

Arizona State Savings & Credit Union
STATEMENT OF COMMITMENT TO MEMBERS

As a member-owned, not-for-profit financial cooperative, Arizona State Savings & Credit Union is committed to our members. We will uphold our fundamental responsibility to actively serve people within our field of membership, and as appropriate, the communities they live in. Our members will be treated with respect and dignity and our associates will act in a professional manner at all times. The credit union will always deliver a range of low cost products and services to the diverse economic and social make-up of our members and potential members. It is our practice to look for better ways to reach out to the underserved in our field of membership. And we will continually, in all facets of operations, demonstrate the value of membership in Arizona State Savings & Credit Union.

We will monitor and communicate our service to members in a meaningful way so that members, potential members, legislators, regulators, and the community at large will understand and appreciate the unique role that member-owned financial cooperatives play in their lives.

Throughout Arizona State Savings & Credit Union's strategic plan, we will put forth every effort to enable our members to become financially self-sufficient and successful. We will place high importance on consumer education and the teaching of the wise use of credit.

This *Statement of Commitment to Members* is consistent with our credit union principles of "Not For Profit, Not For Charity, But For Service" and our philosophy of "People Helping People". This statement represents good business practices that ensure the financial strength of our credit union on behalf of our members.

I. Service to Members

Arizona State Savings & Credit Union strives to offer services designed to improve the economic and social well being of *all* members from *all* backgrounds and return financial value to all those who participate in our member-owned financial cooperative.

Current Services that Help Improve the Economic and Social Well Being of Members:

1. Savings & Checking Products & Services

- a. Share Savings.** Credit Union basic savings account to establish member-owner status. A \$50 minimum balance is required to maintain a savings account. There are no monthly or annual fees, and it pays a competitive dividend rate that is compounded monthly.
- b. Share Draft Checking.** A free dividend-earning checking account. No monthly service charges, no minimum balance requirement, no per check charge, and daily interest on balances of \$1,000 or more, compounded monthly. Free 24/7 audio

response and Internet account access. No annual fee VISA® Debit/ATM/POS card available with optional Line-of-Credit.

- c. **Propriety Surcharge Free ATMs.** Arizona State Savings & Credit Union operates 13 ATMs around the state. Members also have access to other select No Surcharge ATMs through a local network of participating credit unions. A list is available for members.
- d. **Direct Deposit and Payroll Deduction.** Available to members at no charge.
- e. **Share & IRA Certificates.** These savings programs earn the highest rates at the credit union. Minimum balance required is \$2,000. Each certificate term earns the same rate regardless of balance. Convenient 6, 12, 24, and 36 month terms are available. Special rates and terms are available from time to time.
- f. **Club Account.** Members may use their Club Account to save for the holidays, insurance, vacation, down payments, etc. There is no minimum balance required to maintain a Club Account. The program is designed for budgeting life's everyday expected and unexpected bills.
- g. **IRAs.** Roth, Education, Traditional and SEP IRAs are available. Low \$100 minimum balance is required to open any IRA share account.
- h. **Money Market Accounts.** Both Money Market Savings Account and Money Market Checking Account programs are available. Minimum balance of \$1,000 is required to open either account.
- i. **MEMBERS Financial Services.** On-site program, backed by CUNA Mutual Group, to assist members with insurance, investment and money planning needs. No cost or obligation for service or advice.

2. Consumer Loan Products and Services

- a. **Signature and Line-of-Credit.** Source for unsecured debt. Loan advances start at only \$100 for Signature loans and there is no minimum on Line-of-Credit advances.
- b. **Auto Loans.** Members may qualify to borrow up to 100% of purchase price on new vehicles and 100% of retail book value on used vehicles. Rate is dependent on term. Affordable 24 – 84 month terms are available.
- c. **Auto Buying Program.** MEMBERS Quote allows members to negotiate a vehicle from the comfort of their home or office. Valuable program for individuals who are inexperienced negotiators or simply do not have the time to invest in vehicle shopping.
- d. **Credit Insurance.** Credit life and/or disability insurance added to open-end loans without a corresponding increase in monthly payment. This program keeps monthly payments affordable for all members.

