



Florida Credit Union News

A publication of the Florida Credit Union League

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In This Issue

President's Message	2
Governmental Affairs	4
Regulatory Update	5
News from YOU	8

Aftermath of the Hurricane Season of 2004

(In August and September, 2004, Florida tied a record for the number of major storms to hit a state when four hurricanes ravaged nearly every corner of the state. Credit unions, like the rest of the population, had to deal with challenges and problems that had never been faced before. The story that follows details how three credit unions handled the aftermath of the Hurricane Season of 2004)

Suncoast Schools Federal Credit Union is the state's largest credit union. Its field of membership takes it into fourteen counties along Florida's west coast. With 36 branches in place to serve its more than 325,000 members, Suncoast Schools FCU is the model of efficiency and service.

Suncoast's branches in Lee, Charlotte, Hardee, and Manatee counties took a direct hit from Hurricane Charley, the first of the major hurricanes to strike the state, on August 13. The storm, a powerful category 4 storm when it came ashore, delivered a powerful blow to the area. Suncoast, like other business and financial institutions, actually was expecting the storm to come further north and had prepared accordingly. After the storm struck unexpectedly in the Port Charlotte area, Suncoast assembled its storm team of 20 individuals and set out for the affected area.

With extensive roadway debris and highway signs blown down, it was even difficult to find the credit union's branches. But, find them they did, and within days all the Suncoast branches were re-opened. In doing so, in some cases, Suncoast's branches were the first financial institution to actually open for business in the affected areas. In Port Charlotte, the branch was able to open on the Monday following the storm, the first financial institution to do so. The Punta Gorda branch in Charlotte County and the Wauchula branch in Hardee County both opened two days later. The Wauchula branch also was the first financial institution to reopen in its area. The Hardee County branch also was the first financial institution to open. In most cases, these branches opened and were functioning on generators and no water or air conditioning.

To serve members' financial needs during the weeks following Hurricane Charley and throughout the hurricane season, Suncoast offered a special low rate Hurricane Relief loan, waived ATM fees for members who had to use ATMs other than Suncoast, extended loan terms, increased credit card limits up to \$500, and waived penalties for early withdrawal on CDs. The credit union provided 292 reduced rate Hurricane Relief loans totaling \$261,000. More than 100 members with

mortgages took advantage of due date extensions and many more members with credit cards were granted emergency limit increases. Suncoast also expanded services to accommodate members' needs in negotiating insurance checks, which is a service still going on as members work with insurance companies to seek restitution.

The Suncoast Board of Directors approved a special \$250,000 donation to support relief efforts. This was disbursed through donations to the Charlotte County, Lee County, Manatee County, and SW Florida chapters of the American Red Cross, the Hardee County Educational Foundation and School District of Lee County. A portion of the donation — \$50,000 — was contributed to FCUL to assist employees of other credit unions throughout the state, as well as to our own Employee Hurricane Relief Fund. Suncoast employees donated an additional \$10,000 which was dispersed directly to other Suncoast colleagues who lost their homes.

Patti Barrow, Suncoast's Vice President of Marketing, said that the hurricanes changed the way the credit union prepared

— continued on page 10



Happy Holidays from FCUL!



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Back to the future

Has it only been five years since we were worrying about Y2K? Seems like yesterday when we were reporting that all of Florida's credit unions were 100 percent Y2K compliant. The memories are still fresh of participating in seminars and meetings and the like to communicate with each other and our members about the work and efforts that were underway to make sure the year 2000 came in peacefully, without incident at our credit unions.

It was also only five years ago that we were still basking in the warm afterglow of the victory in Congress in the passage of the Credit Union Membership Access Act, HR 1151. Credit unions had risen to the occasion and with a mighty effort had over come a better financed, more entrenched foe to make sure that credit unions would enjoy the favorable environment that would allow for growth and access to reasonably priced financial services by all. We had triumphed and we patted ourselves on the back for a job well done. And we all stacked hands and promised each other that "Never again, would CU's be so unprepared!" So where do we stand with that pledge to each other?

Now, it is five years later. Dozens of new members of Congress have assumed seats in Washington. Most of the new members of both Congress and the Florida Legislature have no independent memory of the struggles we faced passing HR 1151. That is now ancient history. Elected officials are now hearing from a banking industry that is even better organized and better financed to take us on. They still remember the stinging defeat they suffered at our hands back then. It is that memory that is driving them on to new and even more enhanced campaigns to destroy us.

"Operation Credit Union" is the campaign being executed by the American Bankers Association and their various state affiliates. Their mission is to tell a story about certain credit unions, a picture that they paint that tries to make credit unions

what they aren't. Bick Weissenrieder, CEO of Hocking Valley Bank and chairman of the OBL's Credit Union Task Force, compared "bank-like credit unions to a 250-pound, 6'7", 19-year-old tackle on the middle school team complaining that his uniform doesn't fit, only to be told, 'We don't have uniforms that big here, son, you need to graduate.'"

In other words, our banker friends don't want us to ask for regulatory relief and changes to make credit unions even more accessible and allow them to serve their members

even more efficiently. Instead, the bankers say, lock credit unions up, make them adhere to regulatory standards even more stringent than banks face and, by the way, make those large "conglomerate" credit unions pay taxes, just like banks do.

Bankers, unified behind the flag of anti-credit unions, tell a tale of how unfair it is to compete with credit unions that don't pay taxes. Why, to hear them, you would swear that they are on the verge of collapse.

