



Horizons

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Credit Union Association of Rhode Island name announced at Annual Meeting

At the Rhode Island Annual Meeting held June 18, 2007 at Aldrich Manison in Warwick, Chairman Paul Archambault announced that the Rhode Island Credit Union League Board of Directors had approved a name change for the organization. The new name, Credit Union Association of Rhode Island was effective on July 2.

In making the announcement he said, "Our group has a long heritage of service to the credit union community and the people of Rhode Island and it will continue to do so for many more. Our new name "The Credit Union Association of Rhode Island" will make it possible



Paul Archambault, chairman, and Cidalia Rocha, first vice chairman, unveil the new name Credit Union Association of Rhode Island during the annual meeting.

for us to directly communicate our organization's role going forward during the 21st century. The new name provides opinion leaders with a clear statement of our purpose which allows us to communicate our message more efficiently and clearly."

Following a brief reception, the delegates gathered to hear reports from numerous Association committees as well as Chairman Paul Archambault and President Daniel F. Egan, Jr. They also heard from special guest speakers including National Credit Union Administration (NCUA) Board member Gigi Hyland; Dirck VanDeusen, senior VP, relationship management, Members United

Continued on Page 3.



President's Message

By Daniel F. Egan, Jr.

The Credit Union Association of Rhode Island name and logo was unveiled at the League's Annual Meeting on June 18, 2007. The new name and logo will help avoid existing confusion with similarly named credit unions and, at the same time, it signifies a new revitalized image for the Rhode Island credit union community.

As an association of credit unions, the Rhode Island credit union community has distinguished itself as a catalyst for cooperation. Our credit union community has built a tradition of support for Rhode Island Special Olympics, the boys and girls High School Basketball State Championships in March, college scholarships for deserving students, and



sponsorship of innovative financial literacy programs for our middle and high school students. This name reflects a renewed commitment by a cooperative association of credit unions dedicated to preserving the benefits of credit unions for the consumers of Rhode Island.

On July 2, 2007, the Amended Articles of Organization were filed with the state. Now the Association will begin to build recognition of our new name to the many constituents we serve throughout the state. As we build that recognition, we reinforce our commitment to the consumers and communities throughout Rhode Island.

Inside . . .

Regulators issue final subprime mortgage lending statement

Credit Unions of Rhode Island hit the green with \$50,000 for Special Olympics

Boost credit union employee benefits by introducing Roth 401 (k) accounts

. . . and more!





Legislative & Regulatory Notes

Regulators issue final subprime mortgage lending statement

On June 30, the federal financial regulatory agencies issued a final guidance statement on subprime mortgage lending to address issues relating to certain adjustable-rate mortgage (ARM) products that have been blamed for causing payment shock for homeowners.

The statement describes “the prudent safety and soundness and consumer protection standards that institutions should follow to

ensure borrowers obtain loans they can afford to repay,” according to an interagency release.

The standards include a fully indexed, fully amortized qualification for borrowers and cautions on risk-layering features, including an expectation that stated income and reduced documentation should be accepted only if there are documented mitigating factors that clearly minimize the need for verification of a borrower’s repayment capacity.

The agencies’ guidance also states that consumer protection standards must include clear and balanced product disclosures to customers and limits on prepayment penalties that allow for a reasonable period of time, typically at least 60 days, for customers to refinance prior to the expiration of the initial fixed interest rate period without penalty.

“The statement reinforces the April 17, 2007 interagency Statement on Working with Borrowers, in which the agencies encouraged institutions to work constructively with residential borrowers who are financially unable or reasonably expected to be unable to meet their contractual payment obligations on their home loans,” the release noted.

It added that workout arrangements that are consistent with safe and sound lending practices are generally in the long-term best interest of both the financial institution and the borrower. The document can be viewed at www.ncua.gov.

Credit union victory in government UBIT opinion

In what the Credit Union National Association (CUNA) said is “an important victory for credit unions,” the Internal Revenue Service (IRS) has released a new series of Technical Advice Memoranda (TAMs) that declare credit union interchange fees are not subject to unrelated business income tax (UBIT).

“This is a very bright spot in the UBIT picture,” CUNA General Counsel Eric Richard said in late June. “We pushed very hard to protect interchange fees from UBIT, and this development allows us to focus on other products at stake.”

The IRS opinion is of fundamental importance for two reasons, according to Richard.

- First, interchange fees are one of the largest sources of credit union income that were considered by the IRS for purposes of UBIT—representing more than \$1 billion annually, according to CUNA estimates.
- Second, it can be argued that the TAMs’ treatment of interchange fee income is a clear signal from the IRS that the agency understands the income is derived from legitimate credit union activities evolving with the financial marketplace.

That second point, Richard said, could be significant in more upcoming opinions from the IRS on UBIT.

