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Last Day to Register for NJ Day at Credit Union House

Sign-Up to Meet NCUA Board Member McWatters, CUNA President/CEO Nussle, New and Veteran Capitol Hill Lawmakers

HIGHTSTOWN, N.J. – The NJCUL’s annual NJ Day at Credit Union House is scheduled for Tuesday, December 9. Open to all member credit unions at no charge, the event offers a valuable opportunity to hear from key Washington players on what to expect in the year ahead, and communicate credit union legislative and regulatory concerns and priorities.

The day will kick-off with a morning meeting with NCUA’s newest board member, J. Mark McWatters, at the agency’s headquarters in Alexandria. Participants will then reconvene at Credit Union House for a luncheon meeting with CUNA’s new President/CEO Jim Nussle followed by meetings with Congressmen Bill Pascrell (D-9) and Donald Norcross (D-1), and Congressman-elect Tom MacArthur (R-3).

Carpooling from the League’s offices in Hightstown will be available with a 7 a.m. departure and 7 p.m. return.

In the three months since taking office Mark McWatters has had a significant impact, first on the agency’s risk-based Capital (RBC) proposal, and most recently calling for a more open and transparent budgetary process.

Named in September to head CUNA, Jim Nussle is a former eight-term member of Congress. He served as Budget Committee chairman from 2001 to 2007. Following his 16-year tenure on Capitol Hill, he

CU Participation
› CUNA Comp Blog Q & A:
Model Privacy Notice
› Credit Unions, Mark Your
Calendars



**Don't Miss
Wednesday's FREE
Creative You
Information
Session!**

Wanna know what it takes to be a Creative You team? Want more information on the program? Want to network with other innovative NJ CU folks? Join us for a **FREE Information Session** on December 10th.

The session will feature members of last year's teams as well as NJCUL staff involved. It is being held "live" at the League and also via video conference to Atlantic FCU and Members 1st of NJ FCU. Register by sending an email to Mary Zelinsky at

served two years as director of the Office of Management & Budget under President George W. Bush.

A senior member of the House Ways & Means Committee, Bill Pascrell has been an outspoken supporter of the credit union tax exemption and will offer his insights on potential tax reform proposals in the new Congress.

Sworn-in last month to complete the unexpired term of Rob Andrews, who resigned earlier this year, and elected as well as to a full term that begins in January, Congressman Norcross was a credit union supporter while serving in the state legislature.

Elected to succeed Rep. Jon Runyan (R-3), who decided not to seek a third term, Congressman-elect Tom MacArthur is a former insurance company CEO who served as a part-time community mayor. In what was arguably the most competitive race in New Jersey, MacArthur's campaign received CULAC support following meetings with both candidates.

Additional information is available from the League's Vice President of Corporate & Governmental Affairs Chris Abeel at cabeel@njcul.org.

Registration is available by emailing Mary Zelinsky at mzelinsky@njcul.org.

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Vote for Your Favorite Mo Bro!

Vote!

Who had the best Movember?

Though the month of Movember is over, the fun continues!

Visit www.njcul.org/movember.aspx to view photos of the League's Movember Challenge participants from the first week to the last and vote for your favorite Mo Bro individual or team!

We have fun surprise prizes for the top three winners. Show your support of these men (and one woman!) who are changing the face of men's health...literally!

MOVEMBER



mzelinsky@njcul.org



Information Session

Upcoming Events:

December 10, 2014
FREE Creative You
Information Session
Location: NJCUL and via
Video Conference
11:00 am to 1:00 pm
[More Information Click Here](#)

December 16, 2014
Webinar: Denied Loan
Requirements: Consumer,
Commercial & Residential
3:00 pm to 4:30 pm
[More Information Click Here](#)

December 17, 2014
Webinar: Advertising
Compliance: Website, Print,
TV & Radio
3:00 pm to 4:30 pm
[More Information Click Here](#)

Contact Us:

Address

299 Ward Street
Hightstown, NJ 08520
Driving directions

Phone

800.792.8861
609.448.2426



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NJBIZ Presents the 24 Lists of Christmas, Day 4: Credit Unions

NJBIZ is publishing weekly "lists" to celebrate its upcoming year-ending Book of Lists and is commemorating the season with 24 Lists of Christmas.