Of course, we can simply tell our elected officials over and over and over again that banks continue to enjoy record profits. Every quarter brings even better news for the banking industry.

Credit unions enjoy a great advantage in dealing with elected officials. We serve everyone. We are not-for-profit. President Bush and his administration support the tax exemption. We are electing more and more people who describe themselves as credit union supporters. The foreseeable future looks good. But, we must keep up our efforts, else we lose whatever advantage we enjoy.

Have a happy holiday season, and be ready to take up the struggle when the new year dawns.



Guy M. Hood
President/CEO

CUNA Mutual

Coaching to greatness

A critical component of an overall performance management system, coaching in the workplace is not a new initiative, but it is greatly underused. More than supervising, more than evaluating, coaching is the most basic of employee development tools available.

According to Mike Dougal, SPHR, Principal Consultant for HRValue Group, LLC, coaching requires listening, observing, regular feedback, encouragement and patience but the fruits of the labor are endless. Besides improved performance and increased productivity, other benefits of coaching can include higher employee satisfaction rates and improved employee retention.

When supervisors make the transition to coach, they make a commitment of time and attention and more importantly, a commitment to help employees master their work and develop their own knowledge and skills. Additionally, a coach helps foster what may be the most important motivation a person can have a desire for self-development.

Coaching can generally be broken down in to two main types. *Skill development coaching* (employees learn a new skill) and *corrective action coaching* (improves sub-par performance or change unacceptable behavior).

Regardless of the specific coaching situation, the approach is typically the same.

The first step: Establish and communicate expectations. This is true whether you're coaching a veteran or novice, superior performer or marginal employee. Identifying your expectations gives a clear goal – whether to increase proficiency at cross-selling financial services or develop a comprehensive operating budget for the department.

Communication of the expected outcomes to the coached employee is essential. Additionally, in a corrective action coaching situation, it is important to clearly communicate the consequences if improvements are not made.

The second step: Determine the

resources necessary to achieve the desired outcome. Education or training resources are the most common and may come in many forms. In addition to classroom instruction, other resources include on-the-job training, correspondence classes, and shadowing (where an inexperienced employee closely observes a more senior employee).

The third step: Draft a plan. This is where the coach and employee create the roadmap that will lead to the desired outcomes. They work collaboratively to arrange training, procure necessary equipment, and ensure logistical details are in place.

The final step: Implementation. Like the earlier steps, collaboration is the key. It's critical that the coach and coachee enjoy a collaborative relationship wherein the coach provides regular feedback, and if necessary, further instruction. Regular coaching sessions scheduled on a monthly or quarterly basis help to ensure that busy schedules don't take precedence over the coaching meetings.

Occasionally, unexpected setbacks can impede achievement of desired outcomes. For example, economic conditions, regulatory changes, or an unexpected staffing shortage may hamper a manager's ability to achieve established goals. Part of the coach's responsibility is to help the employee anticipate potential roadblocks and chart alternate courses.

For more information on these services and other human resource solutions, contact HRValue Group at 608.833.7747 or info@hrvaluegroup.com. HRValue Group, LLC is a credit union system initiative owned by a consortium of state leagues and CUNA Mutual Group.

Congratulations to CCUE Designees

Certified Credit Union Executive (CCUE) designations were awarded to 44 individuals from 14 different states, bringing the total nationwide to 2,254.

CCUE, instituted in 1975, is the hallmark of professional credit union achievement. Designed for managers and those aspiring to credit union leadership, the program teaches advanced credit union management and operations techniques.

The League would like to congratulate the following who received their designation in November:

Jocelyn Cassidy, CCUE*
Tyndall FCU

Michelle Chaplin, CCUE,
Florida Central CU

Stacy Houston, CCUE
Suncoast Schools FCU

Sherri Ingram, CCUE
Suncoast Schools FCU

Anice Prosser, CCUE*
Envision CU

Christine Tindell-Dawson, CUCE, CCUE
Community Educators CU

Denise Zuehlke, CCUE**
Florida State University Credit Union

* *honors*

** *high honors*

Credit Union Political Action

Credit unions positioned for success in 2005-2006

Florida Legislature

The new leadership in the Florida Senate and House have made their legislative committee appointments for the upcoming Session, and as a result of the relationships credit unions and the League have been building the last several years, Florida's credit unions are well positioned for legislative success.

Appointed by Senate President Tom Lee to the lead the credit unions' committee of jurisdiction, Senate Banking & Insurance Committee, are Chairman Rudy Garcia (R-Miami-Dade), Vice Chairman Steve Geller (D-Broward), JD Alexander (R-Polk), Jeff Atwater (R-Palm Beach), Carey Baker (R-Lake), Skip Campbell (D-Broward), Mike Fasano (R-Pasco), Al Lawson (D-Leon), Les Miller (D-Hillsborough), and Bill Posey (R-Brevard).

Credit unions have cordial relationships with Sen. Atwater, a banker, and Sen. Alexander, who has banking interests.

League staff and volunteers have great relationships with all the other members except Chairman Garcia who has not served on our committee of jurisdiction during his years in the legislature. The League looks forward to getting to know Sen. Garcia and working closely on state charter CU legislation during the upcoming session.

In the House, Speaker Allen Bense appointed many credit union friendly legislators to the Economic Development, Trade and Banking Committee. Rep. Gus Bilirakis (R-Pasco) was appointed Chairman. The Vice-Chair, Rep. Nancy Detert (R-Sarasota), chaired House Commerce Committee during the '03-'04 Session and brings a wealth of knowledge and experience to the table in dealing with issues the committee will face, including credit union issues.

