

# REAL MEMBER REAL VALUE



Jakob Werdell, a NASA Federal scholarship recipient

"Thank you so much for this scholarship. I am extremely grateful and honored to have been selected. This will help me a lot in achieving my goals at the University of Rhode Island and, eventually, my future after college. I can't thank you enough."

In 2021, NASA Federal donated a total of \$35,000 in scholarships to six deserving members. Learn more at [nasafcu.com/scholarship](https://nasafcu.com/scholarship).

## CALENDAR

- **April 25: NASA FEDERAL ANNUAL MEETING**  
5 p.m., Collington Center branch office.

## LOCATIONS

### Annapolis

2452 Solomons Island Rd  
Annapolis, MD 21401

### Arlington

FDIC Building D  
3503 Fairfax Dr.  
Arlington, VA 22201

### Bowie

16461 Excalibur Road  
Bowie, MD 20716

### Collington

500 Prince Georges Blvd.  
Upper Marlboro, MD 20774

### Columbia

7085 Minstrel Way  
Columbia, MD 21045

### Falls Church

1130 West Broad Street  
Falls Church, VA 22046

### Goddard Space Flight Center\*

Goddard Space Flight Center, Bldg. 21  
Greenbelt, MD 20771

### Greenbelt

10208 Greenbelt Road  
Greenbelt-Lanham, MD 20706

### NASA Headquarters

300 E Street, SW, Suite GC-21  
Washington, DC 20024

### National Academy of Sciences (NAS)\*

500 Fifth Street NW, Suite 310  
Washington, DC 20001

### National Science Foundation (NSF)\*

2415 Eisenhower Ave.  
Alexandria, VA 22314

### Oak Hall

7027 Lankford Highway (Rt. 13)  
Oak Hall, VA 23416

### Rockville

895-C Rockville Pike  
Rockville, MD 20852

### Wallops Island\*

GSFC-Wallops Flight Facility, N-133  
Wallops Island, VA 23337

\*Access restricted to employees of that facility

## NATIONWIDE

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7,900 7-Eleven® Stores



Find a location near you at [nasafcu.com/locations](https://nasafcu.com/locations)



P.O. Box 1588 | Bowie, MD 20717-1588

### Telephone

Local ..... 301-249-1800  
Toll-Free ..... 1-888-NASA-FCU (627-2328)  
Contact-24 ..... 1-888-NASA-FCU (627-2328), press 1  
Lost/Stolen Credit Card ..... 1-888-NASA-FCU (627-2328)  
Lost/Stolen Debit Card ..... 1-866-708-9364

### Fax

Mortgage Services ..... 301-249-0798  
Loan Services ..... 301-249-0799  
Member Services ..... 301-249-0587

Your NASA FCU deposits (excluding investment accounts) are federally insured to at least \$250,000 by the National Credit Union Administration, an agency of the U.S. Government.



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[www.nasafcu.com](https://www.nasafcu.com)



The quarterly news & service update for NASA Federal members

# Insight

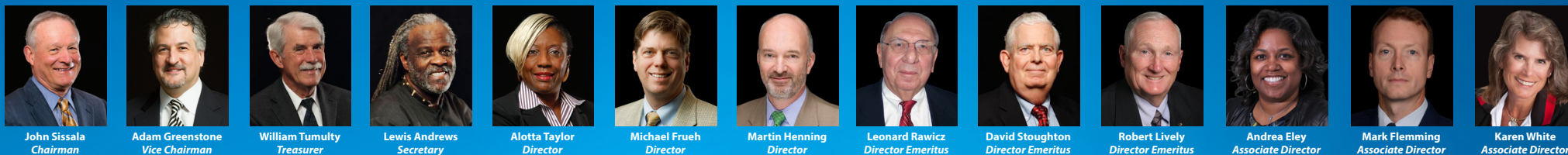
April 2022



## MEMBER REPORT

## 2021: Continued Challenges, Unwavering Focus





## Supervisory Committee Report

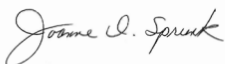


### Supervisory Committee

From left to right:  
Joanne Sprunk, *Chair*,  
Karen White,  
Elaine Slaugh,  
and Dan Rozman

The Supervisory Committee is responsible for ensuring that the Credit Union's Board of Directors and management establish practices and procedures to properly safeguard members' assets. The Committee is also responsible for obtaining the annual financial statement audit from a licensed, independent auditor to ensure that the Credit Union's financial statements comply with Generally Accepted Accounting Principles and fairly represent the financial condition of NASA Federal Credit Union. In fulfilling these responsibilities, the Committee engaged the independent certified public accounting firm of CliftonLarsonAllen LLP, which directly reports to the Committee.

