



# Being There

BY LINDA DAILY

## ABA's 2010 Community Bank Award winners go the distance in helping their communities survive tough times.

### Fundraising for Foundations and Local Groups

Boiling Springs Savings Bank, Rutherford, N.J., created its Community Alliance Program to help area nonprofit organizations raise money using the bank's own accounts operations. As one participating organization noted, it's the "no bake cake sale" program.

An eligible organization must either have or open a checking or savings account and enroll it in CAP. Members and supporters of the organization can then designate an existing personal account or open an account to be designated as a CAP account. Once a minimum of 20 individuals have designated CAP accounts on behalf of an organization, Boiling Springs tracks these accounts' average daily balances to

determine how much it will donate to an organization on a quarterly basis.

Community Alliance Rewards are based on the average daily balance maintained by members at the annual rate of .25 percent on certificates of deposit (including IRA CDs and premium and money marketing checking) and .5 percent on other checking, savings and money market savings accounts. Boiling Springs enhanced the program in 2009 by making business accounts eligible for determining quarterly rewards. The bank also provides assistance to organizations (e.g., attending fundraising events, writing newsletter articles and flyers) to help them meet the 20-supporters threshold. Since its inception in 2006, CAP has enrolled 115 organizations and donated \$313 million as of the end of last

year.

"Nonprofit organizations and their constituents are the backbone of many communities and include a diverse cross section of groups," said Robert Stillwell, president and CEO of Boiling Springs Savings Bank. "The members and supporters of these organizations are our customers, our employees, our friends and neighbors. Local community banks that support their marketplace can help to make a difference. Then everyone wins."

### Encouraging Volunteerism

Realizing that volunteers were the lifeblood of nonprofit organizations in its small community, First Federal, McMinnville, Ore., decided to transition from a traditional request-based approach to community



Above: Macatawa Bank sponsors Dave Ramsey's Foundations Financial Literacy curriculum in area high schools. John Schwalm (far left) is teaching Grandville High School's Foundations class. Pictured at right are Macatawa Bank's Curt Stuck and Tara Thompson.

Right: Boiling Springs Savings Bank Senior Vice President Andy Jones addresses the Kip Senior Citizen Center, which was the first nonprofit organization to enroll in the bank's Community Alliance Program.



Above: First Federal bank executives greet attendees at Yamhill County's first-ever Community Volunteer Fair. From left: Marshall "Rocky" Wade, president and CEO; Erin Stephenson, community relations coordinator; and Jon Johnson, vice president and chief financial officer.

giving to two programs that rewarded volunteerism.

In 2008, it launched its First Federal Community Rewards program, which enables customers to earn donations for the nonprofit organizations they serve. For every hour a customer volunteers for a local group, the bank donates \$2 to that nonprofit organization. Customers track their volunteer time on Community Rewards time cards, which they submit monthly to their organizations. First Federal imposes a \$1,000-per-organization annual maximum to allow all organizations, no matter their size, an opportunity to earn donations. First Federal allocated \$10,000 for the program in 2008 and doubled that amount for the 2009 program.

The bank also launched Yamhill County's first-ever Community Volunteer Fair on April 25, 2009, in partnership with

the News Register, the local newspaper. Forty-four organizations participated in the event, which featured volunteer-recruitment booths, free entertainment from local bands, a Kids Zone with crafts and interactive games and free food for all participants. Both the News Register publisher and First Federal's CEO attended the event and helped serve hot dogs, popcorn and soda. Both organizations received so much positive feedback that they will host a second Community Volunteer Fair on May 22.

"We believe that our proactive and interactive approach to encouraging volunteerism through both First Federal Community Rewards and the Community Volunteer Fair is unique in its ability to build positive relationships and create positive outcomes in our community," said Marshall "Rocky" Wade, president and

CEO of First Federal. "One program works to create new volunteers while the other rewards those who already give their time—but they both benefit our community, our customers and First Federal."

