

# OUR NEXT

# CHAPTER





Your Trusted Advocate.

# LETTER FROM THE CEOs

In the past year, two state Leagues have come together to better serve the 340 credit unions in Alabama, Georgia and Florida. The reconstituted League of Southeastern Credit Unions & Affiliates (LSCU & Affiliates) is now stronger than ever. In addition to bringing the talents of two trade associations together, the business units of *LEVERAGE*, CUSC of Alabama, Cooperative Services Inc. and other subcompanies have also been consolidated under the newly formed holding company known as Affiliates Consolidated Services (ACS). As the CEOs of the reconstituted structure, we have pledged to work together to enhance the value of LSCU & Affiliates and to provide credit unions with enhanced services that will help you to better serve the nearly ten million members in the League's three-state region.

Amplifying the voice of credit unions among leaders of state government, members of a large Congressional delegation, state and federal officials in numerous regulatory agencies, opinion leaders in public media and policy-makers within the credit union system will continue to be a top priority for LSCU in the years ahead. These audiences and our work to influence their thinking is the essence of what we call 'Advocacy'. We will be guided by volunteers that are serving on the LSCU Board of Directors as well as newly formed Advocacy Policy Groups in each state and they will obtain input from you and the other member credit unions on a routine basis. In fact, Advocacy effectiveness can only be maximized through the active support and engagement of all LSCU members.

The products and services provided by the ACS family of companies, including *LEVERAGE* are designed to help credit unions better respond to an ever-changing financial services landscape. In the same way that LSCU leverages influence in advocating for credit unions, ACS brings leveraged market influence to bear with external business partners and achieves the enhanced scale for operational support activities. This results in better pricing and more favorable terms for participating credit union clients. And, to the extent that ACS products and services produce positive margins, it benefits credit unions by keeping the cost of LSCU membership lower than would otherwise be possible. Again, effectiveness and sustainability is magnified by the use of ACS products and services.

What follows are illustrations of the many ways that the LSCU & Affiliates create value for member and client credit unions. We look forward to serving you and encourage your active participation in the months ahead.

Thank you,

Michael J. Mercer CEO, LSCU & Affiliates

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Patrick La Pine
CEO, Affiliates Consolidated

## CONTINUING THE LEGACY TOGETHER

This strategic consolidation will better position the LSCU & Affiliates and credit unions in the three states for advocacy, collaboration and long-term stability. Our new structure will offer enhanced value to all of the credit unions served by the League in Alabama, Florida and Georgia.

































# **OUR STRONG FOUNDATION**



- Federal Credit Union Act is signed into law on June 26
- · Alabama Credit Union League is formed on October 24
- · Credit Union National Association (CUNA) is organized
  - · Georgia Credit Union League is formed

### 1925

Georgia Association of Credit Unions is formed, which lasts for 9 years

## 1935

Florida Credit Union League is formed on June 14

#### 1984

Creation of the Georgia Credit Union Affiliates is complete

### 1979

Alabama credit unions top the \$1 billion mark collectively

## 1981

Florida Credit Union Services is renamed ESSCORP

#### 2001

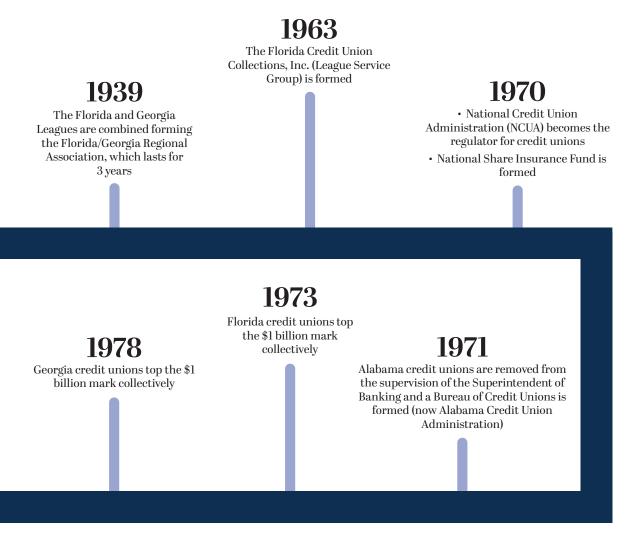
### 1989

- Cooperative Services, Inc. (CSI) is formed in Georgia
- $\bullet \ {\it ESSCORP} \ is \ renamed \\ {\it FCUL Service Corporation}$

