

"I look at credit unions as little lighted candles,
all spread over our great country." —Leo H. Shapiro

Sponsorships Allow Small CU Voice to Be Heard

The Shapiro Group Committee would like to thank the following Shapiro credit union sponsors:

Addison Avenue FCU
AltaOne FCU
Altura CU
Boulder Dam CU
California CU
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Clearstar CU
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Orange County Teachers FCU
E1 Financial CU
Elko FCU
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San Mateo CU
Schools Financial CU
Silver State Schools CU
Shapiro Group
Sonepcu FCU
Spectrum FCU
Star One CU
The Golden 1 CU
Travis CU
USA FCU
WesCorp
WestStar CU
Xerox FCU

Record Number of Shapiro CUs Attend GAC

This year, 42 California and Nevada Shapiro credit union CEOs, board members, and employees attended the CUNA Governmental Affairs Conference in Washington, D.C. due to generous sponsorships from participants in the Credit Union Partners for Advocacy program.

The program allows large credit unions and other League affiliates to sponsor Shapiro-sized credit unions (those under \$39 million in assets) at advocacy events that require heavy travel, lodging, and registration costs. These sponsors recognize the importance of having the small credit union voice in meetings with legislators, and participation in the program has grown each year since its inception.

During the GAC, the sponsored Shapiro credit unions enjoyed a California and Nevada legislative briefing, the Governmental Affairs Welcome Reception, many breakout sessions, visits with legislators, and the conference's enormous exhibit hall.

1st Valley CU CEO Gregg Stockdale and board member Jane Sneddon were first-time attendees at the GAC, under the sponsorship of E1 Financial Credit Union, Farmers Insurance Group FCU, and Altura CU.

"That was quite the conference, and it was also very productive for the credit union cause," Stockdale commented. "We both had a great time and really liked meeting with our representatives and sharing the [credit union] story."

Another first-time GAC attendee, Sunkist Employees FCU CEO Olivia Bautista, said, "It was truly an experience I will be talking about with my board and friends. This conference did give me more of an awareness of what issues we are involved with and what impact we need to make with educating our membership."

Cal Poly FCU CEO Barbara Argo, a multiple GAC attendee, said, "I sure could not have gone without the support of OCTFCU."

Due to the tremendous attendance of Shapiro credit unions at GAC this year, and the unparalleled generosity of their large credit union sponsors, the League's Government Affairs Department sponsored a breakfast for all participants in the Credit Union Partners for Advocacy program that was attended by nearly 60 people.



L-R: Deluxe Laboratories FCU CEO Harry Segal (Shapiro); First Entertainment CU Linda Walmsley; First Entertainment CU CEO Chuck Bruen (sponsor)



L-R: Travis CU Vice Chairman Pat Moreno; Antioch Schools FCU CEO Rob Greaff (Shapiro); and Travis CU Corporate Relations Manager Andy Anderson (sponsor)

Shapiro CU Wins Fourth Consecutive Desjardins Youth Award

For the fourth consecutive year, Shapiro-sized credit union Cal Poly FCU (\$10,478,887 million in assets) was awarded a national Desjardins Youth Financial Education Award during the CUNA Governmental Affairs Conference in Washington, DC.

The Desjardins Youth Financial Education Award recognizes leadership within the credit union movement on behalf of youth financial literacy.

Cal Poly FCU's CEO, Barbara Argo was in attendance to accept the award on behalf of the credit union for their financial literacy work with college-aged students and foster students. Cal Poly FCU was again ranked as one of the top Youth Financial Literacy educators in California by number of presentations and number of students reached. Congratulations to Cal Poly FCU!



Cal Poly FCU CEO Barbara Argo displays the latest Desjardins Youth Financial Education Award won by her credit union.

Eternal Flame Award Winner Runs for WesCorp Board Re-Election

Board elections for America's largest corporate credit union, Western Corporate FCU (also known as WesCorp), are coming up soon. You will be receiving your voting credentials very soon and you will notice that Shapiro credit union CEO, and 2007 Shapiro Group Kim Bannan Eternal Flame Award winner, Adam Denbo, is running for a second year term.

In his first year on the WesCorp board, Adam learned a tremendous amount of information, including the best ways to help small credit unions going forward. However, the first year on any board requires lots of training and education that can only be put into action during subsequent years. It would have been a waste of time for Adam to only have been on the board one year, when the majority of his contributions will take place from this point on.