The IRS TAMs that address credit card interchange fees were part of the agency’s most recent round of advice memoranda, which otherwise simply reiterated earlier UBIT advice.

The IRS already in 2007 has said that several products sold by unidentified state-chartered credit unions would be subject to UBIT. Among them, the sale of:

- Credit life and disability insurance;
- Accidental death and dismemberment (AD&D) insurance;
- MEMBERS financial management services;
- Car warranties;
- Guaranteed auto protection (GAP) insurance; and
- Dental and cancer insurance.

Federal credit unions are not subject to UBIT. The TAMs are directed to individual credit unions and do not set a precedent for all credit unions, but they could indicate how the IRS may approach another state-chartered credit union’s products and services, according to Richard.



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Credit Union...Annual Meeting - Continued from Page 1.



Socializing during the reception are Dan Egan (left) and David Marks (right) from CUNA Mutual Group. Dirck VanDeusen from Members United Corporate Federal Credit Union is in the background sharing a laugh with National Credit Union Administration Board member Gigi Hyland.

Corporate Federal Credit Union; and David Marks, chief investment officer, CUNA Mutual Group.

The attendees were moved by a special presentation given by Special Olympics Rhode Island Global Messenger Mary Ellen Powers who shared her own story as well as her brother's and their accomplishments. She highlighted the special partnership that the credit unions of Rhode Island have with Special Olympics Rhode Island as well as thanked the credit unions for all they do to support Special Olympics.

At the annual meeting, three directors were re-elected to three year terms: Paul Archambault,



National Credit Union Administration Board member Gigi Hyland addressed the delegates during the annual meeting.

president/CEO, Wave Federal Credit Union; Gary E. Furtado, president/treasurer, Navigant Credit Union; and Cidalia C. Rocha, CEO, Columbus Credit Union. David B. Suvall, CEO, Rhode Island Credit Union was elected to the board for a three year term.

Several credit unions celebrating anniversaries this year were recognized at the annual meeting: 85 years - People's Credit Union and 80 years - Providence Postal Federal Credit Union.

After dinner, through the generous support of Members United Corporate Federal Credit Union the Association presented motivational speaker Travis Roy who shared his remarkable message of hope and perseverance with the attendees. Despite an ill twist of fate, Travis learned to Conquer Life's Hurdles.



Special Olympics Global Messenger Mary Ellen Powers shares her story with the group during the annual meeting.



The annual meeting attendees listen as Chairman Paul Archambault announces the organization's new name prior to the unveiling.



Above: Ken Poyton (right) from Providence Postal Federal Credit Union accepts an 80th anniversary plaque from Paul Archambault and Cidalia Rocha.



Above: Ellen Ford (right) from People's Credit Union accepts an 85th anniversary plaque from Paul Archambault and Cidalia Rocha.



Right: Motivational speaker Travis Roy (center) presented Dirck VanDeusen (left) from Members United Corporate Federal Credit Union and Paul Archambault (right) from Wave Federal Credit Union with a signed copy of his book, Eleven Seconds.



Social Responsibility

Navigant Credit Union supports literacy in local elementary school



Through the support of Navigant Credit Union, Veterans Memorial Elementary School was able to purchase books and provide incentives to the students for reading.

Pictured left column: Principal of Veterans Memorial Elementary School, Lory Deconte and Navigant Credit Union Central Falls Branch Manager, Pedro Xavier. Pedro accepts a certificate of thanks on behalf of Veterans Memorial Elementary School.



Pictured right column: Navigant Credit Union Central Falls Branch Manager, Pedro Xavier with students of Veterans Memorial Elementary School in Central Falls, RI. The students shown all excelled in reading and were rewarded with a t-shirt and key chains displaying the words "Reading Rocks."

Credit union volunteers participate in Summer Games

More than sixty credit union volunteers worked the Summer Games, Friday, June 1, at the University of Rhode Island's (URI) Kingston campus. The volunteers were assigned to several indoor and outdoor events.

Many athletes achieved their personal best in their events, a credit to their skills and hard work, and their coaches' commitment to training in the months leading up to the games. Athletes from across the state competed in aquatics, athletics, bowling, cycling, gymnastics, powerlifting, and unified soccer.

Association support of the Summer Games is part of an ongoing commitment to this worthy cause.

The credit union volunteers included:

Anchor Federal Credit Union - David Dupere and Marie Morrell; **Columbus Credit Union** -

Liz Medeiros, Linda Prevost, Yvette Taylor, Emily Arthur, and Amanda Arthur; **Credit Union Association of Rhode Island** - Robert Kimmett; **Dexter Credit Union** - William Brownell, Laurie Robinson; Deborah Menard,



An athlete runs to the finish line!

