



## PCA Reform Is CUNA Priority

*"In practice, the problem with the current credit union PCA system is that it forces credit unions to take such actions at net worth ratios that are far too high," said Mary Cunningham on behalf of CUNA. (CUNA photo)*

Prompt corrective action (PCA) reform is one of the CUNA's highest priorities, two association witnesses told the NCUA's summit on credit union capital last week.

Mary Cunningham, president/CEO of USA FCU in San Diego, and William Raker, president/CEO of US FCU in Burnsville, Minn., spoke to the summit on behalf of CUNA—one of six credit union trade groups that participated. The CUNA representatives focused on problems associated with prompt correction action, and addressed how CUNA believes PCA can be changed to enhance safety and soundness while re-

lieving unnecessary burdens imposed by the system.

Cunningham pointed out that the U.S. Treasury Dept. and NCUA have acknowledged that there are problems with PCA. She said, in CUNA's view, the fundamental problems with PCA include:

- ▶ Artificially high net worth levels;
- ▶ Virtual lack of flexibility for NCUA to change net worth requirements;
- ▶ PCA should better reflect credit unions' risk; and
- ▶ These problems can stifle credit union growth and

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## CUs Celebrate Unique Role

Credit unions at home and abroad Thursday embraced International Credit Union Day, which celebrates the unique role of credit unions and their embodiment of the cooperative spirit with its slogan "Dream...Belong...Achieve."

"These words so clearly underscore the credit union difference and our desire to provide for peoples' dreams through their membership in a credit union," said CUNA President/CEO Dan Mica.

"Whether one's dream is to feel financially secure for the first time, or to pursue a path of higher education—or even to buy a home—credit unions are there to help, with membership service being at the very core of their operations. It is one of CUNA's own dreams that every American will someday have access to the credit union alternative.

Earlier, President George W. Bush sent greetings to credit unions around the world.

"Credit unions play an important role in expanding opportunities for men and women around the world and expanding economic prosperity," said Bush in a letter. "These institutions provide valuable financial security and give members peace of mind. I commend the dedicated service of credit union employees and all those who are raising awareness about the importance of sound money management."

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## CUNA Tracks Remainder of Legislative Year

Congress stands in recess until around mid-November in order for members to campaign for reelection next week. There are a number of pending bills in which CUNA remains interested.

CUNA continues to fight back the banking industry's attempts to tax credit unions during this session of Congress. Last month's Hike the Hill visits made a positive impact on Congress for this year, thanks to credit union and league participation

CUNA also will continue to seek cosponsors of the CU Regulatory Improvements Act (CURIA, H.R. 3579) and look for ways to move the Bankruptcy Abuse Reform and Consumer Protection Act (H.R. 975).

The House may return for a day this week in order to vote on the 9/11 Recommendations Implementation Act conference report. The Senate passed the measure before it adjourned this month. This legislation contains a negative provision

that bans the use of Matricula Consular Cards for federal government purposes, although it does not directly affect credit unions accepting the cards.

Nine of the 13 federal appropriations bills for fiscal year 2005 need to be completed as well. Congress may consider an omnibus appropriations package in order to dispense with mandatory legislation before adjourning for the year. ♣

**Legislative Issues**  
[http://www.cuna.org/gov\\_affairs/legislative/issues/index.html](http://www.cuna.org/gov_affairs/legislative/issues/index.html)

## Herseith Joins Growing List Of CURIA Co-Sponsors

Even though the 108th Congress is rapidly winding down for the year, CUNA, working as a team with the leagues, continues to build support for the CU Regulatory Improvements Act (CURIA, H.R. 3579).

Rep. Stephanie Herseith (D-S.D.) has signed on as a sponsor to the credit union legislation, which now has 68 co-sponsors.

"The South Dakota league did an outstanding job in working with Rep. Herseith and showing her the value of co-sponsoring this important legislation," said CUNA's John McKechnie, senior vice president of governmental affairs. "The league's commitment played a substantial role in garnering her support, and once again shows the strength of the three-tier CUNA, league and credit union system in obtaining results for the movement."

CUNA's Gary Kohn, vice president of legislative affairs, said the association would continue to seek out supporters for CURIA as long as Congress is in town—and beyond.