Each day through Dec. 24, NJBIZ emails subscribers the top five leaders in a different category, giving a sneak peek.

Today, Day 4, NJBIZ gave a sneak peek into its list of credit unions, listing the top five: 1. Affinity FCU, 2. Merck EFCU, 3. Proponent FCU, 4. Financial Resources FCU, and 5. South Jersey FCU.

Click [here](#) for the full list.



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Senate Banking Hearing will Examine Cybersecurity

WASHINGTON – The Senate Banking Committee will conduct a hearing Wednesday to examine ways enhanced coordination can improve cybersecurity for the financial industry.

Titled "Cybersecurity: Enhancing Coordination to Protect the Financial Sector," witnesses at the hearing will include government officials from a variety of agencies, all tasked with improving the country's cybersecurity infrastructure.

The following government officials are scheduled to testify:

- Brian Peretti, director, U.S. Treasury's Office of Critical Infrastructure Protection & Compliance Policy;
- Phyllis Schneck, deputy undersecretary for cybersecurity and communications, U.S. Department of Homeland Security's National Protection and Programs Directorate;
- Valerie Abend, senior critical infrastructure officer, Office of the Comptroller of the Currency;
- William Noonan, deputy special agent in charge, Secret Service; and
- Joseph Demarest Jr., assistant director, FBI Cyber Division.

Fax
609.448.3499

E-mail
info@njcul.org

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The hearing is scheduled to run from 10 a.m. to noon, with live-streamed video available on the committee's [Web site](#).

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Volunteers Needed for January 14th Reality Fair at Jackson Liberty High School

TOMS RIVER, N.J. – We're gearing up for the first Reality Fair of the New Year on January 14th at Jackson Liberty High School in Jackson, N.J.

Details are below. Please contact Matt Brazinski at MBrazinski@firstffcu.com at First Financial FCU, the sponsoring credit union, to sign-up to volunteer. Even if you can only volunteer for a half day, we'd appreciate any time you could give!

Wednesday, January 14th, 2015

Time: 6:45 a.m. (set-up) to 1:40 pm (final bell)

Jackson Liberty High School
125 North Hope Chapel Road
Jackson, NJ 08527

Credit Union Contact:
Matt Brazinski
Business Development Manager
First Financial FCU
MBrazinski@firstffcu.com
732-312-1421



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CU System Grew with and Boosted the Economy in Third Quarter, Says Matz

Highest Loan Growth Since 2006; Interest-Rate Risk Moderating, but Still a Concern

ALEXANDRIA, Va.– Federally insured credit unions boosted lending in all categories in the third quarter of 2014, the NCUA reported this week.

“Making investments in members and their communities is what credit unions are all about,” NCUA Board Chairman Debbie Matz said. “An improving economy stimulates loan demand, and lending growth contributes to continued economic growth. So, it comes as no surprise that the credit union system grew with and boosted the economy in the third quarter. In fact, federally insured credit unions had their highest annual loan growth rate since the first quarter of 2006.

“The fact that credit unions are turning towards making loans and reducing their reliance on long-term investments is encouraging,” Matz said. “A loan to a member is the best investment a credit union can make and benefits members directly. To protect the safety and soundness of the credit union system, NCUA will continue to carefully monitor signs of interest-rate risk.”

NCUA released the new figures based on Call Report data submitted to and compiled by the agency for the quarter ending Sept. 30, 2014.