Also appointed to the House committee was Rep. Aaron Bean (R-Nassau), a

prominent banker in Fernandina Beach who has always been accessible to credit unions. Additional appointments were Reps. Dorothy Bendross-Mindingall and Phillip Brutus (Democrats from Miami-Dade), Rep. Faye Culp (R-Hillsborough), Rep. Joyce Cusack (D-Volusia), Rep. Don Davis (R-Duval), Rep. Mike Grant (R-Charlotte), Rep. Adam Hasner (R-Palm Beach), Rep. Charlie Justice (D-Pinellas), Rep. Frank Peterman (D-Pinellas), Rep. John Quinones (R-Osceola), Rep. Ken Sorenson (R-Monroe) and Rep. Trudi Williams (R-Lee) who is a founding Board member of a bank in Ft. Myers.

CUPAC contributed to all of the legislators serving on these committees except those who ran unopposed, faced a write-in candidate, or were not up for reelection (Sen. Geller and Rep. Peterman; Rep. Cusack; Sen. Garcia and Sen. Campbell).

CUPAC Donation

The Northeast Florida Chapter of Credit Unions recently presented its proceeds from its annual CUPAC golf tournament to Aletta Shutes, FCUL Executive Vice President. This \$32,000 contribution is the largest chapter contribution in the history of Florida CUPAC.



Making the presentation to Aletta Shutes is Kathy Harrison, Florida Telco CU and Chapter President; and Jay Hogan of Duval FCU and Bill Dagnall of Navy FCU, the tournament organizers.

Discount for small CU to attend GAC

As Dan Mica stated in his letter to small credit unions recently, "Small credit unions have a big voice in the future of the movement. Bankers are out to divide and conquer, and we need the unified voice of *all* credit unions to prevail."

If you are a Horizons credit union you are eligible to attend GAC at a special rate.

February 27-March 2, 2005 in Washington, D.C., there will be a strong program that will allow you to gain legislative and political insights from top legislators, as well as, the latest regulatory information from NCUA, Treasury, and other federal agencies that affect your operations.

But most importantly are the league-organized visits with members of Congress. The designated Capitol Hill day will be on the final morning of the conference,

Wednesday, March 2. Please include this important GAC experience when making your travel arrangements and check with your league for more details.

Small credit unions' GAC registration fee is only \$365 (half the advertised rate). Simply make your payment at the reduced rate and include a copy of Dan Mica's letter sent out earlier this month with your registration form.

Housing for the GAC is handled through the CUNA Housing Bureau at 800-492-7886. If you are interested in arranging lower-cost accommodations in Washington, please contact Vicki Schmitz at CUNA at 800-356-9655, ext. 4323.

For a copy of the letter or more information, contact Connie Stoutamire, Horizons director, at 800.342.1266, ext. 1052 or connie.stoutamire@fcul.org.

Regulatory Update



B

ill Berg, CCUE, CUCE, Vice President of Compliance, 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 ext. 1028, fax to 850.558.1029 or email billb@fcul.org.

Insurance for Trust Accounts

The NCUA has informed credit unions that trust accounts are insured up to \$100,000 per qualified beneficiary, but if the trust becomes irrevocable because of a qualifier, the beneficiary must join the credit union.

The revocable trust provisions of the insurance regulation provides separate insurance of up to \$100,000 per “qualifying” beneficiary. Separate accounts held by the same individual for the same beneficiaries would be aggregated. Though neither beneficiary was a credit union member, one was entitled to their half outright, while the other’s is held in trust until that person reaches the age of 50. Upon the death of the accountholder, the trust becomes irrevocable for this beneficiary. The beneficiary must become a member for the credit union to maintain the account.

Living trust accounts are insured under the revocable trust provisions in the share insurance regulation. Living trust insurance coverage works identically to Payable Upon Death cards (Totten Trusts). The regulation provides separate insurance of up to \$100,000 per “qualifying” beneficiary. A qualifying beneficiary is the spouse, child, grandchild, parent, or sibling of the owner of the account. If a member listed 11 qualifying beneficiary’s such as 1 spouse, 3 kids, 4 grandkids, and 3 siblings they could have insurance for up to \$1.1 million (\$100,000 for each of the 11 qualifying beneficiaries).

Telemarketing Rules

Must credit unions comply with telemarketing rules? The answer is “true,” if the statement refers to the Federal Communications Commission’s (FCC) telemarketing rules. However, the answer is “false” if the statement refers to the Federal Trade Commission’s (FTC) Telemarketing Sales Rule. Although federal credit unions are also exempt from this

rule, state chartered credit unions are covered by the FTC’s rules.

The NCUA issued Regulatory Alert No. 04-RA-08, which clarifies that, although the FTC’s Telemarketing Sales Rule does not specifically apply to federal credit unions, it does apply to state chartered credit unions and third-party telemarketers, whether hired by a federal or state chartered credit union.

The FTC’s Telemarketing Sales Rule established a National Do-Not-Call Registry and generally prohibits telemarketing calls to consumers listed on the registry. For state chartered credit unions subject to FTC’s rule, there are a few exceptions, such as where the credit union has an “established business relationship” with a member. Under this exception, calls are exempt if made within three months of an inquiry or 18 months of a transaction. Generally speaking, most credit union telemarketing calls fall under this exception. However, state chartered credit unions should exercise caution when making telephone solicitations to non-members within their fields of membership.