"We will build support for this vital bill and be ready when the 109th Congress opens to acquire even more," said Kohn. ♣



*CUNA's John McKechnie, Rep. Stephanie Herseith (D-S.D.), and CUNA's Gary Kohn discuss support for credit unions, including co-sponsorship of CURIA. (CUNA photo)*

**Credit Union Regulatory Improvements Act**  
[http://www.cuna.org/gov\\_affairs/legislative/issues/curia.html](http://www.cuna.org/gov_affairs/legislative/issues/curia.html)

## Cast Your Vote Next Tuesday

Election Tuesday is nearly here. Be sure to cast your votes for the presidential, congressional and local elections next Tuesday, Nov. 2.

"Voter registration and early and absentee voter services are closed in nearly all—if not all—jurisdictions so hopefully you've already taken care of this business," says Karen Kincer, CUNA political director. "Credit unions are counting on you to get out and vote next Tuesday."

As of last Monday, there have been nearly 9,000 "hits" on the CUNA Helping Americans Vote website covering all the states. CUNA is doing a final push to get information out to all the states in order to increase voter turnout this year.

Specific races CUNA is supporting: U.S. Rep. Michael Michaud (D-Maine), who has served as a credit union board member; Bob Kressig, chairman of the board of John Deere Community CU in Waterloo, Iowa, who is running for state representative; and Deb Mathern, president/CEO of Fargo Public Schools FCU in Fargo, N.D., and is number two on the state Democratic ticket for governor.

**Political Involvement**  
[http://www.cuna.org/gov\\_affairs/index.html](http://www.cuna.org/gov_affairs/index.html)



## CUNA Weighs-In On NCUA Budget

CUNA provided input to the NCUA during its annual budget briefing on Oct. 12. Marla Marsh, president/CEO of the Kansas CU Association and chair of CUNA's Examination and Supervision Subcommittee, represented CUNA.



Marla Marsh asks the NCUA board for more clarity into how the agency determines what are "insurance-related activities" as applied to the overhead transfer rate. (CUNA photo)

CUNA recommended five areas of improvement for the agency's budget:

- ▶ The agency's reorganization;
- ▶ Overhead Transfer Rate;
- ▶ Agency's reserves;
- ▶ Mid-year budget review; and
- ▶ Enhancing the review process.

Marsh praised the agency's reorganization, which will save \$27 million during the next ten years. CUNA asked NCUA to report any variances in that estimate.

CUNA also noted last year's NCUA vote to adopt an annual review for the overhead transfer rate (OTR), but expressed concerns about the "lack of clarity in how the agency determines what are 'insurance-related activities.'"

"Such costs can be borne by the National CU Share Insurance Fund (NCUSIF) while federal regulatory costs should not be attributed to the NCUSIF," Marsh told the

board. She asked NCUA to work with CUNA's Examination and Supervision Subcommittee and others before the 2006 budget review next year to address the "agency's opaque process for dividing insurance from regulatory costs." 🏠

**Regulatory Advocacy**  
[http://www.cuna.org/reg\\_advocacy/index.html](http://www.cuna.org/reg_advocacy/index.html)

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## PCA Reform Is CUNA Priority

limit the provision of credit union services to communities in need.

To resolve these problems and to improve PCA, Raker said CUNA's position—as part of its Renaissance process—is that credit unions should have access to secondary capital that is subordinate to the National CU Share Insurance Fund. "It should be constructed in a manner that would not compromise the cooperative ownership and governance structure of credit unions," he said.

He also said an important goal of PCA reform should be to "eliminate the statutorily-set leverage ratios contained in the statute and provide NCUA with the same discretion the other regulators of federally insured financial institutions employ."

However he noted achieving secondary capital in light of the recent Govern-

ment Accountability Office report ("Credit Unions: Available Information Indicates No Compelling Need for Secondary Capital") will be very problematic. Raker recommended other approaches to reform PCA.

He noted that there were some modifications to the standardized approach of Basel II that could incorporate some measure of interest rate risk. He suggested several credit union-specific risk weights as applied to long-term, fixed rate mortgages; and medium- and long-term investments.

