

Together

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HEADLINE NEWS

Delaware Escheat Reports Are Due November 10

The annual escheat reporting deadline for Delaware credit unions is **November 10**. Every Delaware credit union, regardless of whether it holds unclaimed property, must file a copy of Form AP-1 (Report of Unclaimed or Abandoned Property) and Form AP-2 (Report of Unclaimed or Abandoned Property Detail Sheet), which provide a summary of the credit union's report and which must be signed and verified by a credit union officer. These reports and remittance of monies in any such accounts are due by **November 10, 2011**.

Unclaimed property forms and a booklet describing the process for submitting unclaimed property is available at www.state.de.us/revenue (click on "unclaimed property").

Remember, amounts in excess of \$25 must be reported to the state of the member's last known address. You will need to contact each applicable state to obtain the correct filing forms, deadlines and dormancy periods (which vary from state to state). For example, in Maryland and most recently in New York, the dormancy period has dropped to three years before abandoned property must be turned over to those states.

Delaware CUs Celebrate International CU Day

Each year this event affords us the opportunity to remember credit unions' proud history and to promote the awareness of, and support for, the credit union difference.

Credit unions used this year's theme of "Building a Better World" as the basis of their celebrations. The following credit unions reported on their activities:

- **Dover FCU's** business development officer Bettie Campbell reported: "Our theme for ICU day was 'Bob the Builder.' Employees wore jeans, coveralls, and hard hats and brought in tools and tool belts [*Holly Bounds is pictured at right*].



We also had a cookout at the Silver Lake office. Food was provided and cooked by the executive staff, headed by CEO David Clendaniel, and the employees provided side dishes.

Each branch decorated its office and served punch, cookies, and special chocolates designed for the credit union.”



The staff of Dover Federal's New Castle branch is pictured here. Left to right in back row: Gladie Brogan, Katie Borntreger, Lisa Koeturius, Betty Petka, and Stephanie McCaffery. Kneeling: Karla Brown, Nancy Kerrigan-Dulin, and Chrissy Schroeder



Louviers FCU marketing director Faith Simperts reported that the main office on Elkton Road featured special promotions offered by Costco and Liberty Mutual in the lobby. Refreshments and giveaways were available at the branches. A special drawing was held at the student branch in Newark High School for students who opened an account and/or deposited money in their savings accounts during the week. Since the credit union was also participating in Newark's Hot Pink Power Day, pictures of the festivities show credit union staff wearing pink to work to show support for the American Cancer Society's quest to conquer breast cancer.

Newark has been the first community in Delaware to turn **HOT PINK** in October with their Hot Pink Project. Faith Simperts (pictured on the left), along with a three friends who are cancer survivors, formed Team Louviers and participated in the Inaugural Hot Pink 9 Pin No Tap Tournament at Brunswick Blue Hen Lanes in the Newark Shopping Center. All prize money was returned to the American Cancer Society.





Annette Garofalo at **Wilmington Postal FCU** sent a picture of the credit union lobby, which was decorated as if construction were underway. A drawing for a \$75 Home Depot Gift Card was also a part of the festivities.

Eagle One FCU celebrated Credit Union Day by holding “Member Appreciation Days” at its branch offices on October 19th, 20th & 21st. The days featured special prize drawings with the goal of showing the membership how much they are appreciated. Members were also encouraged to take advantage of the credit union’s Membership Drive rewards and specials. Starting October 1st, Eagle One is offering a \$20 reward for any member who refers a friend or family member to join the credit union. If the referral opens an account and sets up direct deposit, both members receive a \$20 reward deposited into their account. Those members are then also entered into a grand prize drawing to win a flat screen TV. This membership drive will run through December 31st. “Saying thank you to our members is the best way we can think of to celebrate International Credit Union Day.” CEO John King said. “Our members are the heart of Eagle One. We are always glad to show them that we appreciate their loyalty.”