Adriana Saldarriaga, and Robert LeBlanc; **Kent County Memorial Hospital Employees Federal Credit Union** - Cam Malone-Allen and Frank Allen; **Navigant Credit Union** - David Goolgasian, Donna Mascio, Donna Wood, Jeff Cascione, Jim Carney, Kathy Guglietti, Melissa Carlton, Randy Sacilotto, Robin Woods, and Ross Silva; **Pawtucket Credit Union** - Robert Andrade, Frank McFarland, Anne Tremblay, Kim Gilchrist, Laurie Flaxington, Patti Webb, Anne LaFleur, Brian Regan, Dick Kanaczet, Madeline Furtado, Michael Jordan, Fran DiFiore, Kristin Rojas, Donna Gregson, Tim Jermain, Rebecca Book, and William Slade; **People's Credit Union** - Heather Santos, Arthur Paul, Courtney Hunter, Linda Morris, Tracy Rothstein, Lyn Dawley, and Melissa Burton; **Providence Postal Federal**

Credit Union - Chuck Vigilante; **Rhode Island Credit Union** - JoAnna Zackarian, Gina DePalo, Diane Santos, and Nancy Seale; **Wave Federal Credit Union** - Adele Moreau and Rick Walker; **Westerly Community Credit Union** - Mary



Credit Union Association of Rhode Island volunteers give a big wave to the camera before the games begin.

Ellen Buckley, Diane Goulet, JoAnn Pietraalo, Peter DeSillier, Jeannette Misuraca, June Mulcahey, Jeffrey Byrd, and Jason Buckley.

The Association Board and Social Responsibility Committee would like to thank the volunteers that participated in the Special Olympics Rhode Island Summer Games on behalf of the Association and their credit unions.

Credit unions award scholarships

Navigant Credit Union

For the past eight years, Navigant Credit Union has awarded \$10,000 in annual scholarships to graduating seniors from area high schools. Since Navigant started this scholarship, they have awarded over \$80,000 to area high school students. Every year the Navigant Credit Union Scholarship Committee reviews applicants on a combined basis of grades, community involvement, financial need, and a personal essay illuminating the applicant's goals and aspirations. This year's recipients strive for excellence in their academic and personal lives and possess the determination to succeed, the courage to follow their passions, and the

generosity to share their vision with others. Their commitment to learning and dedication to their communities exemplify life qualities the credit union values. Each scholarship recipient received a check for \$1,000 and a \$25.00 deposit in a newly opened savings account.

Navigant Credit Union congratulates all recipients and has confidence that their determination and passion will lead them to their dreams and that their spirit will touch the lives of all

those around them. Navigant hopes that their college years mark the beginning of a life of learning, growth, and giving.

Rhode Island Credit Union

Rhode Island Credit Union awarded five \$1,000 scholarships to graduating high school seniors to reward their academic achievements and assist them in their pursuit of higher education.

Rhode Island Credit Union President/CEO David B. Suvall presented the scholarships at a reception for the recipients and their families and stated, "We are proud to award scholarships to five outstanding and deserving students and members of our community."



Scholarship winners pictured from left to right: Geena Sundaram, Ryan Orsini, Rhode Island Credit Union President/CEO David B. Suvall, Chelsea Rianna, and Michael Cherella. Missing from the photo is Daniel Pelletier.



(From left to right) Christopher Harkness, AVP Business Development; Jennifer Najera; Timothy Draper, VP Marketing; Janelle Garneau; Chelsea Rianna; Jesse Casavant; Jeffrey Cascione, VP Commercial Lending; Jeanita Arzola; Stacia Stetkiewicz; Robert Villucci, VP Lending; Katherine Lewinski (not shown - Carlene Fonseca, Molly Fogarty, Travis Korson)

Credit Union Association of Rhode Island awards scholarships

The Credit Union Association of Rhode Island awarded eight scholarships to students that were either entering or returning to college this autumn. The recipients were chosen from hundreds of applications submitted to credit unions throughout Rhode Island.

Applications were evaluated on a variety of criteria including students' academic performance, financial need, extracurricular activities, and the quality and content of an essay that addressed the applicant's intended major field of study and career goals.

The quality of the applications impressed the panel of credit union executives that made up the selection committee. "The academic accomplishments and the commitment to the community that these young people demonstrate is truly impressive," said Robert Kimmitt,

senior vice president, marketing and public relations of the Credit Union Association of Rhode Island. "Participating in this process makes me optimistic because I can see the tremendous potential of young Rhode Islanders."