The FCC’s telemarketing rule does not apply to tax-exempt nonprofit organizations, such as credit unions. The FCC requirements that do apply to credit unions are applicable to both state and federal charters and are generally related to the use of automatic telephone dialing systems, prerecorded voice message systems, abandoned calls, and messages sent to fax machines.

This article was developed based on a *Compliance Challenge* from CUNA.

Chapter 7 Bankrupts Can Keep Car

In a case involving a credit union, the Third U.S. Circuit Court of Appeals has ruled that debtors in Chapter Seven bankruptcies may retain possession of their cars if they stay current on their loan.

In *Michael and Christine Price v.*

Delaware State Police FCU, the appeals court rejected the Georgetown, Delaware based credit union’s argument. The credit union asserted that Section 521(2)(A) of the Bankruptcy Code offers debtors only three options: surrendering the car, purchasing it by making a lump sum payment, or entering into a formal reaffirmation agreement.

Until now, the issue had been split evenly in federal appellate courts, with four circuits ruling in various cases that debtors are not limited by the options listed in 521(2)(A), and four others ruling in favor of the lenders.

Third Circuit Court Judge Marjorie O. Rendell wrote that debtors have the option to keep property while staying current on loan payments because the Bankruptcy Code allows debtors to retain collateral and keep current on their loans if that collateral is “adequately protected.” It also would fit the code’s “fresh start” policy because a limited reading of the section would “practically force debtors to reaffirm their obligations,” said Rendell. The option of paying off a car would be “illusory,” because Chapter Seven debtors are cash-strapped.

The ruling reverses two lower courts, which found for the credit union. The Bankruptcy Court held that Section 521 allows debtors four options: surrender the cars, pay them in a lump-sum payment, negotiate another loan that would attach post-petition liability, or claim an exemption under the code.



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STAR, VAP and MERIT Certificates

Congratulations to the following individuals who have earned certification levels in the Staff Training and Recognition (STAR), Volunteer Achievement (VAP), Volunteer Leadership (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.

STAR CERTIFICATES:

1st CU of Gainesville: Kamilah Carter

Achieva CU: Wesley Brown, Kenneth Kurtz, Cynthia Sastre, Derrick Schmitt, Stephanie White, Angie Wilzinski

Central CU of Florida: Derek Hensel, Kristine Upshaw

Central Florida Educators FCU: Kevin Cunningham, April Garratt

Central Florida Healthcare FCU: Kelle Boneta, Heather Braswell-Smith, Kevin Gurnett, Gretchen Rivera

Community Educators CU: Judith Buckingham, Lani Carpentier, Shelly King, Kristen Olson, Jennifer Zimmerman

Fairwinds CU: Brandy Jenkins

Florida Baptist CU: Lillie Andrews CCUE, Patricia Contois, Marta Dortenzio, Sheri Hill, Leah Norman, Dottie Rice, Christine Standiford

Florida Central CU: Frances Cherry, Christy Emerson, Jamay Ghabbour, Sabah Tahri

Florida State University CU: Rita Bennett Daugherty, Melanie Purvis, Beyra Tracy

Florida Telco CU: Diane Brockett, Tambi Graves, Brandy Wilkins

GTE FCU: Thomas Cordero, Misty Davis, Robin DeRocco, Kyle Donovan, Erin Eberhard, Jackie Garofolo, Christina Givens, Maria Gonzalez, Bonnie Henry, Regina Hester, Melissa Hicks, Carloyn Hills, Janet Jacobs, Tekela Jackson, Kathy Knapp, Kimberly McGreevy, Cathleen Micklos, Susan Pedersen-Rossi, Diana Ramos, Sonia Sullivan, Marife Talacay, Nancy Taylor, Vicki Thomas, Mitzi Toner, Ronald Vega

HealthAmerica CU: Shirley Buch, Karen Jones, Diane Manning

Indian River FCU: Kelly Ingersoll

Insight Financial CU: Mary Brewbaker, Kelly Clanton, Barbara DeMers, Melina Depedro-Otto, Jeanet Foster, Amy Guerra, Deanna Mancil, Melissa Pinho, Danielle Renz, Michael Santoro, Brandalin Smith