#### Florida credit unions are placed under the Office of Financial Regulation, putting them on equal footing with banks

2009

Alabama and Florida credit unions vote to consolidate the two state Leagues creating the League of Southeastern Credit Unions (LSCU)



### 2010

- · League of Southeastern Credit Unions structurally and legally begins business on January 1
- · Alabama and Florida League Service Corporations consolidate to create the LSCU Service Corporation (LEVERAGE)

## 2013

LSCU updates its brand architecture to LSCU & Affiliates to note organizational growth and expansion

### 2019

- · Alabama, Florida and Georgia credit unions vote to consolidate the three states to become an enhanced LSCU & Affiliates
- · Affiliates Consolidated Services (ACS), which includes LEVERAGE, Alabama and Georgia shared branching, and business services previously offered through the Georgia Credit Union Service Corporation and CSI, is formed

# **ADVOCACY**

The LSCU & Affiliates' legislative advocacy efforts work each year to impact policy at state and national levels, resulting in a more conducive environment for credit unions to grow and succeed. A recent LSCU survey conducted among constituent credit union leaders confirmed that advocacy continues to be a top priority for today's credit unions. To keep our members in the know and equipped to help fight the battle, regular updates are provided to member credit unions via all of LSCU's communication channels.

Keeping a pulse on credit union matters is part of our strategy to provide the greatest influence and continue to tell the credit union story. Each year, the LSCU & Affiliates sends out a survey to gauge what issues are of greatest importance to our affiliates, which determines our agenda for the year.

Our Legislative Advocacy team works to pass legislation; create opportunities for political fundraising to support credit union friendly candidates; and give credit union leaders multiple opportunities to discuss critical issues with policymakers. Affiliated credit unions join us yearly in Washington D.C. at CUNA GAC and for Hike the Hill to meet with policy makers. Additionally, LSCU hosts state advocacy conferences in Alabama, Florida and Georgia each year. These face-to-face meetings are crucial to protecting our industry against burdensome legislation and reminding lawmakers of the credit union difference.

In 2020, we will be creating Advocacy Policy Groups in each of the three states and one for the national level. These committees will provide guidance and support in helping us set legislative priorities, regulatory priorities and serve as trustees of the individual PACs. They will be instrumental in how we move forward to create an operating environment in which credit unions can thrive.

Our Political Action Committees continue to perform near the top in funds raised by a state-level trade association nationally. These funds provide our team and credit unions with the access they need to make a difference. LSCU also maintains the CU Vote Defense Fund to protect against extraordinary political issues, such as a tax fight.

Member credit unions benefit as the LSCU & Affiliates and CUNA work in tandem to deliver the best results in credit union legislative advocacy.



#### Among our recent successes:

- Protecting Alabama credit unions from deleterious changes to the Financial Institution Excise Tax
- Continued updates to the Alabama Credit Union Act - particularly changes to allowable guest travel
- Defeating legislation that would have made collection of debts in Florida more difficult
- Passage of legislation to allow for electronic notarization in Florida
- Passage of legislation requiring every school district in Florida to offer an elective on Financial Literacy

- Passage of several charter enhancements in Georgia to better the Georgia State Act
- Overcame constitutionality issues to pass legislation to allow Georgia credit unions to offer prize-linked savings accounts
- Passed legislation in Georgia related to intestate accounts that protected credit unions' operations and added liability protection in payments after death