[COMPLIANCE RECAP](#)

NMLS Registration Under SAFE Act—Renewal Period Starts 11/1

The *Secure and Fair Enforcement for Mortgage Licensing Act (SAFE Act)* requires residential mortgage loan originators who are employees of agency-regulated institutions to be registered with the Nationwide Mortgage Licensing System and Registry. The *SAFE Act* generally prohibits employees of agency-regulated institutions from originating residential mortgage loans unless they register with the registry. All NMLS accounts for financial institutions must be renewed on an annual basis, and credit unions must renew their NMLS accounts before the institution’s MLOs can renew their individual registrations. Credit unions will be required to pay a \$100 renewal processing fee. However, there is no MLO renewal fee for this first renewal period. The 2011 renewal period begins on November 1 and ends December 31.

Now is a good time to visit the *SAFE Act: Registration of Mortgage Loan Originators* topic on the Loans and Leasing channel of *InfoSight* for definitions and other information that you can use to help your credit union remain in compliance with the *SAFE Act*.

Does Your CU Have an I-9 Form On File for Every Employee?

During a recent presentation by the U.S. Citizenship and Immigration Services at the League’s Human Resource Council, participants learned that every credit union must complete a Form I-9 for every new employee you hire after November 6, 1986.

Form I-9 helps employers to verify individuals who are authorized to work in the United States. Hiring employees without complying with the employment eligibility verification requirements is a violation of the employer sanction laws.

Employers must retain an employee's completed Form I-9 for as long as the individual works for the credit union. Once the individual's employment has terminated, the employer must determine how long after termination the Form I-9 must be retained, which is either three years after the hire, or one year after the date employment is terminated – whichever is longer. Forms I-9 may be retained either on paper or microform or electronically.

Instructions for completing this form, as well as sample forms, can be found in the *Handbook for Employers (M-274; revised 06/10/11)*. You may obtain copies of English and Spanish versions of Form I-9 CNMI, as well as the electronic version of the *Handbook* from the U.S. Citizenship and Immigration Services website at www.uscis.gov. To order Forms I-9 or a print copy of the *Handbook* by telephone, call the USCIS Forms Request Line toll-free at 1-800-870-3676.

Annual ACH Compliance Review Deadline December 1

The National Automated Clearinghouse Association (NACHA) requires all financial institutions that use a national ACH system to perform an annual ACH Review by December 1st. This requirement applies to both Originating Depository Financial Institutions and Receiving Depository Financial Institutions.

- ARTICLE ONE - GENERAL, SUBSECTION 1.2.1 Audits, Page OR-1
- APPENDIX EIGHT - RULE COMPLIANCE AUDIT REQUIREMENTS SECTION 8.1 General Audit Requirements, Page OR-159.

The rules documentation is only available from the NACHA at www.nacha.org

NCUA Outlines OCP Structure

In a recent Letter to Credit Unions #11-CU-17, NCUA provided additional details on the two divisions of its Office of Consumer Protection (OCP) and covered the agency's member complaint resolution process. In its letter, NCUA stated that it "designed OCP to segregate consumer protection and consumer compliance responsibilities from those involving safety and soundness."

The NCUA said its Division of Consumer Access will cover 1) new federal CU charters; 2) charter conversions; 3) field-of-membership expansions; 4) bylaw amendments; and 5) low-income designations.

The Division of Consumer Compliance and Outreach (CCO) will address consumer compliance policies, program and rulemaking; act as an interagency liaison on consumer protection and compliance issues; conduct fair lending examinations; manage its own consumer call center and financial literacy and outreach programs; and serve as the agency's ombudsman.

The OCP may be contacted at 703-518-1140 or via email at OCPmail@ncua.gov.

[CU SYSTEM NEWS](#)

NCUA Guidance Helps With Savings Bond Changes

The National Credit Union Administration (NCUA) has issued a Letter to Credit Unions #11-CU-15 to provide guidance in answering members' questions that might be sparked by upcoming changes to the U.S. Savings Bond program.

After 75 years of regular sales, savings bonds will no longer be sold at credit unions and other financial institutions as of January 1, 2012, the U.S. Treasury has announced. Series EE and I savings bonds will still be made available for purchase via the U.S. Treasury Department's online purchase platform, [TreasuryDirect.com](http://www.treasurydirect.com). Consumers can also use the Treasury's online platform to convert existing paper bonds into electronic bonds and to purchase savings bonds via a payroll savings plan. Treasury estimates that the move from paper to electronic bonds will save \$70 million in taxpayer funds over five years.

