



Marissa Anema <manema@njcul.org>

The Daily Exchange -- January 28, 2015

New Jersey Credit Union League <news@njcul.org>

Wed, Jan 28, 2015 at 10:01 AM

Reply-To: news@njcul.org

To: staff@njcul.org

To ensure that you continue receiving our emails, please add us to your address book or safe list.

[Unsubscribe](#)

[Update Your Communications Preferences](#)



The Daily Exchange

January 28th, 2015

Today's News:

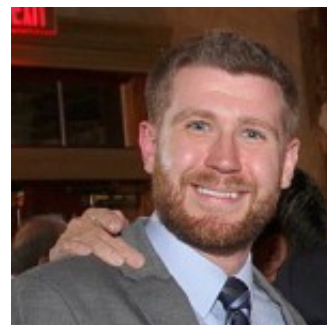
- › 2015 CUNA GAC Crashers Announced, Affinity FCU's Grant Gallagher Selected from New Jersey
- › RBC2 Comment Deadline Set, April 27
- › RBC2 Changes, Improvements, Outlook Detailed in CUNA Webinar
- › Directors and Volunteers: Don't Miss the Next NJ DNA Meeting Feb. 11th
- › Fed Unveils Strategies for U.S. Payments System Improvements
- › CFOs: How Do You Manage Operating Costs to Make Way for Investing in the Future?
- › IRS Tax Tips from the CUNA Compliance Team
- › NCUA Hosting Webinar on New TILA-RESPA Disclosure Rules
- › New Resources Available to Consumers from NCUA to Fight Identity Theft
- › Credit Unions, Mark Your

2015 CUNA GAC Crashers Announced, Affinity FCU's Grant Gallagher Selected from New Jersey

MADISON, Wis. – In March of this year, [young professionals from all over the United States](#) will descend on Washington, DC to take part in the system's premier conference.

Grant Gallagher, External Affairs & Financial Education Specialist at Affinity FCU, was selected as New Jersey's Crasher!

Starting in Affinity's member service center, Grant has been part of Affinity's External Affairs & Financial Education team for the past two and a half years where he manages strategic planning in regard to legislative and regulatory issues, the Affinity Federal Credit Union PAC, and financial literacy programs. He also contributes to the Affinity Federal Credit Union Foundation's philanthropy, community activism, and scholarship programs.



Congrats to Grant and all Crashers from across the country!

[The Cooperative Trust](#) and [CUNA](#), for a second consecutive year, received record applicants for the annual [Crash the GAC](#), with 220 applications. For the first time ever, however, Crash the GAC received applications from all fifty states and Washington D.C.

"Without the dedication and hard work from the League system, I don't think we would have achieved this incredible feat," says James

Calendars



Executive Leadership Series

Brought to you by the New Jersey Credit Union League 

First ELS Session of the New Year Set for March 3rd

New innovations in technology, shifting customer expectations, cyber security threats, and economic pressures have dramatically changed financial institutions.

Join us for the first Executive Leadership Series (ELS) **session** of the New Year on March 3rd at the League office where you'll hear from Joel Abramson on how to reduce costs while investing in innovation to better serve the modern member. Register [here](#).



Upcoming Events:

February 3, 2015
VirtualCorps Webinar: Why a Payday Alternative Loan May Be Helpful to Many of Your Members
 3:00 pm to 4:00 pm

Marshall, The Cooperative Trust Manager at [Filene Research Institute](#). "We knew this would be a big year after falling just short last year and we are very excited to take our biggest group of Crashers ever to learn about and take part in credit union advocacy at this incredible event put on by Credit Union National Association."

As Crash the GAC enters its sixth year, Crashers now attend conferences and meet-ups all over the credit union and cooperative systems. Crash events provide young, motivated credit union employees with opportunities to take part in top industry events that they might not otherwise be able to attend. In addition to the core schedule of GAC events, Crashers will attend exclusive speaker sessions and explore opportunities for young adults to help promote credit unions locally and nationally. Speakers at Crash the GAC include guests from CUNA, [NCUF](#), [CUNA Mutual Group](#), Filene and more.