# **REGULATORY & COMPLIANCE**

The LSCU & Affiliates compliance and regulatory advocacy efforts work together to inform, educate and advise credit unions, supporting a more conducive environment to grow and succeed. The LSCU Compliance & Regulatory Services area is committed to helping credit unions contend with the multitude of issues that arise in an ever-changing regulatory environment. The League provides expert staff that have over 100 years combined compliance experience to respond to your crucial questions, provide training that keeps you abreast of current compliance related issues and publishes a weekly compliance newsletter with up-to-date and breaking compliance news.

Another valuable part of membership in LSCU is access to InfoSight. Credit unions need up-to-date compliance information on a daily basis, and that's just what InfoSight provides. InfoSight is a free online compliance resource available 24 hours a day, 7 days a week and was accessed over 7,000 times by LSCU member credit unions in the first seven months of 2019. LSCU offers access to CU Policy Pro, which includes access to more than 230 detailed model policies that can help your credit union manage ongoing compliance and operational challenges as a dues service. In 2019, over 211 credit unions in the LSCU footprint used CU Policy Pro to review their policies.

Regulatory Advocacy is a proactive approach to regulatory change and regulatory compliance is a critical concern for credit unions. Credit unions are subject to state and federal regulations that govern the full range of their operations. In addition to the two primary credit union regulatory bodies, credit unions must be well informed about the regulations promulgated by a wide variety of other governmental organizations. Our Regulatory Advocacy staff is committed to establishing and maintaining effective working relationships with regulators to ensure credit unions' issues and concerns are heard by both state and federal regulators.



The League keeps you informed of the latest proposed rules and regulations and their potential impact on credit unions. The League provides comments to regulatory agencies to help shape regulations and lessen the compliance burden. Staff gathers information from credit unions in order to formulate regulatory policy and respond to regulatory proposals. The League goes far beyond reporting on new initiatives, however, by taking a possessive role in assisting credit unions' work with regulators to build a regulatory environment that will benefit and protect credit unions and their members. Anticipating regulatory change, promoting dialogue between credit unions and regulators, interpreting existing regulation and acting as an advocate for credit unions in regulatory forums are vital services delivered by the League.

# **EDUCATION & TRAINING**

The LSCU & Affiliates is known for its exceptional education and training opportunities, a key to providing credit unions with the knowledge needed in an environment of ever-changing regulations and technological advances. To do that, our team carefully curates top webinars, networking opportunities, conferences and workshops to ensure professional development and keep affiliates abreast of the latest industry advances.

The Education and Training team selects the most knowledgeable speakers to present at venues convenient to credit union professionals in Alabama, Florida and Georgia as they establish training platforms, compliance updates and opportunities for the exchange of best practices among industry leaders. At the forefront of these plans is affordability and accessibility.

The LSCU & Affiliates' Southeast Credit Union Conference & Expo (SCUCE) has become synonymous with excellence as, each year it attracts more than 1,000 professionals to Orlando, FL for a three-day immersion experience in topics critical to credit unions. With multiple topranked speakers and concentrated educational breakout sessions, SCUCE offers networking opportunities for the exchange of ideas set against the backdrop of the largest credit union conference in the southeast. Along with influential speakers and vital educational opportunities, the conference includes an Expo Hall to showcase the latest offerings from top-of-the-line vendors.

Executives and team members benefit from attending workshops led by carefully chosen instructors who can speak to credit unions' most pressing needs. The LSCU & Affiliates also selects only the most pertinent distance-learning courses to accommodate those who can more conveniently participate via online webinars and courses. With resources to meet the needs of all credit union professionals and a dedicated staff, the education department is committed to furthering your goals.



# MEMBER ENGAGEMENT

The Member Engagement team works to ensure that each affiliated credit union receives the greatest value from its ongoing relationship with the LSCU & Affiliates. Through on-site visits, networking and consulting, this team leads the way by connecting credit unions with resources and guidance.