The student winners were:

- Michael Cherella sponsored by Rhode Island Credit Union
- Allison Lopes sponsored by People's Credit Union
- Samuel Lovett sponsored by Pawtucket Credit Union

- Alexandra Lynch sponsored by Westerly Community Credit Union
- Travis Karson sponsored by Navigant Credit Union
- Cassandra Perrotti sponsored by Dexter Credit Union
- Ryan Pierannunzi sponsored by Blackstone River Federal Credit Union
- Christine Vient sponsored by Wave Federal Credit Union



Credit Unions of Rhode Island hit the green with \$50,000 for Special Olympics

Credit Union Association of Rhode Island members “hit the green” when they presented a \$50,000 check to the Special Olympics Rhode Island at the Credit Unions of Rhode Island Charity Golf Tournament on July 16, 2007. These funds represented the total amount raised this year by credit unions, members, vendors, etc. The goal of \$50,000 was set in September 2006 by the Association’s Social Responsibility Committee. This brings a ten year total of more than \$305,000.

The challenging and picturesque Crestwood Country Club was once again the site of the Association’s Charity Golf Tournament which was the culmination of a phenomenal fundraising effort. One hundred thirty-two golfers and more than 40 sponsors combined to make the Credit Unions of Rhode Island Charity Golf Tournament a tremendous

tucket Credit Union of Karl Kozak, Paul Cappello, Robert McCorry and Frank Doheny.

After dinner, Special Olympics Rhode Island Executive Director Mike McGovern, with athlete Michael Lucca, accepted the “Special Check for \$50,000” from Paul Archambault, Association chair-

man and president/ CEO, of

Wave Federal Credit Union; Cidalia Rocha, Association first vice chairman and CEO Columbus Credit Union; and Dan Egan, Association president. On behalf



Holding the check is Special Olympian athlete Michael Lucca. From left to right behind are Paul Archambault, Wave Federal Credit Union; Cidalia Rocha, Columbus Credit Union; Dan Egan, Credit Union Association of Rhode Island; Michael McGovern, Special Olympics Rhode Island, and David Dupere, Anchor Federal Credit Union.

of Special Olympics Rhode Island, Mike expressed his heart-felt appreciation to the Association and its member credit unions.

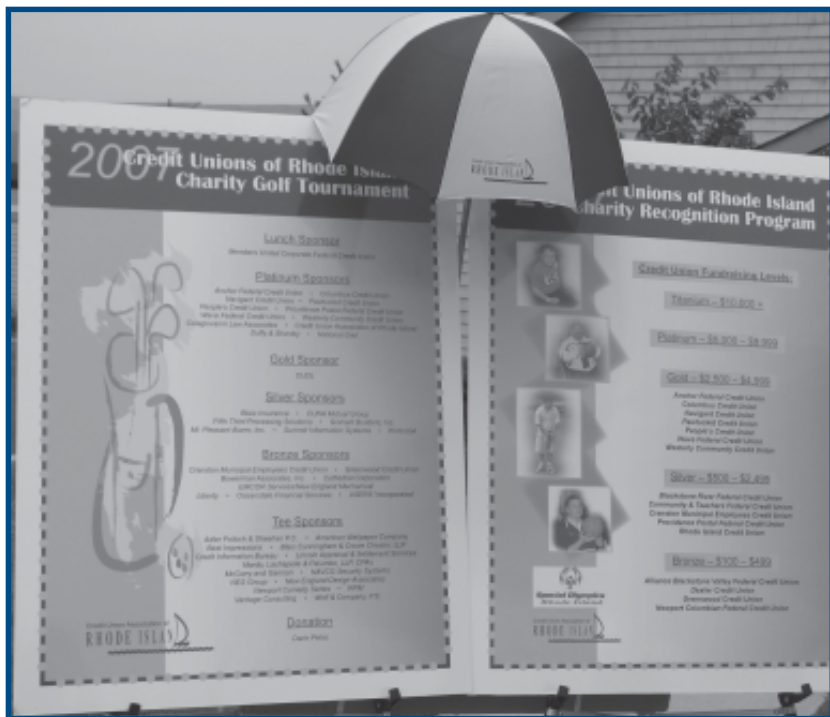


To start the day, golfers are greeted by many smiling faces at registration.

success. Special Olympian Michael Lucca conducted a contest on the practice putting green on the first hole with each team. Friendly competition was the rule of the day as a tie breaker between Navigant Credit Union and Pawtucket Credit Union was used to determine the winning Low Gross team. The “two peat” trophy winner was the foursome from Paw-



Then it is ready, set, wait...let's go while no one is looking!



Special Thanks to all of the many sponsoring companies and credit unions for making the golf tournament a great success!

Additional photos on Page 7.

Golf tournament photo highlights



Left: This foursome from Pawtucket Credit Union did not win the putting contest that Special Olympian athlete Michael Lucca conducted but they sure had fun trying. Pictured left to right are Bob Andrade, Michael Lucca, John Gannon, Donna Gregson, and Rebecca Book.



