

# LoneStar Leaguer

A publication of the Texas Credit Union League

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CALL FOR NOMINATIONS: DORA MAXWELL, LOUISE HERRING, DESJARDINS AWARD PROGRAMS The Texas Credit Union League (TCUL) is now accepting through Aug. 7, nominations for the Dora Maxwell Social Responsibility Recognition, Louise Herring Award for Philosophy in Action and Desjardins Youth Financial Education Award. The Dora Maxwell is given to a credit union or chapter for its social responsibility projects within the community, while the Louise Herring is given to a credit union for its practical application of credit union philosophy within the actual operation of the credit union. The Desjardins Youth Financial Education Award recognizes leadership within the credit union movement on behalf of youth financial literacy.

Texas credit unions are encouraged to take advantage of this opportunity to be recognized for their outreach efforts and commitment to the movement. In the Dora Maxwell award program, credit unions could receive an award for involvement in almost any kind of activity that helps other people or strengthens the structure of a community. This might include raising funds for charity, educational activities, or community involvement projects, such as a volunteer fair, building low-income housing, or loaning employees a few hours a week to work in hospitals, retirement homes, schools, etc.

In the Louise Herring award program, credit unions could receive an award for programs or policies that demonstrate their commitment to the practical application of the "People-Helping-People" philosophy. Some examples of eligible activities are:

Provisions for the small saver or borrower.

Member programs for youth, seniors, or other groups that are often economically challenged.

Internal programs or services that help to differentiate the credit union from other financial services' providers. Programs that do an extraordinary job of encouraging thrift and provide a source of unbiased money management and consumer information, which would be difficult or impossible to obtain elsewhere.

The Desjardins award program considers all activities supporting the personal finance education of young members and nonmembers, including, but not limited to, face-to-face teaching, publicity, lobbying for curriculum requirements, teacher and volunteer training, and promotion and use of the National Endowment for Financial Education (NEFE) High School Financial Planning Program (HSFPP).

Credit unions must submit their project binder or spiral bound notebook, along with a completed entry form and a completed checklist to TCUL, by Aug. 7, in order to be eligible. TCUL's Awards & Recognition Committee is responsible for judging entries. First place winners in each category will advance to the national competition.

Additional details are available in the Awards & Recognition section of TCUL's website at [http://www.tcul.coop/National\\_Credit\\_Union\\_Recognition\\_Programs.html](http://www.tcul.coop/National_Credit_Union_Recognition_Programs.html). If you have any questions, please contact TCUL public relations director Linda Webb-Mañon, at (469) 385-6486, (800) 442-5762, ext. 6486 or e-mail [lwebb-manon@tcul.coop](mailto:lwebb-manon@tcul.coop). =====

TCUL'S INSIGHTS PROGRAM UPDATED - LEARN HOW TO "MAKE THE DIFFERENCE"  
TCUL continues to provide exceptional information across a variety of mediums and communication tools with the recent posting of its latest Insights installment. This video package allows credit unions to gain a better understanding of the efforts the Texas Credit Union Foundation (TCUF) has gone to in establishing the "Make the Difference" campaign to celebrate April as National Financial Literacy month and discover how listeners can become involved in the process while furthering the impact of the message.

Linda Webb-Mañon, director of public relations for TCUL, sits down for an explanatory interview with Courtney Nickles, associate director of TCUF, and explores the benefits participating credit unions and their communities enjoy when they embrace the "Make the Difference" campaign. Ideas, insights and information can all be found throughout this clear and concise video that provides key details interested credit unions need to hear.

To view this most recent video, as well as all previous postings, please visit the Communications section of the official TCUL website, <http://www.tcul.coop>. If you have any questions about this program, please contact Linda Webb-Mañon, at (469) 385-6486 or at [lwebb-manon@tcul.coop](mailto:lwebb-manon@tcul.coop).  
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FILENE ISSUES CALL FOR SUSTAINABILITY RESEARCH PROJECT - LEARN HOW YOU CAN GET INVOLVED The Filene Research Institute is continuing its pursuit of advancing the understanding of industry practices and knowledge by issuing a call to participants interested in sustainability studies. Filene plans to publish "Sustainability: An Implementation Guide for Credit Unions" by Coro Strandberg,

of the critically-acclaimed Strandberg Consulting organization, in late 2009 and is looking for case studies from credit unions to include in the research.

While this publication will build upon previous research, it will also focus on the case studies of three unique credit unions. Due to the limited number of spots, there is a chance your credit union will not be selected in the study. However, participants will still be able to review and comment on the initial draft of the report and offer beneficial feedback. When the report is finalized, it will provide readers with the following:

A business case for sustainability;  
A detailed implementation guide on sustainable strategy; and Several case studies of U.S. and Canadian credit unions and their experiences in sustainability.

A poll for eager participants to voice their interest level and contact information for further activity in this report is available at the official homepage of the Filene Research Institute, <http://filene.org/>. Please be aware that time and commitment are the two biggest factors in this report and all interested parties must have their poll submissions completed by March 27 in order to be considered for additional activity.

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CONSUMER INFLATION ROSE 0.4 PERCENT IN FEBRUARY; CORE UP 0.2 PERCENT Consumer inflation rose 0.4 percent in February thanks in part to a 3.3 percent increase in energy prices. Excluding commodity driven food and energy costs, core inflation rose 0.2 percent.