### Improving Financial Literacy

Financial literacy has come to the environs of Holland, Mich., in a big way thanks to the efforts of Macatawa Bank. In partnership with personal money management guru Dave Ramsey, the bank has created a four-part program to bring financial education to targeted audiences: high school students, targeted consumers, large companies and its own employees. Here is a brief overview of Macatawa Bank's efforts:

- Sponsors Dave Ramsey's Foundations Financial Literacy Curriculum in 61 of the area's 62 public, charter, and private high schools. Bank representatives periodically

visit participating schools to talk to students and answer their financial questions.

- Offers free materials to consumers who enroll in Dave Ramsey's 13-week Financial Peace University course and open a Macatawa Bank Freedom Package, which consists of a Goal 4 It Savings Account and Freedom Checking Account that support Ramsey's "baby steps."

- Conducts informational outreach to companies with 200 or more employees about Ramsey's 13-week Financial Peace Workplace course. Companies that participate in the course can earn up to \$100 when they reach a \$1,000 emergency fund goal when they open a Ramsey Goal 4 It Savings Account tied to any Macatawa Bank personal checking account.

- Encourages its employees to enhance their financial literacy by underwriting more than half of the cost of a Financial Peace Workplace kit.

Between Sept. 21, 2009, and Dec. 31, 2009, Macatawa Bank had 257 new customers and 177 existing customers open a Freedom Package and get a free Financial Peace University kit. Thirty bank employees enrolled in the first Financial Peace Workplace class. Participants saved a combined \$35,250 during the 10-week class and paid off \$55,502 in debt.

"The severity of Michigan's economic downturn continues to impact our customers. As West Michigan's community bank, we saw a real opportunity to provide the public with a foundation for strong, lifelong financial habits," said Macatawa Bank President and CEO Ron Haan. "We believe that a financially smart and healthy community is a strong community, and we're excited to continue to bring the Dave Ramsey program to our customers, employees, corporate partners and the community at large."

### Reaching Out to the Underserved

Alaska's unique economic challenges have inspired First National Bank Alaska, Anchorage, to sponsor programs that help its communities overcome financial and

housing challenges alike. The bank is the leading lender in Alaska (as well as the nation) for the federal Title VI Loan Guarantee Program, which provides funds for affordable housing and community development projects in underserved areas. First National, for example, put together a successful Title VI loan for Mountain Village, a severely overcrowded village of 750 residents nearly 500 miles northwest of Anchorage. The loan provided funds to construct eight new single-family modular homes—the first new buildings the community had seen in nearly 25 years. To date, First National has closed 25 of 28 Title VI loans originated in Alaska.

In June 2009, First National also launched a yearlong public relations campaign to focus Alaskans' attention on the realities of their state's dependence on the oil and gas industry for long-term economic success. The goal: Motivate citizens and businesses to mount a grassroots effort to call upon the state legislature to continue to create a favorable environment for oil and gas producers.

First National's campaign encompassed multiple educational outreach efforts, including the creation of a Web site ([alaskaseconomy.org](http://alaskaseconomy.org)); speaker's bureau; an employer/employee informational kit; bus signs; a selection of postage-paid "issues" postcards addressed to the legislature; presentations to industry and civic groups; and a series of brochures distributed to bank customers, businesses and trade and industry organizations. Media outreach included print and radio advertising.

Preliminary results for the campaign's Web site include:

- 2,446 unique visitors have visited the [alaskaseconomy.org](http://alaskaseconomy.org) site, averaging three page views per visit.

- 161 visitors have elected to receive information updates via e-mail.

"Alaskans choose to live, work and raise their families in this great land because of the quality of life we enjoy here. To secure a healthy future for our state, all Alaskans must first understand the unique nature of

our economy, then support and grow the economy's key drivers," said Betsy Lawer, vice chair, First National Bank Alaska board of directors. "Our bank's customers are also our neighbors, so we have a genuine interest in their success. Only by securing the long-range success and prosperity of Alaska can we also ensure the success of our neighbors and friends."