Right: Michael lines up his shot to show the Pawtucket group how it's done!



Will someone tell this group which way the ball went?



Which way? Left? Right? Aim for the flag! Don't putt straight, it breaks to the right as the little white ball sits two feet away.



Pictured sporting their new Association shirts are Peter DeSillier and Mary Ellen Buckley from Westerly Community Credit Union. They are two of the many needed volunteers to run a successful tournament.



Queen for a day! As Mary Jean Archambault (back) commands her court consisting of (left to right) Doug Hann from Liberty, Paul Archambault and Dave Miller from Wave Federal Credit Union for the round.

Ken Poyton from Providence Postal Federal Credit Union and Special Olympian athlete Michael Lucca call the final raffles of the night. And the winner is...!





Agency Update

Boost credit union employee benefits by introducing Roth 401(k) accounts

The Roth 401(k) option offered in a traditional 401(k) plan, much like the more familiar Roth IRA, allows employees to deposit after-tax funds that earn tax-free interest while being held within a qualified plan. These features ensure a higher payout level when the employee retires, since no further taxes are taken either from the funds deposited or the interest earned. The Roth 401(k) was introduced in 2001 with a delayed effective date of 2006, originally set to sunset in 2010. When Congress enacted its pension reform initiatives in 2006, Roth 401(k) accounts were granted permanent status. CUNA Mutual added Roth 401(k) accounts to credit union employee benefit options earlier that year.

The uncertainty until last year of the new option's status has kept some credit unions from adding Roth 401(k) accounts to their 401(k) plans. Changes in the law just discussed, backed by recent research, show that public acceptance of the option has increased significantly.

According to research done by the Profit Sharing/401(k) Council of America (PSCA), small businesses with an employee base roughly the same as those of most U.S. credit unions appear to be the primary market for the Roth 401(k). Data collected from 429 retirement plan sponsors from among various industries and geographic locations show that the largest percentage of Roth 401(k)s were offered by companies with less than 200 employees. More than 36% of companies with less than 50 employees offered the option and more than 32% of firms with between 50 and 199 employees offered the option. As companies grew in the number of employees, the demand by employees and the willingness of employers to add the Roth 401(k) feature diminished, said survey respondents.

CUNA Mutual does not charge existing client credit unions extra to add a Roth 401(k) feature to their 401(k) plan. From the credit union standpoint, an added cost may be incurred in accounting for the additional payroll deduction. Be sure to check with your payroll provider before adding the option to your plan.

From an employee standpoint, however, there may be benefits to diversifying their retirement savings strategy depending on the employee's current situation as well as what they expect their tax situation to be in retirement.

- Contributions to a Roth 401(k) account and the interest earned will not be taxed if the funds are withdrawn after the participant turns 59½; on account of death or disability as defined by Social Security disability guidelines; and five years after the first deposit is made to the account.

- Depositors who fail to meet the above criteria yet withdraw their funds still will not be taxed on their initial deposits, since those deposits were made with after-tax funds. However,

interest earned will be taxed at the normal rate and may be subject to a ten percent early withdrawal penalty, since the qualifying conditions are not being met.

For many employee depositors, the added flexibility of a Roth 401(k) makes the plans very attractive, a characteristic that may outweigh the credit union's additional administrative requirement. And offering a Roth 401(k) account as part of a standard 401(k) plan adds greater flexibility to retirement account selection.

For more information about CUNA Mutual's Roth 401(k) program, contact your CUNA Mutual representative at 1-800-356-2644, or go to www.cunamutual.com.

Members United Corporate Federal Credit Union Announces Board Appointments

At its Annual Meeting on June 8, 2007, in Chicago, IL, the members of Members United Corporate Federal Credit Union re-elected Bruce Beaudette, president/CEO, Sunmark, (NY); Edward J. Gvazdinkas, president/CEO, Heartland Credit Union, (IL); Andrew L. Jaeger, president/CEO, Credit Union of New Jersey, (NJ); and Michael Phipps, CEO/president, Evansville Teachers Federal Credit Union, (IN); to its board of directors.

Subsequently, the board elected the following slate of officers to serve a one-year term: Chair: Terry R. Brahm, president/CEO, DHCU Community Credit Union, (IL)

Vice Chair: John T. Fenton, president/CEO, Affinity Federal Credit Union, (NJ)

Treasurer: Kyle Markland, president/CEO, Affinity Plus Federal Credit Union, (MN)
Secretary: Donald H. Briggs, president/CEO, NorthEast Alliance Federal Credit Union, (NY)



Terry R. Brahm

Members United's additional board members are Lloyd M. Fredendall, president/CEO, NorthStar Credit Union, (IL); Gary Furtado, president, Navigant Credit Union, (RI); Louis H. Jimenez, treasurer/CEO, Montauk Credit Union, (NY); Nancy Kasprzak-Whitmore, president/CEO, Niagra County's Credit Union, (NY); and Ron Linstromberg, CEO, DeKalb Financial Credit Union, (IN).