Over the past twelve months, annualized core consumer inflation rose at 1.8 percent pace. Overall, annualized consumer inflation rose a mere 0.2 percent, the lowest rate of increase since 1955. Some on the FOMC have voiced concerns over the risk of deflation - a concern not necessarily shared with Chairman Bernanke who recently commented that the central bank is "not anticipating deflation...." "We are committed to price stability, we believe we have the tools in place....for strong support of the economy."

The 3.3 percent increase in energy prices was led by an 8.3 percent increase in gasoline prices. Food prices, about 20 percent of the CPI, fell 0.1 percent, the first decline since April 2006. New vehicle prices rose 0.8 percent and clothing costs increased 1.3 percent, the biggest increase since 1990.

The Commerce Department had previously reported that wholesale inflation, after reaching an annualized high of 10.7 percent last summer, had dropped to 1.3 percent annual pace and core prices had risen a mere 0.4 percent over the past twelve months. This certainly could put deflationary concern back on the burner. However, should the economic slowdown start to turn later this year on the heels of the massive stimulus outlay and the surge in the money supply by the Federal Reserve, we could certainly see upward inflationary pressure return. That could lead to a significant rise in interest rates in 2010 and 2011.

During the first two months of the year, credit unions have been experiencing tradition growth in shares sans any material loan demand. The low rate environment has helped to retain cost of funds relative low but it has also placed a higher sense of urgency in employing the funds into earning assets other than cash. The cost of liquidity continues to be elevated with overnight rates around 0.25% and loan/investment options between 2.50 percent and 5.25 percent - that's about \$50,000 per \$1-million in annualized interest revenues.

It's estimated that annualized loan growth during the first two months was around 3.0 percent while share growth was about 18 percent - both higher than for the same period in 2008. Surprising, loan growth might have been led by adjustable-rate first mortgages and home equity loans. Not surprising were increases led by share drafts and money market accounts.

("Consumer Inflation Rose 0.4 Percent in February; Core Up 0.2 Percent," Brian Turner, director of advisory services for SWCORP, March 18, 2009)

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CULTURAL BANKING CENTERS AND SUCCESS STORIES SHARE THE FLOOR DURING ANNUAL MEETING & EXPO SESSION When TCUL's 75th Annual Meeting & Expo makes tracks to the Hilton Austin this April 14-17, attendees will be faced with a diversified selection of subjects and topics to learn more about. James Blake, president and CEO of HarborOne CU (Brockton, MA), will help attendees get on the road and ride out the turbulent economy and financial alternatives in his important session, Multicultural Banking Centers - Dealing with the Foreclosure Crisis.

From 1:15 - 2:30 p.m. on April 16, Blake will share a story of survival and adaptability for all to benefit from. When the foreclosure crisis struck Massachusetts, Blake responded by renovating his institution's main office into a multi-cultural banking center. This newly established resource provides classes in multiple languages on varying financial needs and processes. After one year and more than one thousand unique individuals passing through the doors of their center, Blake has never looked back and will explain how these relationships with members of the immigrant and minority communities are crucial to your credit union's status.

Blake's session is just one of more than a dozen awaiting attendees across these fast-paced days. For more information on these seminars, as well as registration options, details on guest activities, and more, please visit the official TCUL 75th Annual Meeting & Expo homepage, at <http://www.tcul.coop/annualmeeting/>. If you have any questions or need assistance, please contact TCUL's Training and Events department, at (469) 385-6630, or at (800) 442-5762, ext. 6630.

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TNB CARD SERVICES EXPANDS CARD EXPERT TEAM Regardless of the size of your credit union card portfolio, expertise and support is only a phone call or e-mail away. TNB Card Services makes it easy for credit unions to manage and grow their debit and credit card programs.

Whether your credit union wants to optimize its card portfolio or develop a strategic card marketing plan, TNB offers a full-service account team of experienced professionals ready and able to assist you with your electronic payment products.

TNB's account service team is experienced at identifying debit and credit growth opportunities that improve member relations, strengthen loyalty, and increase revenue. The team also works with credit unions to address how to balance the risks and rewards of managing a successful payments program. If your card portfolio is underperforming, TNB's account team has the knowledge and capabilities to unlock its true potential.

To allow smaller credit unions to better leverage TNB's card experts, TNB has expanded its account services team and added staff to better serve all of its credit union clients. Small credit unions now have access to the same expertise and support as the company's larger clients.

After three years of heading TNB's client support team, Chastity Miller is now spearheading the company's focus on advising and supporting smaller credit unions in the management and growth of their card portfolios. In this effort, TNB will work directly with these credit unions to conduct customized assessments of their debit and credit card programs and provide strategic recommendations. Supporting credit unions with as few as 25 cardholders to several thousand cardholders, TNB's account team helps credit unions:

Optimize their card portfolio;  
Implement best practices to streamline internal credit union processes; Identify ways to effectively attract new cardholders; Mitigate risk and keep fraud at acceptable levels; and Determine loyalty marketing strategies.

"Credit unions appreciate the expertise and services TNB offers to help them grow while simplifying the management of their payments portfolio," Miller said. "TNB's goal is to make sure that any credit union with debit and credit cardholders has access to experienced card professionals who can help them with everything from basic card questions to strategic planning, pricing, and product development. The mission is to ensure that all credit union debit and credit card programs are successful and profitable."

TNB's card experts provide a valuable resource to credit unions interested in increasing the performance of their card programs. While larger credit unions have always tapped into TNB's capabilities, all of its client credit unions can now leverage its expertise. With the expansion of the TNB account executive team, credit unions of every size now have an experienced team of professionals working on their behalf to improve the performance of their card programs.

To talk with a TNB card expert about ways you can increase card usage and drive profitability, contact TNB at (800) 422-0733.

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