Individuals may provide written comments to NCUA until Nov. 19 at [regcomments@ncua.gov](mailto:regcomments@ncua.gov). 🏠

**CUNA Summit testimony transcript**  
[http://www.cuna.org/reg\\_advocacy/index.html](http://www.cuna.org/reg_advocacy/index.html)

## Mica Responds to GAO Capital Study

CUNA President/CEO Dan Mica said that with respect to secondary capital, the recent Government Accountability Office (GAO) study, "CU: Available Information Indicates No Compelling Need for Secondary Capital," is consistent with other studies of credit unions.

"We also commend the study for its consideration of risk-based net worth to address shortcomings in the Prompt Corrective Action (PCA) system for credit unions," Mica said.

More specifically, the study reaches a very important conclusion: Any proposal to move to a more risk-based system should provide both risk based and meaningful leverage capital requirements to work in tandem.

However, CUNA said the report fails to acknowledge that NCUA, credit unions, CUNA and other credit union groups seek to change PCA in order to enhance credit union safety and soundness.

In addition, the report ignores the fact that a significant number of well-managed, well-capitalized credit unions operate close enough to PCA levels that a surge in growth could result in PCA sanctions.

Finally, CUNA said the report does not adequately address the fact that a significant number of credit unions are already subject to risk-based net worth requirements and it may leave the impression that most credit unions only have to meet leverage ratio requirements. 🏠

**Regulatory Advocacy**  
[http://www.cuna.org/reg\\_advocacy/index.html](http://www.cuna.org/reg_advocacy/index.html)

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## DIRECTORS & VOLUNTEERS

### Strategic Planning Institute

April 10-13  
New Orleans, LA  
Room rate: \$215 sgl/dbl  
Reg fee: \$1,095

### CUNA Volunteer Institute

January 22-26  
Cancun, Mexico  
Room rate: All inclusive  
\$280 sgl/\$310 dbl

October 16-19  
Hawaii  
Room rate: \$229 sgl/dbl;  
plus \$15 resort fee  
Reg fee: \$1,195