JM Associates FCU: Donna Jenkins

Lakeland Medical EFCU: Joy Shrouder, Tina Williams

MacDill FCU: Denise Mero

NCSC FCU: Dawn Barse

Pen Air FCU: Darren Duke, Rose Lewis

San Antonio Citizens FCU: Dawn Newsome

Sarasota Coastal CU: Carole Kearney, Cathy Marzetta

Seminole Schools FCU: Luvenia Dunklin

State Farm Florida FCU: Ruth Howard

Suncoast Schools FCU: Sharon Baker,

Cynthia Barber, Ann Battelli, Marlo

Bennett, Vivian Carrell, Pamela Cleveland,

Christina Crews, Dana Demartino, Joanne

Everts, Dionne Gary, Brittany Gelonek,

Kimberly Goodspeed, Renee Gravelle, Erin

Howard, Julie Hunter, Elizabeth Kennelly,

Deborah Langeluttig, Karen Marcellin,

Marion Mejia, Rhyvonne Osborn, Cathy

Owen, Jessica Parke, Denna Shough,

Alexandra Sixma, Veena Solanki, Delilah

Solomon, Susan Spin, Lucy Storey, Barbara

Taylor, Sonya Thompson, Delilah Vallejo,

Kerry Vanneste, Mary Vaughn, Ian Wild,

Summer Williams, Sheree Wilson, Jaclyn

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Zackschewski

Tampa Bay FCU: Kelly Gilbert

VyStar CU: Teresa Bex, Shannon Brown,

Regina Clemmons, Michael Cooper,

Christina Crews, Ruth Dye, Beverly

Emmert, Dionne Gary, Brandon Gonzalez,

Molly Graham, Connie Haak, Kimberly

Jones, Tammie Jones, Elizabeth Kennelly,

Jennifer Kwiatkowski, Margaret Klein,

Deborah Langeluttig, Erika Lennon,

Heather Mariano, Amanda Mercer, Mindy

Moore, Rhyvonne Osborn, Cora Perry,

Shelby Rix, Denna Shough, Robin Simcoke,

Tina Sparkman, Tara Stull, Barbara Taylor,

Donna Upchurch, Mary Vaughn, Bonnie

Vargas, Sheree Wilson

MERIT CERTIFICATES:

Community Educators CU: Stephanie Stone

IBM Southeast EFCU: Christina Walejewski

Insight Financial CU: Elizabeth Shrader

Sarasota Coastal CU: Beth Knack

Suncoast Schools FCU: Anna Givens CCUE, Stephanie Gulledge, Delilah Solomon

Vystar CU: Becky Benike, Belinda Lerche, Amy Schumacher

VAP CERTIFICATES:

Bay Pines FCU: Joseph Giles

Florida West Coast CU: Vincent Garofolo

Gold Coast FCU: Kenneth Barker, Harold

Brake, David Carroll, Roy Childers, Clyde

Hopkins, Marilyn Schiavo, Carolyn

Stevens, Moses Stubbs, Norman Walker

Pen Air FCU: Sharon Fletcher, Bob Laverty

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, ext. 1040.

Are you committed?

FCUL Chapter Director Jeanie Henson attended the Texas Credit Union's Chapter Leaders Conference where she participated in workshops like Team Development, Chapter Planning & Recognition Programs, Leadership, Unity & Cooperation and more. She also had the opportunity to hear Chad Hennings, a former Dallas Cowboys football player, speak about commitment. Hennings won three Super Bowl rings his first four years of playing in the NFL, and was also a pilot and captain in the Air Force who flew 45 combat missions in Desert Storm and the Persian Gulf Conflict.



Hennings

In his book, "It Takes Commitment," Hennings states his belief that commitment has its rewards. But, in order to reap the rewards you must:

- Play the game play by play. It is the commitment between the players that will carry them to the goal.
- Be dedicated. Dedication between the players is what brings them victory.
- Work hard and be disciplined to stay on top and be the best you can be.
- Acknowledge that it takes 'hey, we're in this together' in order to achieve what we set out to accomplish.
- Be in it for the long haul when you make a commitment. Hennings says that when his season started, he can't be like a thoroughbred, able to run full-speed for a short distance, but instead, he needed to be like a quarter horse that has stamina for the longer race.
- **STICK WITH IT!**

According to Hennings, "the road to any significant achievement in life is paved with commitment."

Looking back on the philosophy of credit unions we have paved the road to commitment for many men and women. We have left our mark on history by giving them direction, hope, unity, financial

Human Resource Management—Evolution or Revolution?

By Anita Stoumbelis, FCUL Senior Vice President, Human Resources

Did you know that upwards of 70 percent of the cost of operating a service business is payroll and benefits? If you had equipment or machinery that you relied on to manufacture your primary product, I think you would be oiling, polishing and servicing it constantly, making sure it was performing at peak capacity! Credit unions manufacture service and people deliver services. How well you handle the maintenance and polishing of your human resources will be the number one determinate of your success going forward.

How *evolved* are the human resource initiatives in your credit union?

It was in the 1930s and 1940s that we saw the emergence of a separate department in the work place called the Personnel Department. The Personnel Department was primarily responsible for payroll and benefits, tasks previously handled in the Accounting Department.

In the 1950s the field of industrial psychology entered the work place and behavior-based studies were conducted. The Personnel Department became involved in recruiting and testing applicants for jobs.

In the 1960s, human resource compliance came to the forefront with the passing of Title VII legislation. The Personnel Department became compliance specialists and record keepers.

In the 1970s and 1980s, with the rising litigation climate, the Personnel Department drafted policies and became involved with development and management of compensation strategies. The Personnel Department became the Human Resource Department.

During the next 20 years and up to current day, the human resource function has continued to expand and grow. Performance management has become an important function along with training responsibilities.

Human resource management continues to change and one of the new trends in human resource management revolves around automating and outsourcing some

of the transactional duties of HR. Large and small businesses alike have discovered it is not cost effective to maintain expensive payroll systems and administer complicated benefits programs. Companies like GE and AT&T have outsourced these functions. The Professional Employer Organization (PEO), companies that manage these functions for businesses, is the fastest growing service industry in the United States at the present time. The Department of Labor estimates that by the year 2020, some 50 percent of the American workforce will be a part of a PEO.

Along with the outsourcing trends, we are also seeing a new-style HR manager evolve. Many companies are re-focusing their HR resources in new directions.

The new HR Manager has business knowledge and is a strategic thinker. They assist managers in determining optimum staffing levels and assist the manager in recognizing performance deficiencies and setting standards for jobs.

The new HR Manager is member of the management team and a consultant to managers. They are in the best position to see the big picture of the entire organization and are of great benefit to managers for long-term planning for development of staff.

The new HR Manager is a change manager. They recognize the impact changes have on staff productivity and morale and can assist managers in crafting change-management strategies.