### Helping to Achieve Home Ownership

The American dream of owning one's own home is alive and well in the Baltimore area thanks to the ongoing efforts of Rosedale Federal Savings and Loan Association. Rosedale Federal's First-time Homebuyer Program provides 30-year fixed-rate mortgages of up to 100 percent loan-to-value. These loans do not charge points, application fees or mortgage insurance. Rosedale increased the program's maximum loan amount to \$175,000 in 2009—a year in which 30 first-time home buyers received loans totaling \$4 million. Since 2000, the program has helped more than 280 low- to moderate-income families purchase homes.

Rosedale Federal also plays an active role in Harbel Housing, a community organization, by making presentations to home buyers during monthly workshops. A bank representative discusses such topics as the importance of establishing and maintaining good credit, selecting a lender, qualifying for a loan and the application and loan approval process.

In addition, the bank has established a \$1 million revolving loan to St. Ambrose Housing Aid Center, which allows the organization to acquire foreclosed properties at a discount and renovate them for resale to low- and moderate-income families.

"Rosedale Federal strives to meet the needs of our communities. Lending through our affordable housing program is a key way of accomplishing this goal," said Thomas S. Wintz Sr., president and CEO of Rosedale Federal Savings and Loan Association. "We also believe that providing financial

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educational programs as well as assistance to revitalize neighborhoods helps strengthen the communities we serve.”

## Revitalizing the Community

A goal of going above and beyond to help meet community needs guided the efforts of Springs Valley Bank and Trust Company, Jasper, Ind., throughout all of 2009. Challenged by management to go further than they had ever gone before, bank employees did so, launching new initiatives while also supporting ongoing programs.

For example, in addition to the long-standing tradition of volunteering their time at bank booths set up at area county 4-H fairs, bank employees hit on a new idea. SVBT bought four swine at fair auctions, and the meat that was processed into sausage was donated to area food banks. In addition to collecting 1,500 pounds of canned foods and donating them to local food pantries, employees also served hot meals as well as sponsored a coat drive, which collected nearly 100 coats for adults and children. Other employee efforts included donating blood to the Red Cross, collecting hundreds of stuffed animals for local hospitals, making bracelets to raise funds for various nonprofit organizations and volunteering at area nursing homes. Sixteen employees and their family members also volunteered at a local Habitat for Humanity building site.

“It has been heartening to see the bank’s staff step up in our local communities when there is such a genuine need precipitated by the most trying economic times in a generation,” said Springs Valley Bank and Trust President Jamie Shinabarger. “Senior management, under board direction, has been working hard to implement a more proactive sales and service culture and, to that end, appointed team leaders from a pool of bank employees involved with the bank’s leadership group. These teams were issued goals in the following areas: business development, training and community service. The teams exceeded expectations in many


areas but most notably that of community service. The final sentence in the bank’s mission statement serves as a reminder to all of us here at Springs Valley that we have a purpose beyond that of simply ‘dollars and cents’ and reads as follows: The bank will always be conscious of its obligations to the communities it serves.”

## Building With Habitat for Humanity

Building a strong foundation of financial support has been the hallmark of Coastal Bank and Trust’s efforts on behalf of Pensacola (Fla.) Habitat for Humanity for more than 20 years. The partnership began in 1987 when the organization approached Cary McCoy, executive vice president at then-Bank of Escambia, to serve as treasurer on the Pensacola Habitat for Humanity board of directors. McCoy convinced the bank to purchase interest-free loans to qualified Habitat homeowners. Not having to provide this long-term funding made it possible for the organization to afford more homes; from 50-70 homes are currently built annually.

Other innovative financial strategies developed by Coastal Bank and Trust on behalf of Pensacola Habitat for Humanity include:

- Providing a \$2 million unsecured line of credit to underwrite the costs of lots, building materials and other upfront expenses.
- Facilitating participation funding with the local county housing authority. The bank, in effect, acted as a go-between with Habitat and the county authority by guaranteeing the debt.

“We went the extra mile because we recognized that Habitat’s values were closely aligned to our corporate culture and values,” said Joseph R. Youd Jr., president and CEO of Coastal Bank and Trust. Helping Habitat has been good for the community, and good for the bank.” 

*Linda Daily is a freelance writer in Falls Church, Va.*