### CUNA Volunteer Institute Cruise

April 23-30  
7-Night Mexican Riviera Cruise

### Supervisory Committee and Internal Audit Conference

December 4-7  
Las Vegas, NV  
Room rate: \$89 sgl/dbl  
Reg fee: \$795

## EXECUTIVE DEVELOPMENT

### Executive Boot Camp

April 17-20  
Durham, NH  
Room rate: \$209 sgl/dbl  
Reg fee: \$1,795

### CUNA Management School

July 10-22  
Madison, WI  
Reg fee: \$2,149

### World-Class Customer Service Executive Institute

October 16-20  
New Orleans, LA  
Room rate: \$215 sgl/dbl  
Reg fee: \$1,595

### Leadership Development Institute

September 11-16  
San Diego, CA  
Room rate: \$165 sgl/dbl  
Reg fee: \$1,595

## FINANCE & ECONOMICS

### CU Finance for Non-Financial Managers and Volunteers

October 9-12  
New Orleans, LA  
Room rate: \$165 sgl/dbl  
Reg fee: \$1,195

### eSchool CU Finance for Non-Financial Managers and Volunteers

Starts March 8  
Reg fee: \$1,195

### Economics and Investments Conference

August 14-17  
Las Vegas, NV  
Room rate: \$149 sgl/dbl  
Reg fee: \$1,095

### Financial Management School: Parts I & II

August 7-12  
San Francisco, CA  
Room rate: \$175 sgl/dbl  
Reg fee: \$1,595

### eSchool Financial Management: Part I

Starts January 25  
Reg fee: \$1,595

### eSchool Financial Management: Part II

Starts March 2  
Reg fee: \$1,595

### Financial Management Update

July 24-27  
Denver, CO  
Room rate: \$169 sgl/dbl  
Reg fee: \$1,095

### Eleventh Annual CUNA CFO Council Conference and Roundtable

May 15-18  
Washington, DC  
Room rate: \$199 sgl/\$219 dbl

## HUMAN RESOURCE MANAGEMENT

### Human Resource Management School: Parts I & II

September 19-23  
New Orleans, LA  
Room rate: \$169 sgl/dbl  
Reg fee: \$1,295

### Instructional Design Seminar

September 11  
Madison, WI  
Room rate: \$92-\$129 sgl/dbl  
Reg fee: \$395

### Robbery and Fear Seminar

September 11  
Room rate: \$92-\$129 sgl/dbl  
Madison, WI  
Reg fee: \$395

### Experience Learning Live!

September 11-14  
Madison, WI  
Room rate: \$92-\$129 sgl/dbl  
Reg fee: \$795

### Eleventh Annual CUNA HR, Training & Development Council Summit

April 10-13  
Indian Wells, CA  
Room rate: \$189 sgl/dbl

## LEADERSHIP & MANAGEMENT

### Branch Management Institute: Parts I & II

April 3-7 (Part I only)  
Las Vegas, NV  
Room rate: \$119 sgl/dbl

October 2-6 (Parts I & II)  
New Orleans, LA  
Room rate: \$165 sgl/dbl  
Reg fee: \$1,295

### Women's Leadership Summit

May 1-4  
San Diego, CA  
Room rate: \$199 sgl/dbl

### Management Essentials for Supervisors: Parts I & II

June 19-24  
New Orleans, LA  
Room rate: \$119 sgl/dbl

November 13-18  
Tempe, AZ  
Room rate: \$165 sgl/dbl  
Reg fee: \$1,295

## LENDING & COLLECTIONS

### Business Lending and Services Conference

May 23-25  
St. Pete Beach, FL  
Room rate: \$159 sgl/dbl  
Reg fee: \$795

### Business Lending Institutes and Certification Program

Dates & Locations TBD

### Certified Financial Counselor School: Part I

February 20-25  
St. Pete Beach, FL  
Room rate: \$169 sgl/dbl  
Reg fee: \$1,295

### Certified Financial Counselor School: Part II

February 20-24  
St. Pete Beach, FL  
Room rate: \$169 sgl/dbl  
Reg fee: \$1,195

### Collections and Bankruptcy Introduction

April 3-8  
St. Pete Beach, FL  
Room rate: \$178 sgl/dbl

September 18-23  
San Diego, CA  
Room rate: \$165 sgl/dbl  
Reg fee: \$1,295

### Collections and Bankruptcy Update

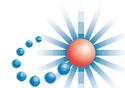
September 18-22  
San Diego, CA  
Room rate: \$165 sgl/dbl  
Reg fee: \$1,195



## TRAINING ON DEMAND

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PROFESSIONAL DEVELOPMENT  
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# elopment ment

## Consumer Lending Schools: Foundations & Update

October 24-28  
Tempe, AZ  
Room rate: \$165 sgl/dbl  
Reg fee: \$1,295

## eSchool Consumer Lending Foundations

Starts March 2  
Reg fee: \$1,195

## Advanced Mortgage Lending Strategies School

March 6-9  
St. Pete Beach, FL  
Room rate: \$178 sgl/dbl  
Reg fee: \$1,095

## Residential Mortgage Lending School

March 6-11  
St. Pete Beach, FL  
Room rate: \$178 sgl/dbl

September 11-16  
New Orleans, LA  
Room rate: \$178 sgl/dbl  
Reg fee: \$1,295

## Eleventh Annual CUNA Lending Council Conference

November 6-9  
Miami Beach, FL  
Room rate: \$189 sgl/dbl

## MARKETING & SALES

### Business Development School: Parts I & II

April 24-29 (Part I only)  
San Diego, CA  
Room rate: \$185 sgl/dbl

October 16-21 (Parts I & II)  
St. Pete Beach, FL  
Room rate: \$155 sgl/dbl  
Reg fee: \$1,295