Adam Denbo is a Shapiro peer. When it comes to speaking for the small credit unions, it's important to have someone who understands the concerns and interests of the Shapiro Group credit unions. If you believe he can represent you well on the WesCorp board of directors, then don't forget to vote!



California Agribusiness CU CEO and 2007 Shapiro Group Kim Bannan Eternal Flame Award winner Adam Denbo

Compliance Resources and Red Flags Discussed at CUBAEC Meeting

On Wednesday, March 12, the Northern California-based Credit Union Bay Area Executive Coalition (CUBAEC) met to discuss the topic of "Compliance Resources" and the new FACTA Red Flag Risk Assessment requirement. A number of Shapiro Group credit unions attended this informative session held at Provident CU in Oakland.

Following the agenda closely, a list of credit union compliance resources were identified and discussed. In the interest of accuracy, various CUBAEC members were assigned the task of researching the following compliance resources:

- **Compliance Plus, Inc:** Provides affordable compliance training, strategic planning, and consulting services, in-house training, compliance policy development, website reviews, and more to credit unions nationwide.
- **CU Comply:** The Golden 1 CU has assembled a website for compliance training, geared specifically for the small credit unions. The cost is just \$10 per person, per year. For more information on this cost-effective program, contact Pat Neighbors at pneighbors@golden1.com.
- **CU Resources:** The League's Business Services division, in cooperation with the Texas Credit Union League, offers this service for in-house compliance evaluations, update your policies, working through issues with your regulators on your behalf, and performing vendor due diligence. This service is available to be shared between credit unions. Pricing currently is \$85 an hour plus travel. The shared expense can make this a cost-effective solution to compliance woes.
- **Credit Union Compliance Professionals (CUCP):** A large group of Southern California Compliance professionals hold monthly meetings for compliance related presentations and to work on compliance issues together. CUCP also maintains their own active listserv. Monthly meetings, which take place at the WesCorp offices in San Dimas, only cost \$1.00 per meeting.
- **The Credit Union Executive Society (CUES):** A Madison, Wisconsin-based, independent, not-for-profit membership association for credit union executives. CUES offers articles and online training available to their membership; however, some articles do not require membership for access. CUES offers a monthly online compliance program and only costs \$650 a year to join.
- **Credit Union National Association (CUNA):** Offers many and varied compliance resources on their site at www.cuna.org. CUNA's website is available to all League

Compliance Resources and Red Flags Discussed at CUBAEC Meeting (continued)

members and provides a host of regulation updates, webinars, shared policies and procedures, and other related compliance resources.

- **Infosight:** A new compliance tool available to all League member credit unions. Along with other compliance tools, Infosight offers the largest assortment of model policies.
- **National Association of Federal Credit Unions (NAFCU):** A members-only trade association that serves federal credit unions exclusively. NAFCU offers a number of compliance-related resources, such as a basis compliance discussion forum, a regulatory alerts blog, a compliance newsletter, and various webinars.

The second half of the meeting was involved with the FACTA Red Flag Risk Assessment requirement and identifying red flags, assessing risk, and sharing ideas about ways to respond to each type of incident so identity theft is prevented or mitigated. As a group, the CUBAEC members identified red flags and assessed their risks while assembling a Red Flags checklist to identify which items would trigger concern about identity theft attempts at their credit union.



Attendees, including a number from Shapiro Group CUs, discussed compliance resources at the March 12 CUBAEC session in Oakland.

Shapiro Grants Available for 2008

The Shapiro Group currently offers the following grants:

- **Advocacy Expense Grant:** Up to \$2,000 to help Shapiro Group credit unions offset credit union advocacy trip expenses.
- **ALM Grant:** Up to \$2,000 to help purchase Asset Liability Management software tools.
- **Facilities Grants:** A one-time grant of up to \$5,000 for facilities improvement. Note: This is a one-time grant and grant cannot be for more than 10 percent of total costs of improvements.
- **Facilities Relocation:** A one-time grant up to \$10,000 for complete facility relocation. Note: This is a one-time grant and grant cannot be for more than 10% of total costs of improvements.
- **Implementation Grant:** Up to \$5,000 to establish a new member product or service. Note: This is a biannual grant (it will generally not be granted more than once every two years to the same credit union).
- **Just Ask Grant:** Up to \$1,000 for products and services that do not fit into any of the other grant categories.
- **Marketing/Public Awareness Grant:** Up to \$2,500 to Shapiro Group credit unions to help offset costs associated with marketing and public awareness. Note: The grant amount will cover up to half the costs of the marketing/public awareness expenditure, not to exceed \$2,500.
- **Planning Grant:** Up to \$3,000 to help Shapiro credit unions with strategic and/or scenario planning sessions.
- **Policy Grant:** Reimbursement for pre-approved credit unions for up to \$1,500 for administrative support to help Shapiro Group credit unions complete and/or update policies.
- **Recruitment Grant:** Reimbursement for pre-approved Shapiro credit unions up to half of the cost of recruitment fees and expenses not to exceed \$5,000 to replace CEOs and second-in-commands.
- **Technology Grant:** Assists Shapiro credit unions to purchase up-to-date computers, upgrade existing systems, to buy software and to get connected to the Internet. Maximum allowable benefit is up to \$7,500.

