



# ADVISOR

Volume 16, No. 3

October 2008

## President's Message



**By Derrick Smith**

As we head through the fall months and into the Thanksgiving and Christmas seasons, many great accomplishments are being realized by FedComp credit unions — and many great challenges remain ahead.

In these very uncertain economic times, we have much to be thankful for — most in our credit union family remain strong and prosperous and are uniquely positioned to serve their members during a period when many are truly underserved. Conservative investment policies and lending practices that are and have been structured to benefit their members, coupled with effective and affordable support systems, have given our credit unions the strength to make a difference (unlike many financial institutions today).

FedComp remains committed to making a difference as well. Our software grant program remains in full force and effect for credit unions with demonstrated financial need. Further, FedComp is working closely with its league and credit union partners to target its solutions in areas where our credit union members need them the most. FedComp now offers a full array of technology solutions — from real-time interfaces to hosted applications — serving credit unions of all sizes. Among several enhancements we've added to our fall release are new tools for more effective support of the new red flag rules as well as special changes to accommodate the modified FRB Check21 standards.

Speaking of technology solutions, FedComp's **PLATINUM** system has quickly become the flagship system for credit unions **with more sophisticated needs** — whether deployed as an “in-house” application or accessed through our [FedComp Online!](#)

*Continued on page 6*

## FedComp **PLATINUM** Introductory Pricing Ends 12/31/08



**By Bob Flanagan**

Introductory discounted pricing for the enhancements to the FedComp system, called **PLATINUM** ends December 31, 2008. **PLATINUM** is a system designed by FedComp's Credit Union partners like you. It streamlines and allows quicker and more efficient processing. The introductory price for **PLATINUM** includes Power Teller, Loan Application Tracking, Member Information System, Enhanced Inventory Management and Reconciliation, numerous Electronic Funds Transfer enhancements, and user-defined screen colors, background, and hot keys. Many Credit Unions have attended webinars to take a look at the **PLATINUM** system and many have already purchased the system.

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## For the Love of the Game and His Community

By Evan Braff, Division Supervisor,  
Fairfax County Dept. of Community &  
Recreation Services



Photo Court of: Andrew Dodson/e Connection

Founder of FedComp and the Diamond Dream Foundation,  
Bob Duff, adjusts the grip of Rebecca Hildebrand

Last year Teen Services announced a partnership with the Diamond Dream Foundation (DDF). DDF's goal is to build values essential to the balance and growth of today's youth by promoting a passion for baseball in our youth and communities. DDF's values align with the values that we promote in Teen Services. Bob Duff, the CEO of FedComp Inc., a local software company, is the founder of DDF. When I first met Bob one year ago, it was impossible to ignore his passion for baseball and his strong desire to bring it to the community where he works, as well as where he grew up. During our first meeting, he told me that the "magic of baseball" could build communities. His passion for baseball and the community continues to leave a lasting impression with all of us in Teen Services. Our relationship with DDF has definitely been one of the highlights of my career. Bob's inspiration for the Diamond Dream Foundation has led to an outstanding partnership with Teen Services. In the first year of our partnership, his organization has provided the following support to Fairfax County youth:



- Implemented an eight-week baseball program at Liberty Middle School where 35 youth received weekly instruction.
- Implemented seven baseball clinics with an average of over 30 youth attending each clinic.
- Provided an opportunity for 100 youth to participate in a one-day clinic to receive instruction from the Washington National's coaches at National Stadium.

*Continued on page 6*

## Special Request

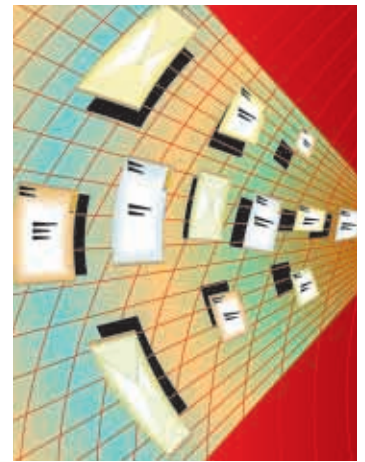
By Derrick Smith

It has come to the attention of both NCUA and FedComp that certain malicious and unethical letters are being targeted to FedComp credit unions, as well as perhaps users of certain other data processing systems.

While we recognize that due to our success and significant market share we represent a large target for guerrilla marketing campaigns, FedComp has particular interest in this specific effort due to the unusual threat it may represent to our credit union clients.