The NCUA letter advises credit unions that "as a trusted source of information about savings bonds, your credit union will likely receive questions about these changes." It asks credit unions that, as they respond to member questions and assist them through this transition, to consider the following:

- **Educate members about the upcoming changes.** Let members know they will no longer be able to buy paper savings bonds at your credit union or by mail order. Refer members to <http://www.treasurydirect.gov> where they can purchase, manage, and redeem electronic savings bonds online.
- **Stop accepting applications for savings bonds after December 31.** Members have until the close of business on that date to submit a final purchase applications and funds. Final applications mailed directly to the Federal Reserve by members must be received by December 31.
- **Continue to redeem savings bonds on behalf of your members.** Consumers currently hold more than 670 million paper bonds worth \$181 billion. Also, inform members that paper bonds that have not matured but are lost, stolen, or destroyed, can be reissued in paper or electronic form.

The Treasury Department is offering a free toolkit to help communicate changes to consumers, which can be found at: <http://www.treasurydirect.gov/instit/savbond/otc/otcendtoolkit.htm>.

Obama Names New NCUA Board Nominee

President Obama has nominated Carla Leon-Decker, the president of \$48 million District Government Employees FCU, to serve on the three-member NCUA Board. Leon-Decker would succeed Gigi Hyland, whose six-year-term on the panel expired in August.

Leon-Decker worked at PAHO/WHO FCU from 1994 to 2000, first as operations manager, then as president, and as branch manager for Transportation FCU before that. She is a Credit Union Development Educator and co-founder and director of the Network of Latino Credit Unions and Professionals.

CUNA Mutual Restructuring – May Affect Some Forms

CUNA Mutual Insurance Society will officially be reorganized into a mutual insurance holding company structure prompting mandatory form changes at all credit unions.

With policyholder and regulatory approval granted, CUNA Mutual Insurance Society (CMIS) will officially be reorganized into a mutual insurance holding company (MHC) structure and renamed CMFG Life Insurance Company, prompting mandatory form changes at all credit unions. The company has targeted January 31, 2012, as its effective date, which means new forms, etc., must be in use on February 1, 2012. Credit insurance documents referencing CUNA Mutual Insurance Society will need to be replaced with documents with the new name.

CUNA Mutual has identified that this change will impact all paper and electronic credit insurance forms. These updates will encompass changes to the form text, logo, and version number; there are no field changes except in the cases where a state requires a new filing. LOANLINER lending documents with credit insurance enrollments and certificates embedded in the document will also need to be replaced.

For answers to your questions regarding these changes, please contact CUNA Mutual at: Telephone: 800-356-5012, Option 2; Email: loanlinercompliance@cunamutual.com; Web: www.loanliner.com.

DELAWARE NOTES

Congratulations to the members, volunteers and staff of **WILMINGTON POLICE AND FIRE FCU**, which celebrated 55 years of service on October 18.

Our condolences to friends and family on the passing of Michael Oreszczyn, who served as a member of the **DEXSTA FCU** supervisory committee.

In honor of **SUSSEX COUNTY FCU'S** philosophy of "People Helping People," the credit union recently held a food drive to support the Food Bank of Delaware. In appreciation for making a donation, Sussex County Federal Credit Union recognized each non-perishable food donor with an entry blank to win a \$100 VISA gift card. Sharee Coleman, VP of Marketing, stated "Our appreciation goes out to the community for their generous support of the Food Bank of Delaware and congratulations to Karen McCauley for being randomly selected as the gift card recipient." Sharee also appeared on TV station WBOC in Salisbury on October 27 regarding this initiative.

Employees of **DEXSTA FCU** dressed down for an entire week for a \$20 donation to the Delaware Humane Association; some staff members participated in "Furry Friends Friday" for \$5 to wear sneakers and jeans. The credit union is also collecting items from the Delaware Humane Association's online wish list.

League executive vice president Jane Bailey represented credit unions at the "PAWS for People Wag n Walk" in October. This event, which is held at Glasgow Park, attracts a large number of attendees, both two-legged and four-legged. Jane hosted a dog game booth and distributed information on credit union membership. Funds raised at this event support this therapy pet organization.