### Customer Relationship Management Seminar

June 5  
Madison, WI  
Room rate: \$92-\$129 sgl/dbl  
Reg fee: \$395

## Marketing Management School: Parts I, II & III

June 5-10  
Madison, WI  
Room rate: \$92-\$129 sgl/dbl  
Reg fee: \$1,295

## Sales & Service Culture Institute

April 3-7  
Las Vegas, NV  
Room rate: \$119 sgl/dbl  
Reg fee: \$1,195

## Twelfth Annual CUNA Marketing & Business Development Council Conference

March 16-19  
Palm Springs, CA  
Room rate: \$175 sgl/dbl

## REGULATORY COMPLIANCE

### Compliance Fundamentals Seminar

April 16-17  
Washington, DC  
Room rate: \$189 sgl/dbl

September 10-11  
Denver, CO  
Room rate: \$139 sgl/dbl  
Reg fee: \$500

### Regulatory Compliance: Introduction

April 17-22  
Washington, DC  
Room rate: \$189 sgl/dbl

September 11-16  
Denver, CO  
Room rate: \$139 sgl/dbl  
Reg fee: \$1,295

### Regulatory Compliance: Update

April 17-21  
Washington, DC  
Room rate: \$189 sgl/dbl

September 11-15  
Denver, CO  
Room rate: \$139 sgl/dbl  
Reg fee: \$1,195

## eSchool Compliance Fundamentals Seminar

Starts February 2 and May 4  
Reg fee: \$500

## eSchool Regulatory Compliance School: Introduction

Starts June 1  
Reg fee: \$1,295

## eSchool Regulatory Compliance School: Update

Starts November 2  
Reg fee: \$1,195

## SECURITY & RISK MANAGEMENT

### Identity and Fraud Seminar

April 24  
Savannah, GA  
Room rate: \$145 sgl/dbl  
Reg fee: \$395

### Robbery and Fear Seminar

October 2  
New Orleans, LA  
Room rate: \$165 sgl/dbl  
Reg fee: \$395

### Security and Fraud: Introduction

April 24-29  
Savannah, GA  
Room rate: \$145 sgl/dbl

October 2-7  
New Orleans, LA  
Room rate: \$165 sgl/dbl  
Reg fee: \$1,295

### Security and Fraud: Update

April 24-27  
Savannah, GA  
Room rate: \$145 sgl/dbl  
Reg fee: \$1,095

## OPERATIONS & TECHNOLOGY

### Tenth Annual CUNA Technology Council Summit

August 3-6  
San Diego, CA  
Room rate: \$205 sgl/dbl

### Eighth Annual CUNA Operations, Sales & Service Council Conference

September 11-14  
Las Vegas, NV  
Room rate: \$159 sgl/dbl

## SPANISH

### eSchool Spanish for CUs: Level I

Starts April 21

### eSchool Spanish for CUs: Level II

Starts December 14, 2004  
and August 18, 2005

### eSchool Spanish for CUs: Level III

Starts February 17 and  
October 18

Reg fee: \$695 for first  
attendee and \$295 for each  
additional attendee from  
the same credit union

## CONFERENCES

### CUNA Future Forum

September 24-27  
San Francisco, CA

### CUNA Governmental Affairs Conference

February 27-March 1  
Washington, DC

### The National Association of Community Credit Unions (NACCU) Seventh Annual Credit Union Forum

October 23-26  
Boston, MA  
Room rate: \$210 sgl/\$230 dbl

\*Reg fees listed are early-bird pricing. Add \$100 per registration after early-bird deadline.  
Registration fees subject to change.



# >> Governmental Affairs

## NCUA Relaxes Restrictions on MBLs



Under the rule changes finalized by the NCUA Board last week, federally insured credit unions will be able to make Small Business Administration (SBA) guaranteed loans under SBA's less restrictive lending requirements, rather than under NCUA's more restrictive MBL lending requirements.

The changes adopted to the agency's member business loan rule (MBL) are designed to enable credit unions to participate more fully in the SBA's guaranteed loan programs.

Additionally, the NCUA Board adopted a final rule yesterday modifying the agency's rules regarding requirements that federally-insured credit unions which are newly chartered or troubled must file a notice with NCUA prior to adding or replacing a board or committee member or employing or changing the duties of a senior executive officer.

Finally, NCUA said the National CU Share Insurance Fund equity ratio for year-end 2004 is projected to be 1.25%, making a dividend based on the Year

2004 Fund equity level highly unlikely. A dividend can only be paid to federally insured credit unions when at the end of the calendar year the equity level exceeds the Fund's normal operating level, which is currently set at 1.3%. ■

**CUNA's summary of NCUA board meetings**  
[http://www.cuna.org/reg\\_advocacy/index.html](http://www.cuna.org/reg_advocacy/index.html)

## Check 21 Date Looms

Check 21 goes into effect on Oct. 28. But that doesn't mean credit unions must immediately change procedures or add new technology. In fact, most credit unions will not see a change in their operations right away.