You will recognize this letter in that it is sent unsigned and anonymously. While it is structured in such a way as to appear both official and generic in language, its content includes many obviously false statements coupled with other seriously misleading statements intended to interfere with and disrupt your existing vendor services and agreements.

FedComp is working with a number of officials in an effort to trace the origin of this suspicious activity. If you have received (or receive) such a mailing — We'd like to hear from you. Call us at 1-800-733-3266 and ask to speak to your Account Executive. We appreciate your support in eliminating this behavior from the credit union movement.



### FedComp Contact Information:

**Tech Support: 800-283-3326**

[Techsupport@FedComp.com](mailto:Techsupport@FedComp.com)

FedComp Supply 888-40-FORMS

[FedCompSupply@cuink.com](mailto:FedCompSupply@cuink.com)

Sales 800-733-3266

[Sales@FedComp.com](mailto:Sales@FedComp.com)

Fax 703-383-3220

Web Site: [www.FedComp.com](http://www.FedComp.com)  
[www.VirtualCU.net](http://www.VirtualCU.net)

## Red Flags Rules



By Jim Murch

In accordance with the FACT (Fair and Accurate Credit Transactions) legislation of 2003, all financial institutions should now have written policies for preventing and mitigating identity theft.

For instance, a credit union should have a 'red flag' to alert them if a member requests an address change, and then requests a replacement debit card. This would be the sort of pattern by which an identity thief could access their victim's accounts.

We will be adding a field to the Credit Bureau Report for address verification to protect against this sort of abuse. The CIP (Customer Identification Program) tab added to member information last year is also an added protection for our customers. It is important that you get into the habit of confirming your membership's identification if you have not done so already. Our Virtual ID option is another contribution to this national movement towards personal financial security. Finally, a new feature included in our **PLATINUM** product and available to all FedComp users is the Virtual File Cabinet. Manuals on these and over 50 other features and options are available in FedComp under Help > Documentation and Training > Explore FedComp Documentation.

A frequent question from NCUA examiners to our Internet Teller customers in the last couple of years has been about multi-level authentication for internet transactions. Many of our EFT (Electronic Funds Transfer) customers will be familiar with multi-level authentication. To download Share Draft, ACH or ATM batch files, a user is not only required to have a username and password, but some additional level of identity confirmation, such as response to a question or an image on the screen. This is multi-level authentication. With our batch-based Internet Teller product, the FedComp user is the second level of authentication. A member can log into your website with only an account number and password to make a request, the second level of authentication is when a FedComp user processes the transaction. If a member has not accessed their share accounts or certificates significantly for a while, then suddenly makes a request to withdraw all or most of their funds, this should alert the CU employee to become suspicious and contact the member for verification.

Another aspect of the **Red Flags Rules** requirement is data security. FedComp has always been conscientious about protecting our user's member information. The results of an ISO (Information Security Management) exam conducted last year are proudly posted on our website, found on the "Downloads" page. If your examiners have

questions about the security of your data, these results can be downloaded and shown to them.

Because we are very careful about data security for you and your members, we have instituted a Scrambled Backup feature, while it allows us to look at your data, it scrambles member information, so even if that file were to be intercepted in transportation to us, your member information is still protected.



We continue to look for innovative ways to serve you, as you serve your members and pride ourselves on leading the industry by responding to your needs. FedComp stands for **Federal Compliance**; we endeavor to lead the industry for your benefit.

## It is Time for Credit Unions to Act



By Trevor Hamilton

Does your community understand that Credit Unions are solvent, safe, and really care about its members?

Now is the time to let them know how you can assist them through this difficult financial period!

As you are aware it has been a very difficult time for the banking industry as they deal with the aftermath of the Housing debacle, bad loans, and the credit crunch. Many consumers and businesses are being hurt by these events because they cannot get access to credit.

Many Credit Unions have been spared from the subprime and other financial disasters leaving them in a good position to acquire these consumers as members. With the increased deposits, your Credit Union would be in a position to lend back to the member thereby increasing net income, enabling you to purchase additional products and services such as, Share Drafts, Home banking with Bill Payer and ATM/Debit cards. To attract new members you need to offer products and services consumers currently have with their banks and will continue to need. As an Account Executive I speak to and hear from many Credit Unions daily and they see how "the times" have made it clear that Credit Unions are the best solution for the consumer. It is time to act!

With 25 years of service to the Credit Union movement, FedComp and its staff are very experienced. In keeping with its goal to be your "sustaining resource", FedComp is available to assist you and your Credit Union, inform you on products and services that will entice a consumer to become a member. Contact your Account Executive to see how FedComp can assist you. It is truly Time to Act!