"We have a terrific opportunity to engage young professionals within credit unions," said Jim Nussle, president/CEO of CUNA. "These new leaders will be key in helping to position credit unions as Americans' best financial partner, and therefore to the future success of the movement."

Expect big things from the newest Crashers, [meet them here!](#) Follow and take part all things Crash the GAC 2015 by using hashtag: [#crashthegac15](#).

Crash the GAC is put on by CUNA and The Cooperative Trust, in association with state credit union leagues. Learn more about CUNA GAC [here](#). Stay informed on Crash opportunities at [trust.coop](#).

CRASH THE GAC



[\[BACK TO TOP \]](#)

RBC2 Comment Deadline Set, April 27

WASHINGTON – NCUA's revised risk-based capital plan (RBC2) has been published in the [Federal Register](#) triggering the 90-day comment period set by the agency.

CUNA has noted "significant improvements" in the agency's revised plan and is seeking credit union comment on how the new proposal will affect their operations, and what further improvements are necessary. CUNA soon will issue a Comment Call for credit union views.

[\[BACK TO TOP \]](#)

RBC2 Changes, Improvements, Outlook Detailed in CUNA Webinar

[More Information Click Here](#)

February 4, 2015
Webinar: Revisiting Your
RESPA & TILA Policies to
Include New integrated
Disclosure Requirements
3:00 pm to 4:30 pm

[More Information Click Here](#)

February 10, 2015
CFO Roundtable: Managing
Operating Costs and More!
Location: NJCUL and via
Video Conference
10:00 am to 12:30 pm

[More Information Click Here](#)

Contact Us:

Address

299 Ward Street
 Hightstown, NJ 08520
[Driving directions](#)

Phone

[800.792.8861](tel:800.792.8861)
[609.448.2426](tel:609.448.2426)

Fax

[609.448.3499](tel:609.448.3499)

E-mail

info@njcul.org

Connect with Us:



WASHINGTON – Well over 600 credit unions tuned into CUNA's revised risk-based capital proposal (RBC2) Webinar Monday, as CUNA President/CEO Jim Nussle highlighted the advocacy strength of the organization's three-tiered system.

That system, comprised of CUNA, the state credit union leagues, and credit unions, helped spark positive changes in the NCUA's initial risk-based capital proposal, and are present in RBC2, Nussle said.

"Our work has paid off by greatly reducing the impact and reach of NCUA's risk-based capital proposal," Nussle said. "Over the last 10 days, we here at CUNA have had a chance to look very carefully at the RBC2 rule, and while we still believe it may be a solution in search of a problem, there's been some substantial improvements over where we were a year ago, and we're pleased about that."

NCUA Director of Examination and Insurance Larry Fazio gave a presentation during the Webinar and broke down some of the reasoning behind the agency's changes to the proposal.

Fazio said the risk weights were better calibrated in the RBC2 proposal to recognize that credit unions perform better in a financial crisis. The weights were also fine-tuned to better identify only outlier credit unions when it comes to risk.

Based on CUNA's analysis of the proposal using September 2014 data, 14 credit unions would be downgraded in their risk-based capital standard in the RBC2 proposal, a "significant improvement," Nussle noted, over the 163 that would have been downgraded under the first plan. The original proposal would have increased by \$6.4 billion the amount of capital credit unions would need to hold in order to remain well-capitalized. With RBC2, that amount would fall to \$632 million.

"CUNA continues to question the need for a new risk-based capital proposal," said Mary Dunn, CUNA's deputy general counsel, during the Webinar, but added, "Having said that, we are very pleased about the number of changes included in the revised proposal."

A few of the many notable changes include:

- Removal of interest-rate risk, the entire allowance for loan and lease losses being included in the risk-based capital ratio numerator;
- Concentration tiers for first liens, junior liens and commercial loans reduced from three to one;
- Separate risk weights for share secured, secured and unsecured consumer loans; and
- No separate risk weight for credit union service organization loans or investments.

Although the NCUA did not add a provision on supplemental capital to RBC2 as advocated by CUNA, the agency board has asked stakeholders to comment on whether supplemental capital should be permitted in the context of this rule.