Members United has a national field-of-membership, and is headquartered in Warrenville, Illinois.

Columbus Credit Union claims victory as this year's Outstanding Fundraising Credit Union at golf tournament

Columbus Credit Union claimed victory this year for the "Outstanding Fundraising Award" at the Rhode Island Credit Union Charity Golf Tournament on July 16, 2007. The credit union raised \$.87 per member. Following in order behind the credit union was Anchor Federal Credit Union, Wave Federal Credit Union, Providence Postal Federal Credit Union, and Cranston Municipal Employees Credit Union.

The committee thanked all the credit unions for their efforts in raising funds for Special Olympics Rhode Island.

Credit Union Fundraising Levels

Gold - \$2,500 - \$4,999

Anchor Federal Credit Union
Columbus Credit Union
Navigant Credit Union
Pawtucket Credit Union
People's Credit Union

Wave Federal Credit Union
Westerly Community Credit Union

Silver - \$500 - \$2,499

Blackstone River Federal Credit Union
Community & Teachers Federal Credit Union
Cranston Municipal Employees Credit Union
Providence Postal Federal Credit Union
Rhode Island Credit Union
Bronze - \$100 - \$499
Alliance Blackstone Valley Federal Credit Union
Dexter Credit Union
Greenwood Credit Union
Newport Columbian Federal Credit Union



Liz Medeiros (left) and Cidalia Rocha (right) from Columbus Credit Union, receive the Outstanding Fundraising Award from Association Social Responsibility Committee Chairman David Dupere from Anchor Federal Credit Union.

Golf tournament results...

The "two peat" trophy winner at the Credit Unions of Rhode Island Charity Golf Tournament was the foursome from Pawtucket Credit Union of Karl Kozak, Paul Cappello, Robert McCorry and Frank Doheny with a score of 70. The team of Bob Choquette, Bill Carden, Roland Lachapelle, and Mike Tartaglia from Navigant Credit Union won the Low Net Team honor. In addition, many individual skills contests were won:

Low Gross Individual

Jim Irving, 77 - Greenwood CU

Low Net Individual

Gene Giarusso, 66 - Credit Information Bureau

Best-Ball Scramble Format winning team

Victor Vrigian, Bob Cooney, Dick Lynch, and Jason McHugh - Members United Corporate FCU

Men's Straightest Drive

Paul Iozzo - New England Design

Women's Straightest Drive

Joyce Lupien - Pawtucket Mun.

Emp. CU Closest to the Pin Contests

Hole Number 3

Chet Brousseau - Cranston Municipal Employees CU

Hole Number 5

Bob Cooney - Members United Corporate FCU

Hole Number 15

Paul Cappello - Pawtucket CU

Hole Number 17

Tim Draper - Navigant CU



Pawtucket Credit Union was a "two peat" winner of the team trophy which they received from Association Chairman Paul Archambault and Special Olympian athlete Michael Lucca. Pictured left to right are Frank Doheny, Robert McCorry, Michael Lucca, Karl Kozak, Paul Cappello, and Paul Archambault. Can they "three peat"?



Hanging out together on the course for the day was Mike Luca and Mike McGovern.

Credit Union Association of
RHODE ISLAND

Ninth Annual Lending Symposium draws record number of credit union attendees

CUDL (CU Direct Corporation), which administers the nation's largest point-of-sale and indirect lending network for credit unions – announced that attendance at their ninth annual Auto Lending Symposium, June 20-22, in Las Vegas, surpassed last year's record turnout for the event.

The symposium, which is designed specifically for credit unions with indirect and/or point-of-sale lending programs, and for those interested in developing auto lending programs, drew more than 520 attendees, representing more than 180 credit unions.

Highlighting the 3-day event was the announcement of a new partnership agreement between Manheim Automotive Financial Services (MAFS) and CUDL, which will provide CUDL credit unions the ability to participate in the MAFS Advantage program, allowing them the opportunity to grow their market share in the auto finance arena by making it more advantageous to partner with independent dealers.

As a result of the MAFS Advantage program, credit unions will benefit from the protection and security features which guarantee vehicle title, ensure vehicle trade-ins are paid off, and

that all vehicle registration paperwork is successfully handled through each state's motor vehicle department.

This year's symposium included four keynote sessions that drew capacity crowds. Keynotes were presented by Greg Goebel, CEO and president of *Auto Dealer Monthly* and the online dealer resource center, *AutoDealerDaily.com*; Robert Van Arlen, motivational speaker and author of *Focused Synergy*; Paul Taylor, chief economist for the National Automobile Dealers Association (NADA); and Jim "The Rookie" Morris, the inspiration behind the Walt Disney blockbuster film "*The Rookie*."