LSCU & Affiliates is committed to the success of small asset size (SAS) credit unions. The Member Engagement team has developed a SAS Program to help find solutions and meet the unique needs of these credit unions. Member Engagement Consultants provide tailored consulting and training for credit unions under \$50 million in assets and the SAS Toolkit on LSCU's website is a useful resource for marketing, compliance, strategic planning and much more.

Member Engagement also manages LSCU's chapter development program. Chapters provide a strong network among area credit unions through advocacy, communication, education and community involvement. Credit union professionals depend on chapter functions for networking and industry discussions, while working to generously meet community needs and





promote the credit union business model and cooperative principles. Chapters have always been and will continue to be - the backbone of the credit union movement.

#### Roles of Member Engagement:

- Member Experience
- Small Asset Credit Union Support
- Chapter Support
- Young Professionals Group

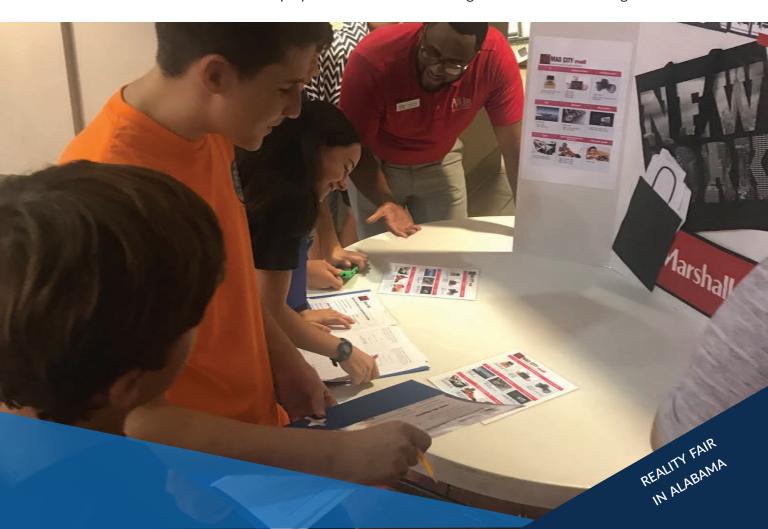
# SOUTHEASTERN CREDIT UNION FOUNDATION

The Southeastern Credit Union Foundation (SECUF) lives its mission to serve as a catalyst for credit unions to collectively effect change through charitable giving, education and community partnerships.

The SECUF leads the way from disaster response to educational resources to professional development and growth, all while keeping the needs of credit unions as the top priority.



The recent consolidation of the League of Southeastern Credit Unions & Affiliates and the Georgia Credit Union Affiliates, and in turn, the consolidation of their respective foundations (SECUF and the Georgia Credit Union Foundation) will provide greater expansion for the programs and services offered to credit unions and credit union employees and volunteers throughout the three-state region.





With an emphasis on core credit union issues such as financial education, professional development and training, community development and disaster relief, the SECUF assists credit unions throughout the year. In addition, our free and easily comprehensible financial education resources and trainings are available to assist teachers, students and members of the community. By including reality fairs and competitions, students feel involved at an early age and are more equipped to make wise decisions leading to better financial health.

The SECUF provides professional development scholarships to allow credit union employees and volunteers to take part in the LSCU & Affiliates and CUNA conferences and events. Along with the training and professional development, a fundamental aspect for which the SECUF is known is its guidance in the aftermath of natural disasters. The SECUF has proven time and again its stalwart dedication to helping credit unions, their teams and their volunteers as they face the difficulties of functioning effectively as a financial institution while facing their own personal hardships. During times of adversity, the SECUF shines through collaboration with CUAid and other partners to meet the needs of Alabama, Florida and Georgia credit union family.