Findings include:

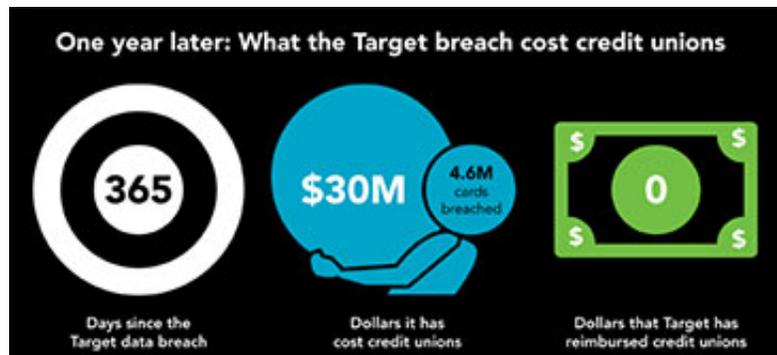
- In the third quarter of 2014, outstanding loan balances rose 10.1 percent from the third quarter of 2013 to \$695.3 billion.
- Total investments by federally insured credit unions (excluding cash on deposit and cash equivalents) declined slightly from the previous quarter to \$288.4 billion. Total investments fell \$5.1 billion, or 1.7 percent, from the third quarter of 2013.
- Membership in federally insured credit unions grew by 808,900 in the third quarter of 2014 to 98.7 million.
- Federally insured credit unions’ return on average assets ratio rose to an annualized 83 basis points through the end of the third quarter, a slight increase from the previous quarter and 3 basis points above the third quarter of 2013. Net income through Sept. 30 was \$6.8 billion, up 8.6 percent from a year earlier.
- The aggregate net worth ratio for federally insured credit unions was 10.93 percent at the end of the second quarter, 17 basis points higher than the previous quarter and 28 basis points higher than the end of the third quarter of 2013.

For more information and highlights, click [here](#).

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Holiday Season Brings Increased Data Breach Advocacy from CUNA, Leagues

WASHINGTON – CUNA has stepped up its advocacy efforts to protect consumers and financial institutions through the holiday season and into the first days of the 114th Congress.



CUNA President/CEO Jim Nussle said that in the year since the Target data breach, credit unions are still at the mercy of lax merchant security standards.

"The ill effects of merchant data breaches touch Americans everywhere because merchants are not held to the same data security standards as financial institutions," Nussle said. "Congress must act to protect consumers by taking steps to enhance data security standards for merchants in the 114th Congress. Without equal standards, retailers have zero incentives to protect the important financial information of the American people who shop in their stores."

CUNA has created a [video](#) to provide a brief overview of retailer data breaches, and has compiled a list of risk management practices in partnership with CUNA Mutual Group. CUNA's [Stop the Data Breaches](#) Web site contains the list, as well as other resources for stakeholders to reach out to lawmakers urging a change in merchant security standards.

"Nothing is being done to quell these breaches on the retailers end, nor are retailers like Target reimbursing credit unions for the losses credit unions suffered due to insufficient merchant data security standards," Nussle said. "One year later, credit unions still haven't received anything in reimbursements from the store chain—and that really stings."

Other advocacy efforts from CUNA include: sending letters to six merchant trade groups on cybersecurity and payments, sending a letter to President Barack Obama requesting that the administration establish a Cybersecurity Council, providing quantitative analysis of the costs of the Target and Home Depot data breaches on credit unions, canvassing Capitol Hill to urge lawmakers to force merchants to meet strict data security standards, and calling on merchant groups to work with financial institutions to implement solutions.

A federal judge [denied](#) a motion from Target this week to dismiss a suit brought by financial institutions, including at least one credit union. The institutions claim that Target's negligent data security practices has led to massive costs.

"We're heartened that the court understands the basic reality that merchants owe a duty of care to financial institutions," Nussle said.

According to results of CUNA data breach surveys, data breaches, such as the ones at Target and Home Depot, have cost credit unions close to \$90 million, and found no credit unions have received reimbursements from Target.



The nationwide [Stop the Data Breaches](#) grassroots campaign continues. CUNA and the NJCUL are encouraging all credit union professionals, volunteers and members to [email](#) their lawmakers in Congress.