Credit unions that return paid checks to members in monthly statements (about 6% of credit unions) must send members a "Consumer Awareness Disclosure" with the first statement mailed after Oct. 28. Credit unions that truncate checks, however, need not send a disclosure until their member receives a substitute check.

The Oct. 28 deadline may also trigger questions from members about substitute checks. Much has been made in the media about members losing their float, Check 21, and substitute checks. Credit unions should prepare their staff to answer questions that members may have about substitute checks.

Check CUNA's website for more information. ■

**Hot Topics: Check 21**  
[http://www.cuna.org/reg\\_advocacy/members/hot\\_topic/check21.html](http://www.cuna.org/reg_advocacy/members/hot_topic/check21.html)

## CU's Are First Taste of Democracy for Many



*"During the emergence of the East European transition economies during the 1990s, credit unions caught-on and spread quickly—both as vehicles for the previously unknown consumer finance services and as local expressions of democratic participation," said Brian Branch to assembled congressional staffers. (CUNA photo)*

Credit unions represent in a number of countries what some Americans take for granted—democracy. That's what congressional staffers heard last week during an International Credit Union Day gathering on Capitol Hill sponsored by CUNA and the World Council of CUs (WOCCU).

Brian Branch, WOCCU's chief operating officer, spoke about credit unions' role beyond U.S. borders. Worldwide, credit unions serve more than 120 million members in 87 countries. He said that in many countries, the credit union difference goes beyond providing people affordable access to financial services. It is democratization of societies.

During the 1990s in Poland, Ukraine, Latvia, Lithuania, Romania and Russia,

credit unions led the democratization of financial sectors by providing people with a means for democratic participation and self-help community organization, Branch explained.

In Afghanistan, WOCCU is piloting credit unions to provide community grassroots reconstruction, as well as local community democratic participation, Branch said. And a number of requests have come from Iraqi communities and business associations for setting up local credit union systems in their communities.

"Today in Vietnam and Uzbekistan, credit unions lead economic democratization a step closer to political democratization," he said.

In addition to democratization, Branch said the credit union difference is demonstrated through:

- ▶ Providing financial services to those who would otherwise not have access;
- ▶ Banking the unbanked through low-cost remittance services;
- ▶ Post-conflict rebuilding of societies and economies; and
- ▶ The voluntary contribution of the U.S. CU System to economic, social, and democratic growth around the world.

Branch emphasized that none of this progress would have been possible without significant financial and volunteer support of U.S. credit unions, the leagues and CUNA. ■

**World Council of CUs**  
<http://www.woccu.org/>



# >> Notes Bearing Interest

## Movement Pitches In During Hurricanes

The Florida CU League, CUNA, the leagues and credit unions pitched in during this year's hurricane season to help Florida credit unions, their members and the community recover after the devastating storms.

For the first week after Hurricane Ivan hit, there was a critical need for cash on the ground in Pensacola. To boost cash supplies, the Florida league arranged and coordinated the transfer of mobile ATMs to the area to at least open drive-thru windows.

The league also delivered to 13 credit unions generators, water, paper prod-

ucts, nonperishable food items, charcoal, batteries, flashlights and other sundries to beleaguered credit union employees who struggled to keep their credit unions open after Ivan hit Sept. 16.

The Florida CU Foundation received and is distributing disaster relief funds. Navy Federal CU, which lost one of its branches during the Florida hurricanes, donated \$250,000 to the effort.

"We set up hurricane relief fund and raised over \$750,000 to date. We've had a lot of applications for that money," said Mark Ivester, Florida league vice

president of communications. Additionally, the league set up an emergency phone communication system that—through the league—allowed credit unions to communicate with their members.

Further, the Worldwide Foundation, the fundraising arm of the World Council of CUs Inc. (WOCCU), collected donations to help rebuild Caribbean credit unions. Unlike many credit unions in developed countries, many credit unions in these countries do not possess property insurance; therefore the rebuilding is very difficult. ♣

## Delfin to Direct Foundation



Steve Delfin

Stephen M. Delfin on Oct. 18 began his new duties as executive director of the National CU Foundation, where he will provide leadership and management oversight for the foundation's offices in Washington, D.C., and Madison, Wis.