3. Real Estate Loan Products and Services

- a. **1st Mortgages.** Low cost, fixed-rate program available for members with terms up to 15 years. No points or origination fees.
- b. **2nd Mortgages & Home Equity.** No "Red Tape" home equity loans available for amounts up to \$200,000.
- c. **FHA Title I Home Improvement Loans.** Federal program that assists members with property improvement projects. Loans up to \$25,000 qualify for this unique program.

- d. **Home Buyers Preference.** Program that offers home buyers special discounts on building and financing.
4. **Debt management referral program.** Credit Union members in need of special debt management assistance are referred to Consumer Credit Counseling Services Southwest.
5. **Member Surveys.** Benchmark surveys are routinely sent to members to measure service and satisfaction.
6. **Educational Collegiate Scholarships.** Arizona State Savings & Credit Union makes scholarships available to members at Northern Arizona University, University of Arizona, Arizona State University, and Eastern Arizona College.

Potential New Services Planned for the Coming Year:

1. **VISA[®] Credit Cards**
2. **Expanded Real Estate Loan Program**
3. **LOANLINER[®] Internet Lending**
4. **Expanded Checking account program**
5. **Specialized savings programs**

Section II: *Member Education*

Arizona State Savings & Credit Union is committed to member and consumer financial education; in addition we are committed to educating members and consumers, alike, about credit union uniqueness, philosophy, and values.

Current Programs that Support Member Education and Advocacy:

1. **Web site.** Provide useful consumer information links through the credit union's Internet web site.
2. **Newsletter articles.** Regular articles provide valuable consumer education and safety tips each month.
3. **Lobby brochures.** Educational materials available on home buying, financial management, budgeting, and money counseling.
4. **Home and Family Finance.** On-line education magazine providing information about today's money issues. Updated monthly.
5. **Everybody's Money.** Quarterly educational magazine providing financial information.
6. **Consumer Information Catalog.** Federal government publication listing consumer access to useful consumer information.
7. **Information Booth & SEG Events.** Credit Union presence where a variety of helpful information is available to members and non-members.
8. **Money Management Seminars.** Educational seminars covering a variety of money management topics. Topics include: Saving, investing, budgeting, etc.

Potential New Programs Planned for the Coming Year:

1. **Googolplex.** A new on-line educational resource for children
2. **MoneyMix.** Similar to Everybody's Money, financial newsletter targeted to college age (17 – 21 years old) young adults.

Section III: *Involvement/Governance*

Arizona State Savings & Credit Union will endeavor to preserve credit union democratic principles, including demographic representation and volunteer participation in credit union activities.

Current Programs that support Involvement/Governance:

1. **Regional membership meetings.** Annual "Town Hall" style meetings held around the state.
2. **Nominating committee participation.** Two members of the committee are chosen "at-large" from the membership by the chairperson.
3. **Vote-by-mail elections.** Board of Directors voting program to improve membership participation.
4. **Board of Directors Duties and Responsibilities training.** Training available to new and existing volunteers to educate members on duties and responsibilities.
5. **Volunteer Achievement Program (VAP).** Home study educational program available to credit union volunteers.

Potential New Programs Planned for the Coming Year:

No programs planned.

Section IV: *Diversity*

Arizona State Savings & Credit Union recognizes the value of demographic diversity in staff as well as in volunteers, and will strive to bring people of diverse backgrounds and experiences into leadership and other roles at the credit union.

Current Programs that Promote Diversity:

1. **Job communication.** Notices of employment opportunities sent to minority and special social service agencies.
2. **Associate Diversity.** Credit Union associates represent membership and local diversity.
3. **Annual Demographic Analysis.** Performed annually by CUNA Mutual Group to better understand changing membership.
4. **Equal Employment Opportunity.** Actively seek to fill vacancies by hiring qualified

- candidates without regard to race, creed, religion, or socio-economic status.
5. **Diversity Workshop.** Arizona State Savings & Credit Union offers a diversity workshop to associates. The session explains the personal and professional diversity of the workplace.
 6. **School-to-work program.** Partner with inner-city trade school to provide work experience for challenged students.
 7. **Volunteer Recruitment.** Seek out volunteers that offer a wide range of expertise, work experience, gender, and overall are representative of our membership.
 8. **Spanish Language Services.** Currently offer audio response system and ATM network in Spanish language versions.
 9. **Visually Impaired & Deaf Services.** Offer local and toll-free TDD/TTY lines to benefit visually and hearing impaired members.

