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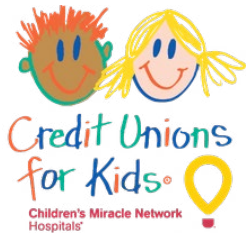
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# The Exchange

November 2016 | Volume 4 | Issue 11

## New Jersey Credit Unions Meet Goal of Hosting 20 New CMN Fundraisers for CU4Kids' 20th Anniversary!



**CELEBRATING  
20 YEARS**

HIGHTSTOWN, N.J. – New Jersey credit unions surpassed their goal of hosting 20 brand-new fundraisers in 2016 benefiting [Children's Miracle Network Hospitals \(CMNH\)](#) to celebrate [Credit Unions for Kids' \(CU4Kids\)](#) 20th anniversary of supporting CMNH!

In the spring, CU4Kids challenged New Jersey credit unions to host 20 new events/

campaigns to commemorate this milestone. CU4Kids and the New Jersey Credit League developed CU4Kids Day, celebrated on August 11, 2016, and encouraged credit unions throughout the state to hold fundraisers on that date and/or before the end of the year. The League also worked in a competitive edge with a "Chapter Challenge" involving the chapter system, challenging each of the four chapters to come together for the cause.

The amount of funds raised is yet to be determined as credit unions have until December 31, 2016 to submit their donations, but the New Jersey Credit Union League is proud to announce that in addition to its own CU4Kids Day fundraiser—a new campaign that included CMNH balloon and candy sales—20 additional fundraisers were held at credit unions across the state.

Participating credit unions and their CU4Kids fundraisers are as follows:

1. [Advanced Financial FCU](#) – World's Finest Chocolate sales
2. [Bay Atlantic FCU](#) – Bake sale
3. [Bridgeton Onized FCU](#) – Weekly Jeans Day and donation cans in lobbies
4. [Campbell EFCU](#) – "Breakfast with the Boss" for staff; candy sales for members
5. [Credit Union of New Jersey](#) – Jeans Day
6. [County Educators FCU](#) – Football icon campaign
7. [Deepwater Industries FCU](#) – Coin collection
8. [Elizabeth NJ Firemen's FCU](#) – Balloon campaign
9. [First Atlantic FCU](#) – Dunk tank
10. [Jersey Central FCU](#) – Jeans Days on Fridays, bake sales, and balloon campaign
11. [Lakehurst Naval FCU](#) – Prize drawing
12. [Members 1st of NJ FCU](#) – Sale of baked goods, popcorn, candy, and lemonade
13. [MidState FCU](#) – Guess the number of candies in the jar
14. [MidState FCU](#) – Received a matching gift from CO-OP Financial Services
15. [New Jersey Credit Union League](#) – Balloon and candy sale
16. [Novartis FCU](#) – Skip-a-pay for monthly payments
17. [Parlin DuPont Employees FCU](#) – Guess the number of candies in the jar
18. [Raritan Bay FCU](#) – Jeans Day and candy sale
19. [Rutgers FCU](#) – Holiday icon campaign
20. [West Orange Municipal FCU](#) – Holiday icon campaign
21. [XCEL FCU](#) – Jeans Day

"The New Jersey Credit Union League would like to thank the credit unions that participated in the CU4Kids challenge and helped the organization exceed its goal," said NJCUL President/CEO David Frankil. "This is an example of how coming together for a common goal yields great results, and Children's Miracle Network Hospitals is a wonderful cause to support through our 'people helping people' philosophy."

"We are so grateful to the credit unions of New Jersey for supporting Children's Miracle Network Hospitals and for making a special effort to celebrate our 20th anniversary," said Director of Children's Miracle Network Hospitals Nicole Fulmino. "This partnership creates so many miracles for the children and families in our communities."

# We're All About Engagement

As the year comes to a close, we are vigorously planning our 2017 events.

This, too, was the case during the final [NJ DNA Meeting](#) of the year held on November 9, 2016.

Hosted by [Hamilton Horizons FCU](#), the NJ DNA Meeting had two discussion topics of interest: Increasing Engagement and Education for Board/Volunteers.

Below are the highlights of the discussions along with the 2017 DNA Meeting Dates.

## Increasing Engagement

This discussion focused on engagement from all levels: board, staff, and members.

- **Why do we volunteer?** To make a difference, it becomes part of you, your DNA (no pun intended) and you believe that you are making a difference; no gratification needed but self-gratification that you are lending your knowledge to others.
- **Story Telling Idea.** Have a directors YouTube channel so that you can broadcast why credit unions are unique to other financial institutions.
- **Connecting with and attracting new Board Members**
  - Reach out to members you and other Board directors know in your community and where your credit union is located.
  - Fill board directors from supervisory committee then recruit replacements.

## Board and/or Supervisory Committee Education:

- Some participating credit unions require training for board and supervisory members.
- Some participating credit unions try to enforce the training but are not strict.
- One participating credit union has in-house training for new members.
- **Requirements:** What skills do you need as a director volunteer? Certifications are needed in many fields that are on a volunteer basis: the first aid squad, fire departments and many other volunteer positions and programs. We can look to do the same this on an education basis for our directors to make them more knowledgeable and productive.
- **Education to hold for Board/Volunteers {NJCUL to Coordinate}:** Reading and Understanding Financial Statements, Understanding Ratios and Ratio Trends, and Understanding the Components of a Budget.

The NJCUL Education Department has been busy planning 2017 events from full-day workshops on core conversions, branch transformation and mortgages to risk based lending, ALM and the normal array of roundtables!