EDUCATIONAL OPPORTUNITIES

November QuickBites Teleconferences

One-hour sessions run from 11 a.m.-noon:

- 11/02 Credit Risk & Allowance for Loan Loss
- 11/08 The Grinch Effect: ID Theft at Holiday Parties
- 11/17 12 Shoestring Sales & Marketing Ideas
- 11/29 Confidentiality & Fiduciary Responsibility

Two-hour sessions run from 11 a.m.-1 p.m.

- 11/15 Achieving Teller Excellence for CUs

The fee for the one-hour sessions is \$99; the 1 ½ hour session is \$129; and the two-hour session is \$169. The deadline to register with Bernadette Hines: one week before the session.

November Webinars

The webinars are 90 minutes (3-4:30 p.m.).

- 11/02 Small Business Banking at Your CU
- 11/03 Conducting Your 2011 ACH Audit
- 11/09 Year-End Compliance Checklist
- 11/15 CU IRS Information Returns: What to Report

The \$189 registration fee is for EITHER the "live" webinar or an archived on-demand web link and free CD-ROM of the complete session. The \$219 registration fee will now cover all three options.

Upcoming Fall Training Sessions

Volunteer Leadership Conference. November 4-6 at the Clarion Hotel in Ocean City, MD. Call Alice Smith to see if space is still available

2011 IRA Workshops

- IRA Essentials – November 16
- IRA Beyond Essentials –November 17.

Both sessions will be held at the League office from 8:30 a.m.-4:30 p.m. Participants should bring hand-held calculators.

Compliance Council. Wednesday, November 30, from 10 a.m.-noon at the League office. Topic: Card Program Profitability, presented by Chantel Hassinger, Portfolio Development Coordinator, PA Credit Union Association. No charge for council members; \$100 for non-council members. RSVP to Jane Bailey by November 23.



At Your Service

League Activities in September 2011

COMMUNICATIONS/PUBLIC RELATIONS



2011 Credit Union Day Supplement. Credit unions in Delaware helped to celebrate Credit Union Week by publishing their ninth Credit Union Supplement in *The News Journal*, Delaware's statewide newspaper. The 16-page, full-color supplement was paid for with advertising from Delaware credit unions and was inserted in the October 20th *News Journal*.

Using the International Credit Union Day theme for its cover, the issue highlighted the difference between banks and credit unions and directed consumers on how to find a credit union to join. A testimonial by a member of Delaware Alliance FCU helped to underscore the value of belonging to a credit union.

The publication was underwritten by the advertisements of 11 credit unions and featured a directory of all 27 credit unions in Delaware. The following credit unions supported the supplement with advertising: American Spirit, Chestnut Run, Del-One, Community Powered, Delaware Alliance, Delaware State Police, DEXSTA, Dover, Eagle One, Louviers, and New Castle County School Employees.

Over 200,000 copies of the supplement were printed and inserted into the paper. You can also find a copy of the supplement on the League website at <http://www.dcul.org/consumer/supplement.pdf>.

Delaware League Pro Award. The Credit Union National Association (CUNA) announced its 2011 Blockbuster and Pro Awards for outstanding communications work by state credit union leagues. The Delaware League was recognized with an honorable mention in “Best Public Relations Project” for our 2010 International Credit Union Day Supplement.

Delaware League News and Risk Alerts. In September, the League sent out 10 news updates. These covered disaster preparedness, savings bond sales, NCUA news, and political advocacy efforts. There were six risk alerts in September which covered phishing emails, fraudulent checks (American Spirit FCU and Dover FCU), a Provident FCU break-in, data breaches, and business loan underwriting recommendations.

COMPLIANCE

Credit Union Queries. The League frequently sends out operational questions on behalf of our member credit unions. The responses are then shared with the original credit union making the request, as well as all those that reply. In the past month, the following topics have been addressed:

- Cash counting at the CU
- Lending on a second principal residence planned for retirement
- Collateral protection providers
- Service providers for credit union operations, since some banks have discontinued services
- Annuity agreements
- Repossession companies successfully used by credit unions
- Users of CUNA Mutual laser forms
- Marketing companies used to create a credit union marketing plan

InfoSight Usage. Delaware credit unions and League staff used this compliance website 66 times in September. The two power users were Delaware Alliance FCU with 15 and Dover FCU with 12. InfoSight continually updates its channels (or topics) to reflect the most recent changes in regulations. In the past month, the following channels have been updated: Accounts; Advertising; Expedited Funds Availability; Reg. CC; and Share Insurance.