CUNA's Chief Advocacy Officer Ryan Donovan has stated CUNA's strong support for the ability of credit unions to use supplemental capital, both for this proposal and for the purposes of meeting prompt corrective action requirements. "This will be one of the issues we raise in our comment letter," he noted after the Webinar.

CUNA flagged its ongoing concerns regarding the RBC2 plan. They

include: whether or not the two-tiered risk-based capital system is permitted under the Federal Credit Union Act, the question of whether the NCUA should consider more factors than asset size when determining a credit union to be "complex", and the need for complex credit unions to continually assess their overall capital adequacy on an ongoing basis.

Credit union stakeholders are encouraged to submit questions about the proposal to CUNA, which will be posting an updated frequently-asked-questions document with answers as they become available.

An archived version of the Webinar is being made available at CUNA's [Risk-based Capital Action Center](#).

[[BACK TO TOP](#)]

Directors and Volunteers: Don't Miss the Next NJ DNA Meeting Feb. 11th

HIGHTSTOWN, N.J. – Directors and volunteers, don't miss the first NJ DNA meeting of the New Year on Wednesday, February 11th being held at the League office.

The dinner meeting, which will begin with networking at 5:15 p.m., will be hosted by Fort Dix FCU CEO Janet Sperling, but will be held at the League office in Hightstown.

The roundtable discussions will include the following topics:

Topic #1: What's Your Board's Oversight Style? From rubber-stamping to micromanaging

Topic #2: Strategic Planning (topics, facilitators, venues, frequency, etc.)

There is a cost of \$25.00 per credit union.

To register for this event please send an email to Mary Zelinsky at mzelinsky@njcul.org.



[[BACK TO TOP](#)]

Fed Unveils Strategies for U.S. Payments System Improvements

WASHINGTON – A paper released Monday by the Federal Reserve features the agency's recommendations for improving the payment system in the United States from the perspective of payment system

service providers.

"Strategies for Improving the U.S. Payment System" examines ways to create a "safe, efficient and broadly accessible" system, which the Fed says is vital to the nation's economy.

The Fed previously released a consultation paper on this topic in 2013. CUNA filed a comment letter in response to that paper, praising the agency's approach at looking into ways to improve the payment system.

"CUNA appreciates the Fed's willingness to work with CUNA and listen to the concerns of credit unions in developing its paper on the future of the payments system. I have asked my staff to review it in detail and work with our Payments Subcommittee on follow-up," said CUNA President/CEO Jim Nussle. "As the next generation of a payments framework is developed, credit unions need the ability to access the latest technology without undue regulatory restrictions or high implementation costs."

According to the Fed, the payment system in this country is at a "critical juncture in its evolution," with a changing technological landscape that features high-speed data networks, sophisticated mobile devices and increasing real-time information processing. While this is changing the nature of commerce, rapid and evolving threats threaten security of data and the payment system itself.

To achieve these goals, the Fed has identified the following strategies to improve the payments system:

- Actively engage with stakeholders on initiatives, including establishing and improving mechanisms for stakeholders to provide input and provide additional opportunities for those groups to stay informed about the latest developments;
- Identify effective approaches for implementing a safe, faster, ubiquitous payments capability. This will include establishing a faster-payments task force in the coming months and creating a framework for implementing faster payments by 2016;
- Work to reduce fraud and advance the safety, security and resiliency of the payment system. This includes establishing a payments security task force to provide advice and determine priorities, as well as explore improvements to the Fed's anti-fraud and risk-management capabilities;
- Achieve greater end-to-end efficiency for domestic and cross-border payments, including developing a strategy to accelerate secure electronic business-to-business, person-to-person and person-to-business payments; and
- Expand the operating hours and other capabilities of Fed payments, risk-management services and interbank settlement for check payments. This includes same-day automated clearinghouse capabilities.

Nussle said CUNA looks forward to continuing to work with its payments system partners, which includes the Fed, NACHA--The Electronic Payments Association, NCUA and others.

[\[BACK TO TOP \]](#)

CFOs: How Do You Manage Operating Costs to Make Way for Investing in the

Future?