The symposium also featured a number of sessions presented by leading industry experts including: Jay Johnson, executive vice president, Callahan & Associates; Steve Martin, director, CUNA Mutual; Larry Biernaki, president /CEO, Arkansas Federal Credit Union; Sara Hasson, vice president of Automotive Marketing, Univision; and Tony Wanderon, president, Allstate Credit Division.

"The Auto Lending Symposium is an ideal setting for credit unions to gain extensive insight and direction to take their auto lending

programs to the next level," said Larry Wilson, president and CEO of Coastal Federal Credit Union. "Indirect lending is a major part of our overall business strategy, as it accounts for about 38% of our current earning assets. This event is extremely valuable to us, as it is a great opportunity to learn from experts in the automotive field, and to network with fellow industry peers."

With the symposium as the backdrop, a record crowd of more than 400 credit union attendees and guests attended the event's awards dinner, during which several credit unions were honored for their exemplary indirect lending practices and championing the importance of a credit union-owned delivery channel.

"We're very excited about the positive response we've received from the credit unions that joined us at this year's event," said Joe Greenwald, CUDL's vice president of marketing and communications. "Our goal is to provide credit unions with a superior program that offers the level of guidance and detailed insight to the auto lending industry that will, in the end, help them grow their auto lending programs."

Handling employee complaints

The first reaction to the header of this article is usually to roll your eyes or shake your head. Complainers can be so draining in an organization. But aside from a chronic complainer, credit union managers should expect – and welcome – complaints for a number of reasons.

First, you *want* employees to be comfortable coming to management with issues related to safety, discrimination, harassment, potential fraud, etc. The U.S. Equal Employment Opportunity Commission (EEOC) last year received a total of 75,768 discrimination charges against private sector employers, the first increase in charge filings since 2002. These year-end statistics are available at <http://www.eeoc.gov/stats/>. Credit unions want to be sure issues with potential legal implications are disclosed early and investigated promptly

and need to have identified how employees report these complaints. Your sexual harassment and anti-harassment/anti-discrimination policies must have formal complaint and investigation procedures. But be sure employees know that the credit union treats all complaints seriously and strives to create a workplace that is respectful and professional.

A second reason to welcome complaints is the ability to stop an issue before it escalates into something larger. Paying attention to an employee's complaints should be part of a manager's job and allows a manager to keep a pulse on the organization in terms of morale and all the issues involved in employee relations from benefits and compensation to working conditions and co-workers. When a complaint is ignored, the consequences can sometimes be

significant such as the loss of a star performer or drop in productivity.

So what should you do? Communicate an "open door" policy where employees are comfortable to come to a manager, supervisor, or human resource professional. Set time aside for a private conversation. Listen actively, and remember there are usually two sides to every story so check your facts. Take the issue seriously. Do your due diligence. Thank the employee for coming to you. Determine when further action is needed, and provide the individual with feedback. Turning a negative around into a positive has huge payback and is always worth the time. Contact Beverly Purtell, vice president of human resource management, at bpurtell@cucenter.org for questions or other HR support.



Technology Now

New financial education library on NCUA website

National Credit Union Administration (NCUA) Chairman JoAnn Johnson announced recently that she has established a financial education library on the agency website.

The library features innovative printable PDF brochures addressing such topics of consumer interest as: identity theft; credit reporting; and credit card practices.

The brochures were originally created by Tower Federal Credit Union in Laurel,

Maryland, and modified for use on the NCUA's website. They are available for consumers to view online and in printable format.

In announcing the new resource, Johnson said, "Online resources such as NCUA's financial education library and MyMoney.gov are fine examples of the positive and far reaching impact technology has in empowering credit union members with the important tools of

financial education. I encourage credit unions to include these resources in their outreach to their members and communities they serve."

MyMoney.gov was created to provide public access to financial education tools and resources. Johnson, a member of the 20-agency Financial Literacy and Education Commission, is chairman of the MyMoney.gov website subcommittee.

National Credit Union Foundation launches redesigned website www.ncuf.coop

New site features more resources, easier navigation

The National Credit Union Foundation (NCUF) has launched a redesigned website at www.ncuf.coop. This site is designed to be a comprehensive resource for credit unions, state credit union foundations, leagues, investors, sponsors, donors, grant applicants, and development educators

"As our Foundation has grown to take on new programs with national impact, we needed to upgrade our website to more clearly show how everyone can participate," explained NCUF Deputy Director Steve Bosack. "With our new site, visitors will find a wealth of free information and resources at their fingertips."