We are pleased to report that the annual audit conducted by CliftonLarsonAllen LLP for 2021 was completed successfully, and NASA Federal Credit Union's financial statements were certified as fairly and appropriately presented, and in accordance with Generally Accepted Accounting Principles, on March 22, 2022.



Joanne Sprunk  
Chair, Supervisory Committee

## CONSOLIDATED STATEMENT OF INCOME

December 31, 2021

### INTEREST INCOME

Interest on Loans	\$	116,804,936
Interest on Investments		8,158,288
<b>Total Interest Income</b>	<b>\$</b>	<b>124,963,224</b>

### INTEREST EXPENSE

Net Interest Income	21,395,869
	<u>103,567,355</u>

### PROVISION FOR LOAN LOSSES (5,968,788)

Net Interest Income after	
Provision for Loan Losses	109,536,143

Other Operating Income	<u>36,102,957</u>
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### OPERATING INCOME

Before Operating Expenses	145,639,100
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### OPERATING EXPENSE

Employee Expense	41,630,788
Operating Expense	<u>31,521,671</u>
<b>Total Operating Expense</b>	<b>73,152,459</b>

### CONSOLIDATED NET INCOME 72,486,641

Less: Non-Controlling Interest	
Earnings	<u>400,594</u>

### NET INCOME \$ 72,086,047

## CONSOLIDATED STATEMENT OF FINANCIAL CONDITION

December 31, 2021

### ASSETS

Cash and Cash Equivalents	\$	751,038,019
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### LOANS TO MEMBERS

Less: Allowance for Loan	
Losses of \$13,343,964	2,619,531,603

INVESTMENTS	43,520,308
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OTHER ASSETS	231,223,414
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### TOTAL ASSETS 3,645,313,344

### LIABILITIES AND MEMBERS' EQUITY

Members' Share Accounts	3,014,005,203
Payables and Other Liabilities	<u>207,918,183</u>

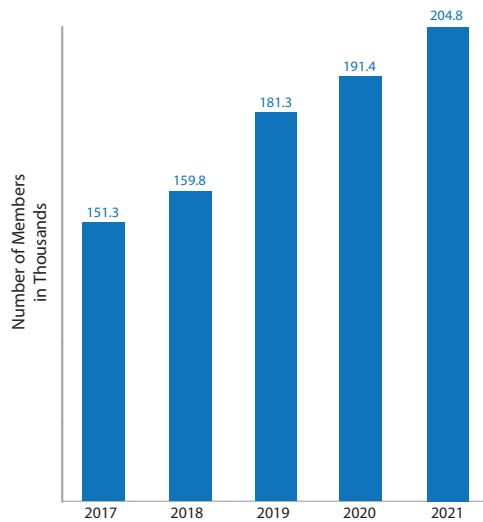
### TOTAL LIABILITIES 3,221,923,386

### TOTAL MEMBERS' EQUITY 422,630,529

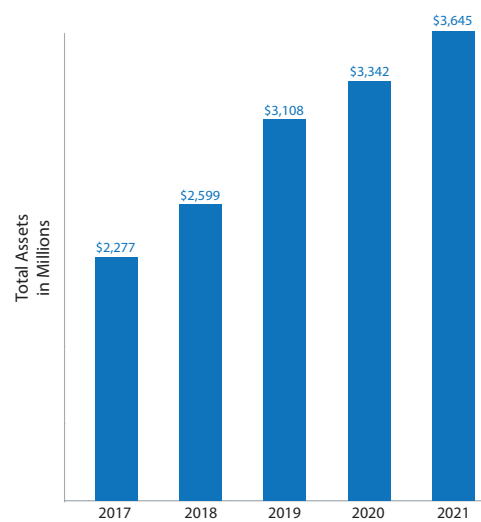
Non-Controlling Interest	<u>759,429</u>
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### TOTAL LIABILITIES AND MEMBERS' EQUITY \$ 3,645,313,344