The new HR Manager spends more time retaining employees; thereby reducing the time spent recruiting employees.

Whether your human resource functions are performed by the CEO, a Department Manager or a designated HR Department or individual, human resource management needs to continue its evolution.

Whether you believe it is evolution or revolution, those credit unions that are willing to allow its HR resources to evolve will have the best chance of success in the future.

continued on page 11



Send submissions for the "News From You" section to the League by the first of each month.

Equipment For Sale

Suncoast FCU has the following equipment for sale. All are in good physical condition.

- 1) Kodak Microimager 30: films documentation onto microfilm. Approximately 8-9 years old.
- 2) Kodak Microimager 30: films documentation onto microfilm. Approximately 8-9 years old.
- 3) Canon Microfilm Scanner: reads, prints, and faxes images from microfilm. Approximately 8-9 years old.
- 4) 38 Triton ATM Jr.+CAS units plus one master unit.
- 5) 36 ATM Jr. printer cords that attach to the ATM Jr.
- 6) Four ATM Jr. printers
- 7) 30 "B" port adapters: for use with the CASMON software used to "batch out" the Jr. Software is licensed so unable to transfer possession.
- 8) 32 power cords for charging the ATM Jr.
- 9) Four replacement batteries for the ATM Jr.

To purchase these items or for more information, contact Joe Guffey of Suncoast Schools FCU via email at joe.guffey@suncoastschoolsfcu.org or via phone, 800.999.5887, ext. 87956.

Inaugural Cruise For Kids Motorcycle Poker Run a success

In November, more than 250 motorcycle enthusiasts participated in the inaugural run of the 2004 Credit Union Cruise For Kids Poker Run. The event was championed



Bikes lined up, ready to go to the first stop..

by the Tampa Chapter of the Florida Credit Union League, and was supported by Tampa area credit unions. More than \$23,000 was raised through sponsorships and rider registration fees. All proceeds benefited the

Children's Miracle Network.

Motorcycle "Poker Runs" are popular with motorcycle riders of all ages. Participants stop in at several designated check-points to pick up a playing card at each location for his "poker hand." Once at the final destination, the participant that has the best poker hand wins.

The 2004 Credit Union Cruise For Kids Poker Run was organized with the same idea; however instead of all motorcycles starting at the same check-point, participants were encouraged to start at any check-point along the route. All of the check-points were

located at Bay area credit unions, with the final destination being a restaurant.

Although there were three other charity-based poker runs taking place the same weekend, the Cruise For Kids event held it's own against other seasoned events. "Initially, we were a little concerned with



The bikers' arrive at a restaurant which is the last stop of the run to see if they had the best hand as well as to get a bite to eat.

other events in the area, but the interest in our poker run gained strong momentum as the date drew nearer," reported Sharmon Goins, Event Chair.

The event will be repeated next year, and is scheduled for October 30, 2005. Further information about next year's event can be found at www.CreditUnionCruiseForKids.com The Tampa Chapter of Credit Unions consists of 20 Tampa area credit unions.

CFEFCU participates in school supply donation drive

Central Florida Educators FCU joined other local businesses at the invitation of Orlando Mayor Buddy Dyer as he proclaimed August 3, 2004, "A Gift for Teaching Supply Drive Day."

Through donations from employees and members, CFEFCU collected a total of 13,586 school supply items including 8,410 pencils, 2,270 crayons, 288 pens, and 207 clothing items. All donations benefit needy students in Orange, Osceola and Seminole Counties by helping supply the free stores for teachers in these areas.

In addition, CFEFCU donated \$4,000 to further support this critical program.



At "A Gift for Teaching" donation site, Orlando Mayor Buddy Dyer (center) poses with both CFEFCU and The Foundation for Osceola Education staff members.

Insight Financial members & staff raise \$20,000 for the American Cancer Society

Insight Financial Credit Union presented \$20,000 to the American Cancer Society during the 2004 "Making Strides against Breast Cancer" walk for a cure. Insight Financial was privileged to be a flagship sponsor for this event, with a majority of their contribution coming from member and employee donations. This is the second year for Insight Financial employees to participate in the "Making Strides" walk.

Lynn W. Owen III, President/CEO said, "Insight Financial is honored to raise awareness for such a worthy cause. This was a joint fundraising effort of our staff

and our members working together in the true spirit of the credit union philosophy of people helping people."



Team Insight presents a check to the American Cancer Society for \$20,000.

Suncoast FCU gives to the community in 2004

Suncoast Schools Federal Credit Union cares about the communities in which it serves. The credit union shows this not only by providing valuable financial services, but also by reaching out to help the people who live here.

Through Suncoast for Kids, a non-profit foundation established by Suncoast to help sick and hospitalized children in its community, in 2004 Suncoast donated \$100,000 to the Children's Miracle Network-All Children's Hospital; \$25,000 to the Ronald McDonald Houses of Tampa Bay and Southwest Florida; and \$10,000 to the Children's Cancer Center. The Children's Cancer Center donation included a "Day of Fun" hosted at the Florida Aquarium for children undergoing treatment for cancer and blood diseases. Participants experienced behind the scenes tours, a special dive show, animal encounter and more. Funds for Suncoast for Kids are raised through an annual charity golf tournament, non-member ATM surcharges, \$2 from each box of Suncoast for Kids checks ordered by members and at other credit union fund raisers.

The Suncoast Scholarship Foundation awarded \$20,000 in scholarships to 11 deserving college-bound students this year. Scholarship amounts ranged from \$1,000 to \$2,500. Suncoast also donated more than \$90,000 to the public school districts in the 14 counties it serves.