## FedComp Training Schedule For 2008

COURSE	DATE	LOCATION
<b>ONLINE TRAINING</b>		
Cash Drawer Procedures and BSA	November 12, 3:00 – 4:00 pm	Online
<b>CLASSROOM TRAINING</b>		
Training & Sales Presentation	November 13, 10:00 am – 3:00 pm	West Virginia CU League Parkersburg, WV



Jim Jessee

**\*All sessions are offered at Eastern Time (ET)**

Cost for each online session is \$79 per credit union.

There is no cost for the Classroom Training

**For online sessions, internet connectivity is mandatory,  
high speed connectivity is recommended.**

Please visit the training section of our website, [www.FedComp.com](http://www.FedComp.com), to complete your registration form or review additional information about the training we offer. If you have specific training questions please contact Jim Jessee, Director of Operations, at [JJessee@FedComp.com](mailto:JJessee@FedComp.com) or 1-800-733-3266 x330.

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*and*

### Brick Capital Management, Inc.

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## 1099, 1098, 5498 and 1099-R Processing for 2008 Registration Form



By Donna Snell

It's that time of year again when you need to start preparing for the processing of your 1099, 1098, 5498, and 1099-R statements. FedComp provides an efficient and inexpensive way to handle all of the time consuming aspects of

processing these statements. Enclosed in this newsletter you will find the registration form. There are several options for you to choose from, the most popular is the "Complete Package Option". With this option you run your report to file and email it to us at [irsprocessing@fedcomp.com](mailto:irsprocessing@fedcomp.com). When emailing your file to FedComp, your \$40.00 registration deposit will be applied to your processing fee. If you choose to mail in your file on 3.5 HD diskette or CD, your \$40.00 registration deposit will be applied to the handling charge of your data on these types of media.

FedComp will order forms for IRS processing by the first week in December, therefore registration forms postmarked after **December 1, 2008**, will be assessed an additional \$100.00 late fee.

Don't delay, register online at [www.fedcomp.com](http://www.fedcomp.com) the registration form can be filled out online and the fee paid by credit card, or fill out the registration form enclosed in this newsletter and mail it in today!

**When the time comes the entire process can be completed electronically:**

Complete the order form  
Pay for processing with a credit card  
Email your data to FedComp.

**That's it, you're done! You now have the time to work on other important year end tasks.**

If you have any questions on the price list included on the registration form, please call 1-800-283-3326 ext. 326 or ext. 327.

## Keep FedComp Informed

It is very important that you let FedComp know if your credit union changes management or contact person. Please send us notification on your Credit Union letterhead, as a precaution and for the protection of your credit union's member data. Please also let us know if you change your address, phone/fax numbers or your e-mail address.

## What Will PLATINUM Do For Me????



By Vonnie Baucom

As you review the capabilities of FedComp's **PLATINUM** upgrade — at first glance it may appear that it is geared towards the larger credit unions. **BUT** — let's take a closer look.....

As a small credit union — all staff members perform multiple functions and wear many hats. Time is your

most valuable and limited asset.

**PLATINUM** will help your credit union operate more efficiently — with easier access to information using fewer key strokes — and puts more information about your members, their accounts, joint owners, etc., right at your fingertips. Here are some examples:

**Member Information System** displays all the member's accounts and any related members, guarantors, co-makers, etc., resulting in.....

**fewer trips to the file cabinet for signature cards or loan documents**

**Power Teller** allows you to access and edit member detail, change logs, payroll and a host of other information — without leaving the teller screen. You can even perform transactions on multiple accounts from this screen — eliminating the need for multiple receipts to the same member, resulting in.....

**fewer key strokes**

**Loan Application Tracking** allows you to save the member's loan application information in the system — with as much or as little detail you wish. Much of the manual labor you perform in processing a loan application is done by the system. Real-time Credit Bureau Inquiry retrieves the credit report on your applicant(s) automatically, floods any debts from the credit report into the loan application, AND (based on defined criteria), calculate the current debt to income ratio, as well as the debt to income ratio after the loan is granted. This information is then stored and accessible the next time the member comes in for a loan — ready to be reviewed and updated as necessary, resulting in.....