# COMMUNICATIONS

At LSCU & Affiliates, our communication experts understand your credit union's need for current news relating to advocacy, regulation, compliance and the financial industry. Our communication platforms serve as trustworthy resources for industry information and topics that are thought-provoking. These include:

- The LSCU & Affiliates' newsletter
- The LSCU website (www.lscu.coop) gives member credit unions 24/7 access to:
  - o Advocacy issues and alerts
  - Regulatory and compliance updates and resources
  - Education and training opportunities
  - o Disaster planning information and links
  - o Financial literacy tools and training
  - Southeastern Credit Union Foundation updates
  - Resources for small asset sized credit unions
- A dynamic mobile app designed to deliver breaking news, event engagement and easy access to information.
- Awards programs and recognition at both state and national levels, which spotlight the outstanding accomplishments of Alabama, Florida and Georgia credit unions.
- Engaging video updates from the LSCU & Affiliates team, coverage on events and industry needs and highlights of credit union activity.
- Social media channels promoting advocacy efforts, leadership opportunities and activities of credit unions, chapters and YPs.



Our media professionals continue to lead the way in utilizing integrated communication strategies to tell the credit union story to consumers, the media, lawmakers and policymakers and to be a trusted source for credit unions. Our efforts have resulted in increased media exposure and millions of impressions.

# STRATEGIC INSIGHT

Credit union are competitively nimble, quick to adapt to changing circumstances. As a group, credit unions are among the best at the art of incremental improvement. Constant attention to process improvement has served credit unions well over the years. However, seeing and embracing transformative change is difficult. LSCU considers it important to provide opportunities for member credit union leaders to network with practitioners that have different ideas about how to serve people. In pursuit of strategic insight, the following programs are coordinated by LSCU:

#### Idea Institute

LSCU invites member credit unions to engage in dialogue with industry leaders in a unique format that focuses on key strategic topics facing credit union decision-making. Now with fourteen years of history, the Idea Institute relies on leadership discussion by practitioners with unique insight. Originally targeted to the CEO and Board Chair, the Idea Institute is now recommended for opinion leaders on the board or in the C-suite. The opportunity is for participants to be exposed to transformative thinking.

#### **Learning Journey**

Seeing is believing, or at least understanding. In addition to bringing the practitioners to LSCU credit unions at the Idea Institute and other events, LSCU organizes member visits to areas where creative strategies are being used to achieve success. Learning Journeys alternate between domestic and international destinations. The domestic Learning Journeys usually emphasize some element of competitive strategy. The international destinations often center around the creative application of cooperative principles and practices. No matter the destination, Learning Journeys are great networking and learning experiences.



#### **International Partnerships**

LSCU has entered into a partnership arrangement with the British credit union system. There are over 300 mostly small financial cooperatives in Britain (England, Scotland and Wales). LSCU works closely with the Association of British CUs (ABCUL) to organize and coordinate activities for individual CU-to-CU partnerships. This relationship was initiated by the new LSCU members from Georgia and it is now possible for members from Alabama and Florida to engage in the partnership activities. Learning is two-way and hands-on.

# SOLUTIONS THAT MATTER

- Deeper suite of products and services offered to credit unions
- Increased resources to develop and deploy solutions to meet future needs
- Expanded geographic territory to educate credit unions on product and service value



These statements have become reality for *LEVERAGE*, the LSCU Service Corporation, as a result of the strategic consolidation with the Georgia Credit Union Affiliates. The combined enhancements have positioned *LEVERAGE* as a strong industry leader to assist credit unions to grow loans, improve regulatory compliance, increase non-interest income, streamline operations and reduce expenses.

The ability to dedicate valuable resources to product development has become a competitive advantage for *LEVERAGE*. Only a handful of League Service Corporations nationwide have been able to generate this type of high-level activity. Based on its commitment to innovation and growth, *LEVERAGE* has been able to look ahead of the curve and develop solutions focused on cybersecurity audit procedures and monitoring, Current Expected Credit Loss (CECL) methodology, employee health insurance options, check printing contract discounts and quality student lending opportunities.