New Programs Planned for the Coming Year:

Spanish language forms and information.

Section V: Commitment to the Credit Union Movement and other Cooperative Activities.

Arizona State Savings & Credit Union will work to build and strengthen our unique credit union movement by providing financial and in-kind resources to others within the credit union community, and by actively advocating the credit union difference at all levels of government and in other appropriate public forums. In addition, Arizona State Savings & Credit Union will participate in local, state and national cooperative activities as appropriate, and will strive to build and strengthen relationships with other sectors of the national cooperative movement.

Current Activities that Support the Credit Union Movement:

1. **Statement of Commitment.** Board of Directors reviews, amends, and adopts the "Statement of Commitment" annually.
2. **Awareness Program.** Participate in Arizona Credit Union League's Credit Union awareness program. Events are held 1-2 times each year to promote the value of credit union membership.
3. **National Brand/Slogan.** Participate in the national brand and slogan strategy.
4. **Chapter Participation.** Associate volunteer on local Chapter Boards.
5. **Credit Unions For Kids.** Associate Volunteer on Arizona Credit Union League's Credit Union For Kids Steering Committee.
6. **Indirect Lending Committee.** Associate volunteer on Arizona Credit Union League's Indirect Lending Committee.
7. **Corporate Credit Union of Arizona.** Associate volunteer on Corporate Credit Union of Arizona's Supervisory Committee.

8. **CUNA Mutual Policyholder Representative.** Associate volunteer is Policyholder Representative for Arizona.
9. **Political campaigns.** Associates volunteer periodically for credit union supported candidates.
10. **Contribute to state PACs.** Active participation in state's Political Action Committee.
11. **Filene Research Institute, Credit Union Foundation.** Monetary support each year to Filene Research Institute and Credit Union Foundation.
12. **Continuing Education to Associates.** Credit Union assists in the funding of undergraduate/graduate education of associates so that they may further their careers at the credit union.
13. **Professional Associations.** Credit Union associates participate in local, state, and national professional associations in membership and leadership positions.

Potential New Programs Planned for the Coming Year:

1. Shared Branching
2. Cooperative Advertising

Section VI: *Public Service / Corporate Citizenship*

Through direct financial support or other in-kind contributions to worthwhile local organizations, and by participating in public service activities, Arizona State Savings & Credit Union strives to be an active partner in our community. We recognize that practicing good Corporate Citizenship supports the Credit Union Philosophy of People Helping People; furthermore, it will help raise the overall level of social and economic well being of those in our community, help to strengthen ties within the community, and better position us to reach out and serve – as only credit unions can – those people in greatest need of affordable financial services.

Community/FOM Groups Currently Receiving Financial or Other In-Kind Support (including the support given) and Current Public Service Activities:

1. **Youth Sports.** Variety of sports, statewide.
2. **Budgeted charitable donations.** Junior Achievement, Children's Miracle Network, American Cancer Society, American Heart Association, Special Olympics of Arizona, and numerous local charities statewide.
3. **Flex-time for staff volunteers.** Time is made available to associates for "hand's on" participation in events.
4. **Volunteerism for local community events.** American Heart Association, Children's Miracle Network, Capitol Mall Association, Chamber of Commerce, Arizona's Family FunFest and many local annual events located statewide.
5. **Consumer Credit Counseling Services.** Fair Share contributor.
6. **College Scholarships.** Provide annual budgeted scholarship at Northern Arizona University, University of Arizona, Arizona State University, and Eastern Arizona College.
7. **Reading For the Blind.** Sponsor "Personal Finance" segment for a nonprofit radio

station providing 24 hour reading of newspaper and magazines for the visually impaired.
8. Chamber of Commerce. Volunteer and leadership positions held in several communities including Flagstaff, Prescott, Prescott Valley, Safford, and Glendale.

Potential New Public Service Activities Planned for the Coming Year:

1. Toy's For Tots