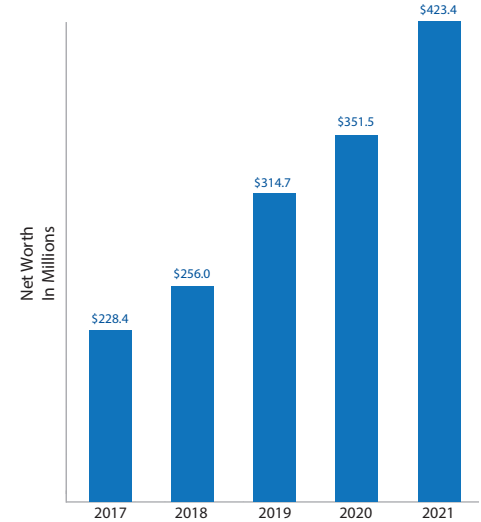
## MEMBERSHIP GROWTH



## ASSET GROWTH



## CONSOLIDATED NET WORTH



# CORPORATE SOCIAL RESPONSIBILITY

We are grateful to our employees, our community partners and our members for their continued trust in NASA Federal Credit Union and their faith in our shared mission. In 2021, NASA Federal and our more than 330 employees delivered the following benefits:

This 2021 Corporate Social Responsibility (CSR) scorecard details the scope and depth of our community activities.

## 2021 SCORECARD

### Charitable Giving & Employee Volunteerism



**\$100** thousand

in philanthropic donations to college scholarships, Children's Hospitals and local food banks

### Environmental Stewardship



**208** tons

Reduced carbon footprint by investing in LED replacement

### Employee Knowledge



**7,270** hours

of financial and leadership training for employees

### Economic Opportunity



**\$1.25** million

in liquidity assistance for smaller and Latino credit unions to serve lower-to-moderate income communities

### Responsible Home Ownership



**\$860** million

in innovative mortgage products designed for home buyers with little or no down payment, first-time home buyers, and those looking to refinance their existing mortgage to a lower interest rate

### Member Savings



**\$45** million\*

in member savings through lower interest rates on loans, higher deposit rates, fewer fees, and improved services

\*The Credit Union National Association's (CUNA) most recent Member Benefits Report estimates that NASA Federal provided \$45 million in direct financial benefits to its members in 2021 when compared to other financial institutions.





John Sissala  
Chairman



William Tumulty  
Treasurer



Doug Allman  
President/CEO

## 2021: Continued Challenges, Unwavering Focus

Pandemic-related hurdles remained throughout the year, with NASA Federal Credit Union continuing to practice the safety protocols developed in 2020 to keep members, employees, and families safe and healthy. Despite the added level of operational complexity we faced, our focus on you—our most valued member—never wavered. We continued to improve throughout the year, delivering to you upgraded banking services, excellent value, and better member experiences, all topped off with outstanding financial performance. And once again, we did it with a hybrid operation of remote and on-site staffing.

## Outstanding Financial Growth

During 2021, NASA Federal proved once again that overcoming challenges only makes us stronger. Indeed, the Credit Union achieved record growth across several areas in 2021, completing the year with \$3.651 billion in assets. This is a 9% increase over the prior year's \$3.35 billion and a new milestone for asset size. At the same time, we welcomed 36,075 new members to the Credit Union from across the country, bringing our member base to 204,833. This was a new membership record, as well as a 7% year-over-year increase.

"NASA Federal completed the year with **\$3.651 billion** in assets, a **9% increase** over the prior year... and a new milestone for asset size."

In addition, our efficiency ratio was very strong, indicating that we were able to continue to create value for members while simultaneously keeping our expenses under control. We also granted a total of \$1.5 billion in loans last year, an increase of 27% over 2020. This includes record growth in home loans of \$860 million, \$431 million in auto loans, and \$188 million in other loans.

Finally, we ended the year with a net worth to asset ratio of 11.59%. Total reserves, a measure of NASA Federal's safety and soundness, topped \$423 million. As a further measure of financial strength, Bauer Financial, an independent rating agency, awarded NASA Federal a 5-star rating. Additionally, we were ranked in the top 100 best performing credit unions according to the S&P Global Market Intelligence Ranking Report for 2021.