LEVERAGE is committed to meeting the ever-changing needs of credit unions by offering best-in-class products and services. In addition to the solutions mentioned earlier, the expanded suite of products also includes debit and credit card processing, cardholder recovery and prepaid cards, cardholder rewards program, audit and compliance procedures, ATM managed services, credit union vendor management, core processing services, creative and strategic marketing solutions, SBA and commercial lending, consumer participation lending, auto remarketing and more.

Partnering with LEVERAGE helps credit unions focus on what they do best: serving members. To learn more about partnering with LEVERAGE, visit www.myleverage.com, or email consult@myleverage.com.



# **CREATING OPPORTUNITY** THROUGH PARTNERSHIP

LEVERAGE strives to be the trusted source for solutions that meet the needs of credit unions and partners.

**GROW LOANS** 



MANAGE RISK







**INCREASE REVENUE** 



**ENHANCE OPERATION** 



REGULATORY **COMPLIANCE** 



Learn more about LEVERAGE at myleverage.com

## YOUNG PROFESSIONALS GROUP

The LSCU Young Professionals Group (YPG) is made up of young credit union professionals, 40 years of age and younger working to positively impact the credit union movement and the communities they serve through networking, mentorships and collective action. A complimentary program for member credit unions, this groups helps to develop the next generation of credit union leaders.



Members of the YPG receive exclusive benefits such as reduced pricing to attend LSCU events and the ability to participate in the YP Think Tank, a free conference designed for and by credit union young professionals.

#### Goals of the YPG include:

- To help young professionals develop and grow so they can become the next generation of
   CEOs and leaders in the credit union movement
- To educate YPs about the history and opportunities within the credit union industry
- To inform and empower young people to get involved with political advocacy
- To impact the community and make it a better place for all by partnering with other YPs to strengthen the collaborative spirit
- To increase knowledge exchange and professional development opportunities



## THREE EASY MEMBERSHIP OPTIONS

Membership options include:

**Primary Member:** A natural-person credit union domiciled in Alabama, Florida or Georgia. This level of affiliation is granted all rights and privileges of membership as determined by the bylaws and/or the board of directors upon payment of applicable dues, including the ability to serve in an elected or appointed capacity on the LSCU & Affiliates or chapter boards. Also included with this participation level is the ability to participate in LSCU & Affiliates events and chapter events, as well as the right to vote on matters before the membership per the bylaws and/or as determined by the board.

Associate Member: A natural-person credit union domiciled in a state other than Alabama, Florida or Georgia that has at least one physical branch location in Alabama, Florida or Georgia. This level of affiliation is granted the same rights and privileges as Primary Membership with the exception of participating in the LSCU & Affiliates' board of director election process or voting on matters before the membership per the bylaws and/or as determined by the board.

**Affiliate Member:** A natural-person credit union domiciled in a state other than Alabama, Florida or Georgia that has members in Alabama, Florida or Georgia. This level of affiliation is granted the same rights and privileges as Associate Membership with the exception of serving on a chapter board or voting.

When you become a member of the League of Southeastern Credit Unions & Affiliates, you are helping lead the way to provide critical support for the credit union movement. This collective investment helps support greater impact, awareness and policy change at the state and national levels and increase resources to your credit union through:

- Federal and state legislative and regulatory advocacy
- Consultative services and support from compliance experts
- Local education and training on a wide range of topics
- Opportunities for networking and professional development through chapters and other events
- Timely updates on industry news that matter
- Best-in-class products and services that meet the needs of your credit union

For more information, visit www.lscu.coop.



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For more information on affiliation with the LSCU & Affiliates, contact LSCU VP, Member Engagement, Jordan Burroughs at 866.231.0545 ext. 1008 or jordan.burroughs@lscu.coop.



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