targeted research, worldwide credit union development, marketing, skill-building workshops and age-specific sessions ranging from tots to teens to college students. Conference attendees will tour the Credit Union Center and will hear from the executive officers from CUNA, CUNA Mutual Group and World Council of Credit Unions.

The NYIB conference also includes a three-hour training session conducted by the National Endowment for Financial Education (NEFE) on how to use their High School Financial Planning Program in schools. Every registrant will receive a complimentary copy of the educational program.

NYIB invites credit union professionals and volunteers to attend the “Conquering the Crises” conference. For more information, contact Barbara Main, conference coordinator, at 608-833-9655 or check out the NYIB web site at www.nyib.org.

The National Youth Involvement Board exists to generate enthusiasm and excitement for credit union youth marketing and education and to develop leaders for the credit union movement. To learn more about the NYIB, contact Grace Potter Freni at the Leauge, 800.342.1266 ext 312.





FCUL Calendar

July

- 11, 12 Regional Disaster Planning
Tampa, Orlando, Fee: \$125*
- 25, 26 Regional Disaster Planning
Ft. Lauderdale, Miami, Fee: \$125*

August

- 8, 9, 10 Regional Disaster Planning
Jacksonville, Tallahassee, Pensacola, Fee: \$125*
- 11-13 Fla, Ga, SC Regional Credit Union Security Officials Conference
HiltonHead, SC, \$375*
- 22, 23 Collections Workshop, Bankruptcy Workshop
Miami, Fee: \$175, both days \$325*

September

- 17-21 Florida Credit Union Management Institute (FCUMI)
Orlando, Fee: \$775*

www.fcul.org
800.342.1266

*fees subject to change

- ### CHAPTER MEETINGS
- Broward Chapter, 8/8
 - Central Florida Chapter, 7/20
 - Escambia Chapter, 7/13
 - Gulf Coast Chapter, 7/11
 - Northeast Chapter, 8/10
 - Palm Beach Chapter, 7/22
 - Southernmost Chapter, 7/18
 - Tallahassee Chapter, 7/22
 - Tampa Chapter, 7/11

FCUL employees receive Service Awards

Tanya Bond, Executive Assistant, received her 10-year Service Award from the League this spring. Tanya has been working with Guy Hood, President/CEO of the League for nine of those years, and he was especially proud to present her the award.



Tanya Bond and Guy Hood



Guy Hood and Keith Hopkins

Keith Hopkins, Director of Card Services for the FCUL Service Group, received his five-year Service Award. Keith oversees 57 Florida credit union credit card programs and has six employees. Mr. Hood also made this presentation.

Congratulations Tanya and Keith.

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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