## Upgraded Technology, Better Member Experiences

Our financial performance was not the only impressive accomplishment from 2021. Our work to provide you with better, more efficient member experiences continued throughout 2021 as well. To that end, we adopted many new technologies across the Credit Union to save you time and make your life simpler.

The first improvement consisted of our new loan pre-qualification service, *Check Your Rate*, which launched in April. With this new service, potential borrowers became able to check which products and rates they qualified for without impacting their credit scores—all within a few minutes. We also added new account management elements to our Mobile App including the ability to activate/replace card(s) and set eAlerts. These features enabled members to better manage their cards and stay on top of account activity, all from their mobile devices.

At the same time, our new online virtual assistant launched in July and began providing NASA Federal members with round-the-clock answers to inquiries submitted through our website. The virtual assistant is currently processing over 1,400 chats per month, with only 20% requiring escalation to an agent, demonstrating its ability to handle routine member questions at all hours of the day and night in an extremely efficient manner.

Later in the year, we began offering a new, upgraded mortgage servicing tool making it easier for mortgage-holding members to self-serve online, according to their schedules. We then launched an improved digital mortgage platform delivering a better mortgage application experience. Benefits included a quicker, smoother, and more intuitive application experience for members from their choice of digital channel.

Finally, we launched a new, automated credit and debit card dispute process, which has significantly improved the ease with which members are able to process their debit and credit card disputes. It has also saved the Credit Union thousands in monthly operational expenses and fraud losses.

## Excellent Value, Greater Member Satisfaction

Next, as in prior years, the Credit Union worked diligently to ensure members were provided with excellent value for their money. We did this by providing lower interest rates on loans, higher deposit rates, fewer fees, and improved services.

What's more, the Credit Union National Association's (CUNA) most recent report estimates that NASA Federal provided \$45 million in direct financial benefits to its members in 2021 when compared to other financial institutions. In addition, our member satisfaction numbers at 94% indicate that members remained very pleased with our service during the year.

## Community Involvement

Last but not least, despite the ongoing need for social distancing, NASA Federal Credit Union remained committed to serving the community during 2021, doing so virtually where necessary. In April, we provided \$35,000 in scholarships to six deserving student members. Similar to 2020, we conducted the Mitchell-Beall-Rosen Memorial Scholarship Contest virtually to adhere to COVID-19 protocols. This was our 38th year providing scholarships through the contest, having awarded more than \$500,000 to over 200 student members since its inception.

In September, Team NASA Federal volunteers hit the streets of downtown D.C. to participate in the Runners Delight of Fall (aka the Cherry Blossom Ten-Mile Run, postponed from April), providing \$21,000 in support of the Children's Miracle Network. This year, there were roughly 20,000 runners, 24 of which were NASA Federal employees and family members and 63 of which were NASA Federal-sponsored members.

Finally, in December, the Credit Union conducted its Annual Food Drive—virtually again. Because of these efforts, we were able to donate \$43,000 to local food banks to help those facing hardships put food on their tables. Food banks included: Columbia Action Council of Howard County, Anne Arundel County Food Bank, Capital Area Food Bank, Manna Food Center, Loudoun Hunger Relief, Food Bank of Eastern Shore, Arlington Food Assistance, and Bowie Interfaith Pantry.

## Dedication to You in 2022

Indeed, 2021 continued to pose unique challenges for NASA Federal due to the ongoing COVID-19 pandemic. Based on our learnings and the strong foundations we built in 2020, we were well-positioned to handle them throughout 2021 and beyond.

Consequently, as we embark on 2022, we are confident that, come what may, we will continue to grow, strengthen, and thrive as we work to help you achieve a brighter financial future. To that end, here are some of the 2022 enhancements we are already working toward on your behalf:

- Virtual assistant functionality for digital banking, as well as for NASA Federal staff when helping members.
- Mobile App and eBranch Online Banking updates enabling members to better manage their cards and mortgages.
- Projects focused on improving member service and back-office efficiencies.

Throughout 2022, we will work on the above-mentioned initiatives alongside our ongoing efforts to support the community and provide exceptional value and service to our members. As always, your volunteer Board of Directors, Credit Union management, and all of the NASA Federal employees appreciate your membership and look forward to the ongoing privilege of serving you throughout the upcoming year.

*John Sissala*   *William Tumulty Jr.*   *D.M. Allman*

John Sissala  
Chairman

William Tumulty  
Treasurer

Doug Allman  
President/CEO