Look for information coming soon on all of these great programs and more coming your way as a League Member.



## 2017 NJ DNA Meeting Dates/Locations:

<b>February 8, 2017:</b>	Location TBD
<b>May 10, 2017:</b>	Credit Union of

NJ

<b>August 9, 2017:</b>	1st Bergen FCU (Hackensack)
<b>November 8, 2017:</b>	Location TBD



## CUNA/League System, CULAC Help Elect Pro-CU 115th Congress

WASHINGTON – The newly elected 115th Congress will hold a pro-credit union majority thanks to a multifaceted campaign orchestrated by CUNA, the Credit Union Legislative Action Council (CULAC), state leagues, and individual credit unions. The CUNA/league system and CULAC raised and contributed nearly \$6 million to help elect 96% of the 364 candidates that credit unions supported for the House and Senate.

"This multi-layered and dynamic campaign to elect a pro-credit union congressional majority owes the entirety of its success to a strong CUNA/League system and our member credit unions," said Jim Nussle, CUNA president/CEO. "With more than 34,000 individual donors—including credit union employees, volunteers and credit union members—CULAC's incredible performance this year showed us, yet again, just what we can accomplish when CUNA, the Leagues and credit unions work together."

Nearly three-dozen credit unions joined CUNA and six state Leagues in partisan communication campaigns, where more than 200,000 households with registered credit union member-voters received more than 1.1 million mailers touting the benefits of electing credit union-backed congressional candidates in their states or districts.

CULAC this year became the 5th-largest trade association political action committee (PAC) in the United States and the 9th largest overall. The PAC remained committed to bipartisanship, as CULAC contributed 51% of funds to Republican candidates and 49% to Democratic candidates.

CULAC launched a new [Web site](#) identifying each of those CULAC-backed candidates. Check out the interactive map to see which federal candidates received CULAC support.

CULAC funded nearly \$3 million in paid voter communications, including television and radio ads, direct mail, campaign microsites, get-out-the-vote (GOTV) emails and digital ads on new media platforms like Pandora.

CUNA advocacy and political affairs staff unveiled a [white paper](#) on the results of the 2016 election during a post-election conference call attended by nearly 500. In the paper, CUNA staff analyzed the impact the new administration and Congress can have on credit unions, including regulatory relief, potential changes in key congressional committees, and NCUA board appointments.

An archived version of the call is available [here](#).

## Rep. Garrett Loses Re-Election Bid to Dem. Josh Gottheimer

HIGHTSTOWN, N.J. – The state's Congressional Delegation we have a new face come January. Democrat Joshua Gottheimer defeated seven-term Republican incumbent Scott Garrett in the 5th District congressional race. Garrett is a senior member of the House Financial Services Committee and chairs the subcommittee with jurisdiction over housing finance matters.

New Jersey voters approved a ballot question constitutionally dedicating gas tax revenues to improving transportation infrastructure and overwhelmingly rejected expanding casino gambling to two additional counties.

Vote totals for the Garden State are available [here](#).



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more about our team and start  
the conversation.**

# A Checklist for Your Next BSA Exam

Your Bank Secrecy Act (BSA) examination is coming up. What should you do to prepare?

Cindy Williams, vice president of regulatory compliance at PolicyWorks, explored that scenario at the CUNA Bank Secrecy Act Conference.

Williams detailed what credit unions should review and update in advance of the exam, and identified areas credit unions often overlook that might need some attention before the examiner walks through the door.

Williams cited a long list of common BSA/anti-money laundering (AML) enforcement findings, including:

- Willful violation to maintain an AML program;
- Willful violation to file Suspicious Activity Reports;
- Failure to conduct due diligence;
- Failure to monitor and report high risk customers;
- Failure to conduct risk assessments; and
- Lack of independent audit.

"This is stuff we know and should be doing," Williams says. "We all know we should be doing it."

Williams identified another typical enforcement finding: The financial institution's BSA department "lacks resources and expertise."

The good news in that case, she says, is that BSA "is one of the few regulatory compliance issues where your examiner can help you if additional resources are needed."

Williams offers these tips on exam preparation:

- Ensure your risk assessment is up-to-date (completed within the last 12 months);
- Review your policies to make sure they're current and comprehensive;
- Practice internal controls by identifying all credit union operations, including high-risk operations;
- Maintain documentation of training content and results for employees and your board;
- Review prior-year audit and exam reports, and ensure you've taken corrective actions;
- Ensure that the scope of your independent testing is adequate;
- Confirm your Member Identification Program works and you're obtaining the proper type of documentation at account opening;
- Ask whether your credit union employs adequate processes to identify suspicious activity across all lines of business?
- Review your 314(a) information-sharing procedures and maintain documentation to show required records are being searched;
- Review 314(b) processes, if applicable, to ensure the notification form you filed with FinCEN contains an effective date within the last 12 months;
- Determine that reports and internal controls identify all transactions subject to currency transaction reporting (CTR);
- Review CTR exemption processes and procedures;
- Make sure you have an adequate process for identifying and monitoring high-risk members; and
- Determine whether you've conducted a data validation test of your BSA/AML software.

Williams adds a final point of preparation: Although BSA regulations don't cover the Office of Foreign Asset Control (OFAC), make sure you've checked all your transactions against all appropriate lists before you meet with your examiners.

## Register for Upcoming Compliance Events

**December 6th**

BSA Training for Frontline Staff

AM Session

PM Session

**December 8th**

Compliance Roundtable:  
Basic Training on MLA

Register