The Suncoast Board of Directors approved special donations this year to help victims of hurricanes. Suncoast donated more than \$200,000 to local chapters of the American Red Cross (Manatee, Charlotte and Lee counties and the SW Florida Chapter) as well as the Lee County and Hardee County Education Foundations for hurricane relief efforts.

Suncoast employees raised funds throughout the year for numerous community organizations. More than \$34,000 was raised for the United Way and \$32,400 was raised for Relay for Life in Tampa, Bradenton, Spring Hill and Brooksville.

Suncoast employees were active in the community as well, volunteering their time and effort to support local causes too numerous to mention.

FREE Partnering & Leadership Skills Workshop

The National Credit Union Administration (NCUA) will conduct a free Partnering and Leadership Skills workshop on Tuesday, February 8, 2005, at the Caribe Royale All-Suites Resort & Convention Center in Orlando, Florida. The workshop is co-sponsored by the Florida Credit Union League and NCUA Board Member Debbie Matz. This workshop is designed to give credit unions an opportunity to learn new ways to extend membership and to work with Commissioner Matz in her efforts to bring credit union membership to a wider range of potential members.

Leaders of credit unions from all asset ranges will speak about key strategies to increase membership growth:

- * Reaching New Members Outside the Workplace
- * Targeting Every Demographic in Your Field of Membership
- * Expanding into New Markets
- * Building Win-Win Partnerships with Community Organizations

To view the agenda and register online for this free PALS workshop, visit www.ncua.gov and click "PALS Workshop Registration."

To register by fax, fill out the attached registration form and fax it to 703.518.6655.

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Aftermath of hurricanes

— continued from front page

for disasters. “The hurricanes also allowed us to display and reinforce the true Suncoast spirit,” she added, “where employees and families pitch in and do whatever it takes to help others, and get the job done.”

(In the early morning hours of Thursday, September 16, the eye of Hurricane Ivan made landfall with the eastern most edge causing one of the worst national disasters ever recorded as it slowly moved across Pensacola and the rest of the Panhandle. Its peak winds exceeded 130 miles per hour and drove a 16-foot storm surge at just under Category 4 strength. Several of the areas major waterway bridges and Interstate bridges were severely compromised with missing sections causing those few roadways still available to become the lifeline for help.)

Pen Air Federal Credit Union, \$650 million in assets located in Pensacola, was ready for Ivan. Pen Air FCU’s Disaster Recovery Team had been meeting often as it became clear Pensacola could be the target of Ivan’s wrath. Supplies were delivered to all offices, extra cash ordered for offices and ATMs, and extra fuel for generators was purchased. Contact information was distributed with the plan to begin contact with all managers and employees as soon as possible following the storm. Then, when it became clear Ivan was definitely coming, Pen Air FCU closed its doors Tuesday afternoon to give employees enough time to make their hurricane preparations or evacuation plans.

On Wednesday, September 15, Pen Air FCU’s old Data Processing Building was transformed into a “Hot Site” for operations and for use as an evacuation location. John Davis, President/CEO, along with two Board of Director members and their families resided at the Hot Site during the storm and for eight more days after that. As it turned out, because the Hot Site is next door to the Saufley Field Road Office, all those occupying the Hot Site were able to

immediately clean up debris from the office and make the drive up area and drive up ATM accessible. “We were right there to do the work and knew it had to be done,” commented Maurice W. Johnson, Vice Chairman of Pen Air Board of Directors.

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

Pen Air Federal Credit Union manages and staffs its own Cash Handling Department. Consequently, money could be easily removed from ATMs not working and placed in ATMs with power right away. The Cash Handling Manager reported that from the beginning of the storm on Wednesday evening through Sunday, more than \$1 million in cash was disbursed from the credit union’s ATMs. “People, whether members or not, were able to get funds before, during, and after the storm if they needed it,” remarked Mark Decker, Cash Handling Manager. “And, I was proud to know that our efforts were helping so many people, so quickly.”

Once the Disaster Recovery Team got an idea of what Pen Air FCU could work with, all employees were contacted over the weekend, and those that did not suffer extreme damages from the storm were asked to report to the Corporate Office on Monday morning for assignment. That morning 95% of all employees were present ready to start serving members. “I was extremely pleased to see the turnout and enthusiasm of our employees. Although we knew we had branches that could open, nothing would be possible without staff. When I saw everyone waiting for their assignments, I knew everything would work out,” explains John A. Davis, Jr., President/CEO.

Pen Air Federal Credit Union was able to open the drive-thru service of three offices including their attached ATMs immediately.

Pen Air’s Mobile Service Center was fully loaded and already making stops at those office locations not yet operational. By the end of the first week after Ivan, most Pen Air Offices and ATMs were fully operational and more than \$3 million in withdrawals were made at our ATMs.

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

Pen Air FCU knew members would need to borrow funds to help start repairs so concessions were made to extend Line of Credit Loans and offer a Disaster Recovery Loan. Pen Air FCU’s Disaster Recovery Loan was designed to help those with insurance problems to help get them back on their feet while waiting for insurance adjusters. The Disaster Recovery Loan is for amounts up to \$10,000 at a low 6.5 percent APR for up to 60 months term. Also, special arrangements were made for those members about to become past due on existing loans. Many fees were waived in consideration of the storm, lack of mail service, gas shortages, and power outages. Because the community was under curfew ordinances in the evenings, Pen Air FCU’s hours of operation had to be adjusted to allow for consideration of employees’ driving times. The increase in traffic on the few good roads and bridges left was causing a 15 mile trip to take 2-3 hours. Pen Air FCU’s hours began at 9:30a.m. – 2:30 p.m. and by the end of Wednesday after the storm, hours were 9 a.m. – 4 p.m, still an hour shy of regular business hours. “Although we are here to serve our members, we also care deeply for our employees well being. After all, they are

— continued on next page

Aftermath of hurricanes

— continued from previous page

our members, too,” adds John A. Davis, President/CEO.

