

FOCUS e-newsletter: Partnerships & Outreach
November 2014

Rare opportunities for CUs

“The credit union had to be open in 60 days!” recalled Samuel Hall, the then-organizer of what would become First Unity Federal Credit Union. “This was another point that I realized, that God was truly blessing this project because of the assistance we received from the Mississippi Credit Union Association, the Office of Small Credit Union Initiatives, our mentor credit union, and the various vendors.”


After a lengthy chartering process Hall reflected, “We could not relax long; because the post chartering procedures created some new challenges.” The organizer group galvanized support from its community and eventually got down to the final To Do items before realizing its goal of obtaining the new charter. One of the final items needed was fireproof filing cabinets. Before the organizers purchased the cabinets, NCUA stepped forward with good news.

“It was quite a happy coincidence,” remembers OSCUI Economic Development Specialist, Lisa Terrell, who assisted the organizer group through its charter process. “He mentioned during a meeting that the only fixed asset he still needed to buy was fire- proof filing cabinets. I said, ‘Let me check with the office because sometimes we have fixed assets available.’ And voila, we had filing cabinets!”

During a planned family gathering Baltimore Hall picked up the filing cabinets from NCUA’s Central Office in Alexandria, Virginia and self-hauled them back to Mississippi. Upon receiving its charter in June of this year, First Unity became the first newly chartered credit union in Mississippi in over 20 years.

Through a little known internal policy, NCUA was able to donate the fire-proof filing cabinets First Unity needed. The policy permits the agency to sell or donate excess and exhausted equipment to federally insured credit unions and certain charitable organizations. In this case, the file cabinets had been sitting unused in NCUA’s limited storage space for some time. When the agency exhausts use of personal (not real) property, the policy allows for property disposition to “ensure use of existing personal property to the fullest extent possible in order to minimize costs and provide maximum benefit to the agency’s mission.” The policy also enables NCUA to limit storage and maintenance costs associated with holding such property.

The opportunity First Unity experienced is rare. Most agency property is reused within the agency when one office exhausts its use of it. Still, such opportunities exist. Office furnishings – desks, credenzas, file cabinets, office chairs – are typically most often available. And as you might imagine, the furnishings are not in new condition or of matching sets. In an effort to maximize small credit union opportunities for such items, OSCUI will coordinate NCUA facilities management to pass awareness of such opportunities on to you.



There are conditions to such donations, such as:

- Property is offered in “as-is” condition, with no recourse to NCUA.
- Property may not be returned.
- NCUA will not arrange or bear the cost to pack and ship property.
- NCUA does not guarantee or warranty the property.
- The transferee must sign a statement acknowledging the conditions.

Review the [Partnerships & Opportunities](#) section of OSCUI’s website for more resources available to credit unions.