CFO Roundtable: Managing Operating Costs and More! February 10, 2015 10:00 a.m. to 12:30 p.m.

HIGHTSTOWN, N.J. – CFOs and financial professionals, join your peer for a roundtable discussion of how to manage operating costs and how to best allot funds for investments necessary for future growth such as investments in technology or other products, services or processes.



The CFO Roundtable taking place Tuesday, February 10, is designed to bring like-minded professionals together to use the collaborative spirit of this industry to share best practices, resources and guidance.

This meeting will also include a discussion of relevant educational needs and opportunities for this professional group.

The session will take place from 10:00 a.m. to 12:30 p.m. and will include lunch. Join us “live” at the league office or via conferencing at Atlantic FCU in Kenilworth or Members 1st of NJ FCU in Vineland. The cost to attend is \$25.

There is also a 50% discount for credit unions below \$10 million in assets. Contact Mary Zelinsky at mzelinsky@njcul.org or 800-792-8861 ext. 100 for more information.

To register and pay by check, send an email to Mary Zelinsky at mzelinsky@njcul.org and your credit union will be invoiced. To register and pay online, click [here](#).

EDUCATION CANCELLATION POLICY: NJCUL must receive written cancellation in our office seven (7) days prior to the education session in order for you to receive a refund; substitutions only after this date. All cancellations will be subject to a \$25 cancellation fee.



[\[BACK TO TOP \]](#)

IRS Tax Tips from the CUNA Compliance Team

The IRS provides the following information in its latest “[General Instructions for Certain Information Returns](#)”:

Statements to Recipients: The due date for furnishing statements to recipients of Forms 1098, 1099, 3921, 3922, and W-2G is **February 2, 2015**. Forms 1099-B, 1099-S, and 1099-MISC (if amounts are reported in boxes 8 or 14) is **February 17, 2015**. This also applies to

statements furnished as part of a consolidated reporting statement.

When to File: File Forms 1097, 1098, 1099, 3921, or W-2G on paper by March 2, 2015, or March 31, 2015, if filing electronically.

Electronic Filing: If you are required to file 250 or more information returns, you must file electronically. The 250-or-more requirement applies separately to each type of form. For example, if you must file 500 Forms 1098 and 100 Forms 1099-A, you must file Forms 1098 electronically, but you are not required to file Forms 1099-A electronically.

The electronic filing requirement does not apply if you apply for and receive a hardship waiver.

The IRS encourages electronic filing even when you are filing fewer than 250 returns.

E-filers are reminded that using the FIRE System requires following the specifications contained in [Pub. 1220](#), Specifications for Electronic Filing of Forms 1097, 1098, 1099, 3921, 3922, 5498, 8935, and W-2G.

TIN Matching: TIN Matching allows a payer or authorized agent who is required to file Forms 1099-B, DIV, INT, K, MISC, OID, and or PATR, which report income subject to backup withholding, to match TIN and name combinations with IRS records before submitting the forms to the IRS. TIN Matching is one of the e-services products that is offered and is accessible through the [IRS Web site](#). On the IRS website, enter keyword "TIN matching" in upper right corner.

Record Retention: Generally, keep copies of information returns you filed with the IRS or have the ability to reconstruct the data for at least 3 years, 4 years for 1099-C, from the due date of the returns. Keep copies of information returns for 4 years if backup withholding is imposed.

IRAs: Generally, income earned in any IRA, Coverdell ESA, Archer MSA, or HSA, such as interest or dividends, is not reported on Forms 1099. However, distributions from such arrangement or accounts must be reported on Form 1099-R, 1099-Q, or 1099-SA.

[\[BACK TO TOP \]](#)

NCUA Hosting Webinar on New TILA-RESPA Disclosure Rules

Learn How to Comply When New Rules Go into Effect Aug.1

ALEXANDRIA, Va. – The NCUA will host a free Webinar, "Preparing for the New TILA-RESPA Integrated Disclosures," on Wednesday, Feb. 11, 2015, starting at 2 p.m. Eastern.