By week two, it was clear that although Pen Air FCU was going to have a full plate with repairs for the next possible year, it would get done. Contractors were already busy removing carpets, replacing ceiling tiles, repairing roofs, and making sure Pen Air staff had a clean environment to work in.

According to the Pensacola’s HAAS Center for Business and Economic Development, \$6-12 billion dollars of damage occurred in the entire state of Florida from the recent hurricanes, and about half of those were uninsured. Most of the damage occurred in the Santa Rosa and Escambia counties (Pensacola area) and the job market is expected to be down for 1-2 months while businesses rebuild. A complete restoration of the area will take several years. Pen Air Federal Credit Union is one of the few financial institutions that was able to be almost 100 percent operational in the first week with 12 of 13 offices opened and 23 out of 30 ATMs back on line, which can be attributed to a well thought out Disaster Recovery Plan, advance preparation and follow-through by the Disaster Recovery Committee, and the efforts of a dedicated staff.

(Community First Credit Union, located in Mulberry, Florida, is one of several credit unions in Florida that had the dubious honor of having been through three of the four hurricanes that hit the state during a six week period. The constant alert and preparation for the storms made the \$103 million credit union somewhat of an expert on disaster preparedness)

Of the 25 financial institutions in the Mulberry area, Community First Credit Union’s President/CEO John Santarpia said his was the only one open for many of the storm events. In fact, he said, many of them closed unnecessarily.

“Some of them were closing down a day and a half early, when the sun was shining, and it was a perfectly nice day. People needed service, so we were there for them,” he said.

Santarpia hung a big sign in his main branch that read, “We’re here for you,” and below it the sign read that the credit union was open that day and ready to serve. Santarpia said even famous retailers that stock storm supplies were closing.

“Even Wal-Mart and Home Depot were closing and the people’s needs weren’t being served,” he said. “We stayed open because we felt we could make a difference.”

Santarpia said that the most telling difference for his credit union since the storms is the growing support he feels in the community. Since the storm more than 200 new credit union members have signed up to join the credit union. More than \$5 million in new deposits have also flowed into the credit union.

Santarpia said his 33 employees really came together to assist the credit union membership and the community.

“I never denied my employees the need to secure their homes or to be elsewhere,” he said, “but nearly all of them came to work and pitched in to help wherever they could.

Santarpia was most appreciative of the credit union philosophy of people helping people. That really was important in the storm crisis.

“Everyone rallied together. Everyone bonded. We were meeting our mission. I am especially grateful for the assistance of Southeast Corporate FCU and the League for all they did to help us. It was a real group effort.”

Santarpia paid homage to his predecessors that installed a huge backup generator years ago for just these types of emergencies. He said that the credit union was up and running with full power for several days before regular service was restored. He said a new branch being built in Bartow would also contain a “monster” generator.

We would like to graciously thank all of the credit unions and individuals that unselfishly came together to make donations of both their time and money in the effort to help those that were affected by the hurricanes one way or another.

Commitment

— continued from page 7

security, encouragement that we are “in this together”, and, no matter whether we are a small or large credit union, we will “STICK WITH IT” with our members.

Roy Bergengren quoted, “Our greatest task will be to find adequate leadership ... men and women who have loyalty in their hearts, vision, and courage big enough to lead a cause.”

What is your commitment to the credit union cause? Are you willing to have the kind of commitment that Chad Hennings believes in? Do you have the vision and courage it takes to step out side the box and become the next great credit union leader?

Jeanie Henson is the Director of Chapter Development for the Florida Credit Union League.

CU Members Mortgage offers "Reach Out & Lend" to increase mortgage awareness among members

An increasing number of credit unions are involved in mortgage lending and are offering a wider menu of mortgage products. Unfortunately, CU's continue to hold only about 2 percent of the mortgage market share, and credit unions say that part of the problem is members lack of awareness that mortgages are available at their credit union.

As part of its strategy to raise awareness among members of CU's mortgage offerings, CU Members Mortgage has developed a new program called Reach Out & Lend that includes tools CU's can use to increase mortgage lending, as well as bring in new members.

With CU's originating only about 2 percent of all mortgages in the U.S., CU Members Mortgage Regional Manager Steve Browne said the company wants to increase that number by giving CU's a

deeper understanding of the mortgage industry and the tools to reach their members with mortgage financing information.

Among the features of Reach Out & Lend is a weekly newsletter - HOMERUN! -that includes information for loan officers on important mortgage updates and other topics of interest.

CU's also receive content for their websites and articles for their own newsletters. Additionally, CU Members Mortgage, through Reach Out & Lend, provides CU's with marketing and publicity support materials.

Reach Out & Lend is available to credit unions having a business relationship with CU Members Mortgage at no charge. Information is available at <http://cu.homeloancu.com>.

CHAPTER MEETINGS

For further information, please refer to the League website
www.fcul.org

Central Florida Chapter

February 10

Sara-Mana Chapter

February 10

Tallahassee Chapter

January 18 • February 17

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