Delfin has more than 20 years of senior executive experience in the areas of development, philanthropic and corporate citizenship programs, as well as public relations, corporate communications and public/government affairs.

Prior to accepting the NCUF position, Delfin served as worldwide director of community relations at Booz Allen Hamilton, a \$2.3 billion management consulting firm.

Delfin also serves as chairman of the Board of Trustees for e-Philanthropy Foundation, and holds numerous board and committee positions at organizations such as America's Charities, Net-Impact, c-Market and CharitySkills.

Delfin succeeds Gary Officer in the position.

**National CU Foundation**  
<http://www.ncuf.coop>

## ▶ Disaster Recovery Tools Offered by CUNA Alliance

With the recent spate of Florida hurricanes a not-too-distant memory, a tool to help credit unions with business continuity and disaster recovery planning is available through a new partner of CUNA & Affiliates.

PLANet is an Internet-based tool designed specifically for credit unions to help meet regulatory requirements for business continuity planning (BCP) and disaster recovery. A three-year alliance between CUNA and Strohl Systems—a provider of BCP software and services—will market PLANet to credit unions.

PLANet was the recipient of the CUNA Technology Council Best of Show award at the 2003 Future

Forum. It is designed to help meet growing audit and regulatory requirements from the NCUA and Federal Financial Institutions Examination Council.

PLANet has more than 350 active users, notes Wes Millar, CUNA vice president of strategic alliances.

CUNA also will endorse and recommend services from Strohl Systems including plan development, plan testing, plan evaluation, plan conversion, facility evaluation and recovery readiness and review.

Visit CUNA's website for more information.

**CUNA BCP Alliance**  
[http://alliances.cuna.org/csa\\_strohl.html](http://alliances.cuna.org/csa_strohl.html)

## Get Set for the 2005 CUNA GAC

The 2005 CUNA Governmental Affairs Conference happens Feb. 27-March 2 in Washington, D.C. Accommodations for hotel rooms can be made beginning Nov. 16. Look for more details and registration forms in the Nov. 8 issue of *NewsWatch*. ♣





# >> The Marketplace

## More CEO Retirement Plans Boosted

More CEOs of larger credit unions were offered a supplemental executive retirement plan last year than the year before, but credit union top executives still lag behind those of all financial services leaders in obtaining the plans, according to a newly released CUNA survey.

The 2004-2005 CEO Total Compensation Survey shows that by year-end 2003, 56% of CEOs from credit unions with \$100 million or more in assets were enrolled in a supplemental retirement plan, up 11% from the previous year. However, that's still a far cry from the financial services community as a whole (including banks and thrifts) in which 86% hold the retirement packages.

"As a rule of thumb, retirement income should equal 65% to 85% of one's final pay. It is difficult to fund an executive's retirement at this level with the caps on qualified executive retirement plans such as 401(k)s," said Vicki Joyal, CUNA's vice

president of research services.

"Supplemental executive retirement plans are designed to offset these limitations and are a great tool to attract and retain top talent."

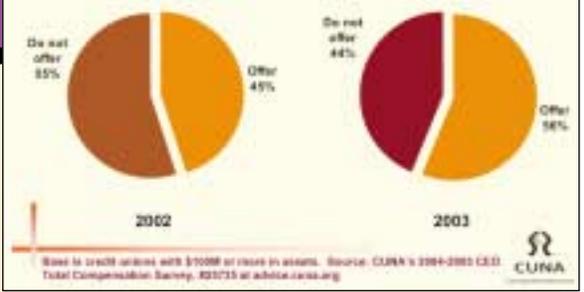
The survey also gives comprehensive detail concerning every facet of CEO compensation, including:

- ▶ Salary,
- ▶ Bonuses and incentives,
- ▶ Perks,
- ▶ Benefits, and
- ▶ Employment contracts and severance.

For more information or to order CUNA's 2004-2005 CEO Total Compensation Survey, call CUNA Member Service at 800-356-8010, press 3, and ask for stock #25735, or visit CUNA's website. 🏠

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