During this Webinar, staff from NCUA's Office of Consumer Protection and the CFPB will provide a high-level overview of the significant changes to the disclosures and forms required under the Truth in Lending Act (TILA) and the Real Estate Settlement Procedures Act (RESPA) that are scheduled to go into effect Aug. 1. The presentation will also detail:

- The new loan estimate and closing disclosure forms
- What types of mortgage transactions are covered by the new rules
- The new timing requirements for the disclosures

Online registration is available [here](#). Participants will also use this link to log into the Webinar. Registrants should allow pop-ups from this Web site.

Participants can submit questions in advance at WebinarQuestions@ncua.gov. The subject line of the email should read "TILA-RESPA Integrated Disclosures Webinar." For technical questions about accessing the Webinar, please email audiencesupport@on24.com.

This Webinar will be closed captioned and then archived online approximately three weeks following the live event.

[[BACK TO TOP](#)]

New Resources Available to Consumers from NCUA to Fight Identity Theft

This Week is FTC's Tax Identity Theft Awareness Week

ALEXANDRIA, Va. – Identity theft is a large and growing problem, and the NCUA is offering new resources to help consumers protect themselves and take action if they believe they have been victimized.

"With the broad reach of the Internet, we live in a world where personal information about everyone's identity and finances is potentially vulnerable to thieves and crooks," NCUA Board Chairman Debbie Matz said. "As part of NCUA's overall commitment to consumer education and financial literacy, we want to help credit union members understand what they can do to prevent theft or where to get help when cyber fraudsters strike."

More than 16 million Americans were victims of identity theft in 2012, the most recent year for which data are available, and the losses topped \$24 billion.

Tax time is open season for identity thieves, and the Internal Revenue Service itself can be a target. IRS estimated it paid more than \$5 billion in fraudulent tax refunds in 2013 while preventing another \$24 billion in losses when it was able to detect fraud.

In conjunction with the Federal Trade Commission's [Tax Identity Theft Awareness Week](#), NCUA has added a [new page](#) to its consumer site, MyCreditUnion.gov, with useful information about preventing or reporting identity theft that may be perpetrated using fake contacts that appear to be IRS requests for taxpayer information. Credit unions are encouraged to share this information with their members during the week, which runs Jan. 26 to 30.

MyCreditUnion.gov has [several resources](#) to help credit union members understand and prevent identity theft as well as [frauds and scams](#) generally. The agency also has videos on fighting frauds and scams on its [YouTube channel](#).

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

February 3 -- [VirtualCorps Webinar: Why a Payday Alternative Loan May Be Helpful to Many of Your Members](#)

February 10 -- [CFO Roundtable: Managing Operating Costs and More!](#)

February 10 -- [VirtualCorps Webinar: Understanding, Locating and Evaluating Auto Loan Participations](#)

February 11 -- [NJ DNA Dinner Meeting](#)

February 17 -- [VirtualCorps Webinar: How to Develop a Simple Investment Strategy for Your Excess Liquidity](#)

February 24 -- [Free Information Session with Your Marketing Co.](#)

March 3 -- [Executive Leadership Series Session: Six Essentials for Keeping Your Financial Institution Relevant](#)

Industry Events

January 28 -- CANCELED: Southern Chapter Meeting: Elections to Be Held

January 30 -- [Children's Miracle Network Hospitals Annual Collaboration Forum](#)

February 2 -- [Applications Open for NCUA Low-Income Credit Union Grant Round](#)

February 10 -- [NCUA Chairman's Town Hall Meeting with CFPB Director Cordray](#)

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

April 13-15 -- [2015 CU Reality Check at the Golden Nugget Atlantic City](#)

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

May 20-21 -- [CU Direct's Automotive Lending & Marketing Conference](#)

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

June 5 -- [Reality Fair at Thomas Wallace School](#)

June 10 -- [Reality Fair at Ewing High School](#)

July 20 -- Garden Savings FCU's 5th Annual Golf Outing at Fiddler's Elbow Country Club

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

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

[\[BACK TO TOP \]](#)

This message was sent to staff@njcul.org from:

New Jersey Credit Union League | news@njcul.org | New Jersey Credit Union League | 299 Ward Street | Hightstown, NJ 08520



[Manage Your Subscription](#)