**less paperwork and time needed to process a loan**

**BOTTOM LINE**

**PLATINUM HELPS YOU MORE EFFICIENTLY  
SERVICE YOUR MEMBERS**

Contact your Account Executive today  
to further discuss **PLATINUM!**

1.800.733.3266

Vonnie Baucom, Ext. 305 • Trevor Hamilton, Ext. 306



# 2008 Fall and Winter Holiday Calendar

## CORPORATE OFFICE HOURS

Sales: Monday – Friday 8:30 – 5:30 ET  
 Technical Support: Monday – Friday 8:30 – 6:00 ET

## AFTER HOURS SUPPORT

Monday – Friday 12 am – 7:30 am, 6 pm – 11:59 pm  
 Saturday & Sunday 12 am – 11:59 pm

Thursday, November 27	<b>Thanksgiving Day (Office Closed)</b> No after hours support
Friday, November 28	<b>Day after Thanksgiving (Office Closed)</b> After hours support in effect all day
Wednesday, December 24	<b>Christmas Eve</b> No after hours support
Thursday, December 25	<b>Christmas Day (Office Closed)</b> No after hours support
Wednesday, December 31	<b>New Year's Day</b> No after hours support
Thursday, January 1	<b>New Years Day (Office Closed)</b> (No after hours support)
Monday, January 19th	<b>Martin Luther King Day (Office Closed)</b> (After hours support begins at 6pm)

**When limited after hours Technical Support is available, calls will be returned based on priority. Any calls not returned will be returned the next business day.**

## The President's Message

*Continued from page 1*

program...it does not, however, carry a "sophisticated" price tag! If you haven't yet explored how **PLATINUM** can help you gain new efficiencies in serving your members — you should do that soon — **PLATINUM's** introductory offer will expire at year-end. Contact your FedComp Account Executive for more information.

America needs its credit unions today more than ever before. Now is the time to find extra energy and creative ideas in delivering financial solutions and support to our members. We believe that, working together, our credit unions and their members can prosper despite this difficult time. Let's all recommit ourselves to that mission of service.

At FedComp,  
*"we are here for you as you are for your members."*

## For the Love of the Game and His Community

*Continued from page 2*

- Provided 320 tickets for CRS youth, as well as youth in foster care, to attend a Nationals Game.
- Provided a free baseball glove to each youth participating in the clinics, and the program at Liberty. Over 400 gloves have been handed out.

When I meet with community leaders, I always share with them the community factor; the Teen Services Division cannot fulfill its missions without support from the community. When explaining the power of community-based partnerships with local government, I always use DDF has the model community based organization.

Bob's philanthropic initiative is a true gift to the youth of Fairfax County and our organization. Bob has never asked for anything in return except the opportunity to coach youth at the baseball clinics.

## Support of Windows 98 and ME



By Jim Jessee

As many of you are aware, Microsoft discontinued the support of Windows 98 and ME in July of 2006. We have now reached a point in the FedComp product lifecycle that requires us to follow suit. As of March 1, 2009 we will no longer be able to support

Windows 98 or Windows ME as qualified platforms for the safe and secure operation of the FedComp data processing system. This change is strictly due to the technological changes brought about with the newer operating systems. FedComp requires upgrading to a newer, more secure operating system, such as Windows XP Professional SP2 or greater, by March 1, 2009. If you are currently operating Windows XP we highly recommend upgrading to XP SP2 or SP3 if you have not already, as Microsoft has discontinued support on Windows XP SP1. Most of you have already upgraded your operating systems or purchased new ones. We just want to be sure that when we discontinue support there are no outstanding system compatibility issues.

Visit the Microsoft website to see what is supported: <http://www.microsoft.com/windows/support/endsupport.mspx>.

Should your credit union have a need to upgrade its operating system or any of its hardware it is imperative that you contact your FedComp Account Executive at 1-800-733-3266 or our Technical Support Department at 1-800-283-3326 to ensure uninterrupted service and that anything you purchase meets or exceeds the necessary system requirements for the operation of your FedComp system.



## FedComp Family!

By Jackie Pettinelli

### Welcome to FedComp



**Joe Hardin (alias: Joe Cool)**  
Network Administrator

Joe lives and works here in Fairfax, VA. In addition to working on FedComp's internal systems, Joe is our "go to guy" for configuring and troubleshooting hardware for our FedComp customers. Joe is locally grown and educated.



**Dave Roberts**  
Software Developer

Prior to joining FedComp Dave was a Programmer/Analyst in Parkersburg, WV, he holds a BS in Computer Science from West Virginia University.