CU PolicyPro Usage. Usage has increased to 42 log-ins from 11 different users in the second quarter of 2010 to 55 log-ins from 14 different users for the second quarter of 2011. (Third quarter data is not yet available.) This shows that more Delaware credit unions are becoming familiar with this tool. In addition, Elaine Royer of the Pennsylvania Credit Union Association provided telephone training to American Spirit’s new education/compliance director Dona Palermo – this service is available for other new staff members who need training.

GOVERNMENTAL AFFAIRS

Member Business Lending Advocacy. The House Subcommittee on Financial Institutions and Consumer Credit held a hearing on House MBL bill, H.R. 1418 on Wednesday, October 12. Jeff York, President/CEO of Coasthills FCU in Lompoc, CA, testified on behalf of CUNA. His testimony stressed how a higher cap on credit union member business lending would benefit small businesses and the nation’s economy. In her testimony and in response to questions from lawmakers, National Credit Union Administration Board Chairman Debbie Matz detailed three “tangible benefits” of increased MBL authority: more reasonably priced loans for small businesses, enhanced safety and soundness through diversification for credit union portfolios, and job growth. Matz pointed out that the current statutory cap deters many credit unions from fully serving the small business community. “More than one in five credit unions making member business loans that are subject to the cap have reached 50 percent or more of this ceiling,” concluded Matz. “If Congress increases the current cap, NCUA would promptly revise our rules to protect credit union safety and soundness.”

LEAGUE SERVICES

Business Member Updates

- **PaCUSC Shared Branching:** Louviers FCU received training on the shared branching system on October 26-27 and will be live on the network on November 7.
- **Visions, Ink** is helping Community Powered FCU translate marketing materials from English to Spanish.
- **Kriebel Security** is doing the alarm and cctv for Provident FCU, following a robbery attempt on the credit union earlier this fall.

Invest in America Partners with Dell for Computer Discounts. New for this year's holiday shopping season, Invest in America is thrilled to announce Dell as their newest partner into the Invest in America member benefit program. Your credit union members can now receive exclusive discounts of up to 30% on all Dell products such as laptops, desktops, printers, and tablets. Dell is also offering exclusive discounts on a huge selection of electronics and accessories from all the major brands. Visit the Dell section of www.lovemycreditunion.org to start saving today!

More Invest In America News. With the holidays fast approaching, credit unions can give their members the *gift of savings* on a variety of products from many popular outlets. For more information on Invest in America programs, including the credit union only [Sprint marketing incentive program](#), contact Jane Bailey at the League office. [Click here](#) to download the Invest in America October Newsletter, filled with marketing tips, the latest promotions and trends.

EDUCATION

2012 League Professional Council Brochure Available. Councils provide resources, information, networking and professional development to credit union professionals. Membership is open to credit union employees who have responsibilities related to seven key areas of a credit union's organization. Councils are about helping individuals handle the day-to-day challenges as well as planning for future successes. Registration for 2012 councils is available through January 31, 2012. Contact Bernadette Hines for more information.

League's Education Offerings Now on Website. The League is now posting all education flyers and brochures to the online education calendar on the Delaware League website: <http://www.dcul.org/creditunions/seminars.htm>.

September Education Sessions:

Date	Title		# Individuals	# CUs
9/29	Marketing Council - Updates & Sharing	Visions Ink. / Children's Miracle Network	13	6
	Distance Learning			
9/7	Understanding Endorsements	CU Training	2	2
9/08	Develop Global Cash Flow	CU Training	2	1
9/12	Impact of New Debit Card Interchange	CU Training	2	1
9/13	ACH Audits	CU Training	2	2
9/14	Strategic Planning	CU Training	2	1
9/29	Collecting Decedent's Accounts	NorthLegal Webinar	Totals	Unavail.

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