The last major redesign of the ncuf.coop website was almost five years ago. The new site was developed with Acumium, a Madison-based Web consulting and development company. Christopher Morris, NCUF's manager of Communications & Information (and webmaster) led the project for the past year.

"One of the first things someone will notice at our new site is just how new it looks," said Morris. "The top news stories rotate as well as our biggest sponsors. Also, the navigation menus all drop down, so it's possible to get anywhere on our site with just one click from our homepage. I have also redesigned the Site Map to make areas easier to find."

Visitors to ncuf.coop can learn how to:

- Participate in new NCUF-supported programs: REAL Solutions, JA's Biz Kid\$, and CU Aid;
- Apply for a grant;
- Register for educational events including Credit Union Development Education and

- Social Impact Management Institutes;
- Access a library of resources relating to credit union development, social responsibility, state credit union programs, and many other resources from within as well as outside the credit union community.



**2007
Credit Union
Practical Solutions
Conference**

Designed for Credit Unions up to \$50 Million

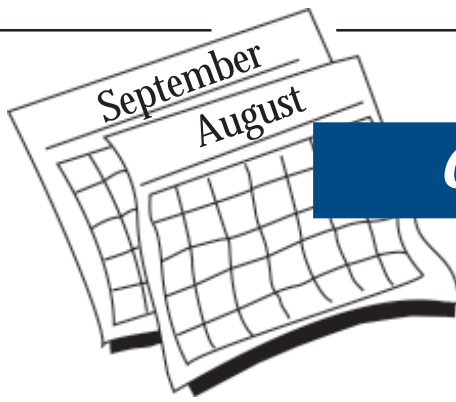
September 14 & 15
Royal Sonesta Hotel, Cambridge, MA

Register online under Seminars & Conferences
on the Association Website
www.CUassociationRI.org
or
Contact Suzanne Knapik
(800) 842-1242
sknapik@cucenter.org

HOLIDAY

The Association office will be closed on Monday, September 3 for Labor Day. The Association's regular office hours are Monday through Friday 8:00 a.m. to 5:00 p.m.





Calendar of Events

QUICKBITES

(one hour telephone conferencing)

August 9 - Risk Based Pricing

August 14 - Website Compliance

August 29 - REG Z

September 6 - Plastic Card Fraud (90 minutes)

September 13 - Account Administration
(Two Hours)

September 18 - Internet Banking and
Future Trends

October 2 - How to Lend to the
Underserved Market

October 30 - Disaster Recovery: Business
Continuity

November 20 - Indirect Lending

November 28 - Business Development:
Once you have a SEG - What do you do?

December 18 - Collection Policies and Tips

Webinars

September 6 - Recipe for a Successful Annual
Meeting

September 25 - How to Best Handle

Garnishments, Tax Levies & Subpoenas

October 4 - The 30,000 Foot View of CU
Technology

November 1 - Preventing Identity

Theft & Card Fraud

November 7 - Disaster Recovery Planning

Compliance Update

August 28, 2007

-or-

November 14, 2007

Members United Corporate FCU
Warwick, RI

Credit Union Employee Boot Camp

September 12, 2007

St. Anne's CU of Fall River, MA
Fall River, MA

-or-

October 24, 2007

Credit Union Center
Marlborough, MA

Practical Solutions Conference

*Designed for Credit Unions
up to \$50 Million*

September 14-15, 2007

Royal Sonesta Hotel
Cambridge, MA

Consumer Lending School Lenders Network

September 25-27, 2007

Sheraton Hotel
Milford, MA

Hike the Hill

September 19-20, 2007

Credit Union House and
Jurys Washington Hotel
Washington, D.C.

Fall Leadership Conference

October 12-14, 2007

Mount Washington Hotel
Bretton Woods, NH

IRA Essentials Training

November 14, 2007

Sheraton Hotel
Milford, MA

IRA Advanced Training

November 15, 2007

Sheraton Hotel
Milford, MA

Members United is proud to host four Financial Strategies Conferences in September

Members United Corporate Federal Credit Union is "hitting the road" and hosting the annual Financial Strategies Conference in four different, geographically-dispersed locations this year. As always, you will not want to miss the topics and timely issues that will be explored at each day-and-a-half conference.

The conference dates and locations are:
September 17-18 – Foxwoods Resort Casino,
Ledyard, CT

September 20-21 – The Genesee Grande
Hotel, Syracuse, NY

September 24-25 – The Westin Downtown,
Indianapolis, IN

September 27-28 – The Northland Inn,
Brooklyn Park, MN

CEOs, CFOs, board members, and credit
union key financial staff should consider

attending this conference. The slate of expert
speakers will cover issues of importance to credit
unions' collective future.

Registrations for both the conference and
preferred rate hotel accommodations close
August 27. To register, please visit
www.membersunited.org/FS07.