CUNA Meets with SBA Administrator on Expanding CU Participation

WASHINGTON – CUNA President/CEO Jim Nussle sat down with U.S. Small Business Administration (SBA) Administrator Maria Contreras-Sweet yesterday to discuss ways CUNA can partner with the SBA to help more credit unions and small businesses make use of SBA lending programs, particularly the 7(a) guaranteed loan program.

Contreras-Sweet has noted her support of credit union and community bank participation in SBA lending and CUNA staff said the meeting dialogue was very productive.

SBA loans can be an important lending tool for credit unions, since the portions of the loan guaranteed by the SBA, usually from 50% to 90%, do not count against a credit union's member business lending (MBL) cap.

SBA loans at credit unions have grown in both the average size and total dollar amount by nearly 50% over the past two and a half years. Average loans have risen to \$147,000 (up from \$101,000) and the outstanding dollar amount has risen to nearly \$1.2 billion from around \$800 million.

While these numbers represent an increase, they are still below the average credit union member business loans, which average \$225,000 per loan and have an outstanding dollar amount at \$48.8 billion.

Under Contreras-Sweet's leadership, the SBA has focused on simplifying its loan processes so more credit unions can access the agency's guaranteed loan products. These efforts have included streamlining the SBA 7(a) loan guarantee process and making credit scores part of the review and documentation process for term loans of \$350,000 or less.

CUNA will be following up its meeting by helping connect interested credit unions with the SBA and to look for ways current SBA lending credit unions may be able to expand their programs. CUNA also supports NCUA's efforts to increase awareness regarding the advantages of SBA lending and facilitate credit union participation.

At the beginning of 2015, the SBA is expected to institute a Web-based application and loan management process, called SBA One. The platform is meant to be interactive and user-friendly while allowing automated document uploads, generation of forms for 7(a) loans and electronic signatures.

According to the agency, SBA One is intended to eliminate factors that have been historically troublesome to some lenders.

CUNA Comp Blog Q & A: Model Privacy Notice

Q: Our credit union does not currently use the model privacy form. We are planning to change our privacy form to the model form so that we will be eligible to use the alternative delivery method for our annual privacy notices. Does the adoption of the model form constitute a change in our privacy policy so that we cannot use the alternative method until we have mailed out the new format?

A: Not necessarily. The CFPB determined in the supplemental information to the rule that a financial institution's adoption of the model privacy form will not constitute a policy change, as long as there are no changes to the substance of the information. Changes to the wording and/or layout of the privacy notice are not considered policy changes for purposes of the privacy regulation. Thus, a credit union may adopt the model form and use the alternative delivery method with the model form immediately to satisfy its annual notice requirement under Regulation P.

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Credit Unions, Mark Your Calendars

HIGHTSTOWN, N.J. – The New Jersey Credit Union League would like you to mark your calendars for these upcoming events:

NJCUL Education

December 9 -- [VirtualCorps Webinar: Enhancing Leadership Skills For Boards Of Directors](#)

December 10th -- [Creative You Information Session](#)

January 7th -- [Marketing Roundtable: What's Working for Today's CU Marketers?](#)

Industry Events

December 11 -- [North-Central Chapter Meeting: Allowance for Loan Losses](#)

2015 Events

January 13 -- [Tentative: South-Central Chapter Meeting](#)

January 14 -- [Reality Fair at Jackson Liberty High School](#)

March 8-12 -- [CUNA's 2015 GAC](#)

April 13-15 -- [CU Reality Check at the Golden Nugget Hotel & Casino in Atlantic City](#)

[Casino in Atlantic City](#)

April 28 -- [NJCUL's 27th Annual Golf Tournament](#)

June 1 -- North Jersey Federal Credit Union Foundation's Annual Golf Outing

June 4 -- [Reality Fair at Ewing High School](#)

July 7 -- Garden Savings FCU's 5th Annual Golf Outing at Fiddler's Elbow Country Club

September 28th -- Picatinny Federal Credit Union 17th Annual Golf Outing

October 4-6 -- NJCUL's 81st Annual Meeting & Convention

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