In addition to his professional responsibilities, Dave serves as Director of Music Ministries leading two adult choirs, a men's chorus, and is a vocalist in the praise band New Creation. Dave also serves as an Assistant Scoutmaster.

### Farewell



**Sheila West**  
Support Services

I think everyone who has called in to technical support has had an opportunity to speak with Sheila. Sheila has been part of our FedComp family for over 4 years and while we will miss her smiling face we wish her every success as she leaves us to pursue her career in accounting.

## FedComp PLATINUM Introductory Pricing Ends 12/31/08

*Continued from front page*

**PLATINUM** has additional modules available for purchase like: Virtual File Cabinet, Member Relationship Management (MRM), and Credit Card payments.

FedComp realizes that many Credit Union's did not have the purchase of **PLATINUM** in its budget for 2008, so we are offering a "Letter of Intent" special that will allow you to take advantage of our introductory pricing.

Enclosed in this newsletter you will find a "letter of intent", which, if signed and returned to FedComp by December 31, 2008, will allow you to purchase the **PLATINUM** product at the introductory price and FedComp will bill the credit union in January when your new budget year is in effect.

For more information, an updated quote, or schedule a webinar of **PLATINUM**, please contact your Account Executive, Trevor Hamilton Ext. 306 or Vonnice Baucom, Ext. 305 at 800-733-3266 or email us at [solutions@fedcomp.com](mailto:solutions@fedcomp.com). Time is running out so contact FedComp today.

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# ATTENTION!!!

## VALUED FEDCOMP IRS PROCESSING CLIENT **FedComp, Inc. 1099-INT, 1098, 5498 and 1099-R** **REGISTRATION FORM**

**(This form must be submitted in 2008 to ensure your IRS reservation)**

To register for **1099-INT, 1098, 5498 and 1099-R** processing, return the completed registration form along with a **\$40 non-refundable registration fee**. The \$40 registration fee will be credited towards your processing fees, if you email your data file to FedComp. If you decide not to email your data, then the \$40 registration fee will be applied towards the handling of your data on diskette or CD. Duplicates are only available in a PDF format file and sent to you on a CD. FedComp will also report for states that allow combined federal and state reporting.

FedComp's Credit Union No: \_\_\_\_\_

Credit Union Name: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

**(Estimate # of forms processed in 2007)**

**Which service would you like?**

**Cost\***

**1099**

**1098**

**5498**

**1099-R**

Which service would you like?	Cost*	1099	1098	5498	1099-R
Complete Package (Print, Mail & Report)	\$0.99/member reported				
Print & Report to IRS (CU Mails)	\$0.99/member reported				
Print & Mail (CU Reports to IRS)	\$0.89/member reported				
Print Only (CU Mails & Reports to IRS)	\$0.94/member reported				
Report to IRS (CU Prints & Mails IRS Forms)	\$0.74/member reported				
Duplicates Returned on CD only	\$50.00 per form type				

**Save time and postage! Register online at [www.fedcomp.com](http://www.fedcomp.com)!**

**Please return this form, along with the \$40 registration fee to:**

FedComp, Inc.  
10300 Eaton Place, Suite 260  
Fairfax, VA 22030  
ATTN: IRS Processing  
**1-800-283-3326 X326**

**Registration forms postmarked after December 1, 2008 will be assessed an additional \$100.00 late fee.**  
If interested in 1099-INT, 1098, 5498 or 1099-R forms only, contact FedComp Supply at 888-403-6767.

**WE LOOK FORWARD TO SERVING YOU!!**

*The \$40.00 registration fee will not be applied to processing if you decide to mail data to FedComp on diskette or CD.*



## LETTER OF INTENT AGREEMENT

\_\_\_\_\_ Credit Union has agreed to purchase the FEDCOMP Platinum SOFTWARE as shown on quote number AAAQ \_\_\_\_\_, dated \_\_\_\_\_.

Upon the receipt of this executed Letter of Intent, by December 31, 2008; FedComp will send an updated Platinum Software License to the credit union and agrees to bill the introductory price for Platinum to the above named credit union in January 2009. Minimum existing software standards do apply with Platinum and credit union agrees with such standards as shown on the above referenced quote.

Time is of the essence. If the License Agreements are not executed by January 6th, FedComp is not bound to reserve the introductory pricing and all quotes will be converted to the then-current standard pricing in effect.

This Letter of Intent Agreement is executed by:

By: \_\_\_\_\_ Credit Union

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

And

By: FedComp Inc.

Name: Derrick Smith

Title: President

Date: \_\_\_\_\_