These guidelines are subject to modification at any time and are contingent upon the availability of funds. The maximum annual, individual, credit union grant fundings are limited to \$10,000.00. The Shapiro Group will disburse grant funds after final approval and proof of service. By submitting this grant application, you agree to make a cash or in-kind donation to the Shapiro Group and provide a statement of benefit upon request.

Shared Compliance Initiative Program Offers On-Site Assistance

Many Shapiro-sized credit unions have the need for a compliance officer, but may lack the means to hire and retain one. Now, credit unions can receive on-site compliance assistance through the Shared Compliance Initiative Program offered by Credit Union Resources, Inc. in partnership with the League.

With this program, you can have a compliance officer come to your credit union and make sure your policies and procedures, including those related to the Bank Secrecy Act, are all in compliance. The frequency of visits is flexible according to your needs, and the fees can be shared between credit unions.

Credit Union Resources Inc. also provides other financial and technology resources, including: compliance audits, internal reviews, and financial audits; supervisory committee annual reviews; verification of member accounts; bank reconciliation; technology consulting and auditing services; and disaster recovery/business continuity. For more information, call League Business Development Assistant Candy Sims at 800.472.1702, ext. 3401 or email candys@ccul.org.



Financial & Technology Resources™

A Service of Credit Union Resources, Inc.

Special Shapiro Pricing for Compliance Solutions

Together with the League's Shapiro Group, Patriot Techcorp has developed a special pricing structure for Patriot compliance solutions so that credit unions of all asset sizes can proactively manage their assets, protect their members from fraud and related financial losses, and fully comply with the related regulatory requirements.

In order to address the credit union industry legislation issues for the USA PATRIOT Act, OFAC, the BSA, FinCEN and other related governmental regulatory requirements, Patriot Techcorp has developed and provides a number of specialist solutions that are in place in credit unions throughout California and Nevada.

Recommended solutions include:

- The OFAC Patriot™ and FinCEN Patriot™ programs which provide for single entry and entire member database searches of your member and transaction data all within your credit union, ensuring complete data security.
- Semi-annual or annual external penetration and vulnerability testing in order to measure the exposure of your network resources and online services to attacks from the Internet and to evaluate the effectiveness of the network controls (firewalls, routers, servers, etc.), in order to prevent such attacks.

Shapiro Group Grants, along with Patriot special pricing, are provided in order for your credit union to be in compliance at affordable rates.

To inquire about specifics for your credit union, please email sales@patriottechcorp.com or call 310.306.4148 (during the hours of 8 a.m.-5 p.m. on Mon-Fri PST).



Shapiro CUs Join League PAC In Support of Assemblyman Jones

On April 7, 2008, the California Credit Union League will host a fundraiser for Assemblyman Dave Jones during the Government Relations Rally in Sacramento. The Shapiro Group credit unions, just as they have done in the past, have joined forces to co-host the fundraiser.



Individually, the small credit unions would not be able to co-host a fundraiser; however, by collectively contributing \$1,000 towards the Dave Jones campaign, the Shapiro Group credit unions, again show how innovative and important they are to the credit union industry!

Shapiro Group Contributors to the Fundraiser for Assemblyman Dave Jones:

Stephen J. Serfozo
McClatchy Employees CU

Bonni Bergstrom
Dow Great Western CU

Shon Wellborn
Community CU

Deborah Trapani
Sierra Point CU

Michele Sosa
San Francisco Recreation and Parks CU

Rick Dockery
Printing Industries CU

Rebecca Cervino
Victor Valley CU

Pamela Butler
Yamaha EFCU

Adam Denbo
California Agribusiness CU

RaAnn Wood
California Center CU