

Form **990**  
Department of the Treasury  
Internal Revenue Service

# Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter social security numbers on this form as it may be made public.

Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047  
**2019**  
Open to Public Inspection

**A** For the **2019** calendar year, or tax year beginning **01-01-2019**, and ending **12-31-2019**

**B** Check if applicable:  
 Address change  
 Name change  
 Initial return  
 Final return/terminated  
 Amended return  
 Application pending

**C** Name of organization  
SCHOOLS FINANCIAL CREDIT UNION

Doing business as

Number and street (or P.O. box if mail is not delivered to street address) Room/suite  
1485 RESPONSE ROAD NO 126

City or town, state or province, country, and ZIP or foreign postal code  
SACRAMENTO, CA 95815

**D** Employer identification number  
94-1189841

**E** Telephone number  
(916) 569-5400

**G** Gross receipts \$ 101,993,904

**F** Name and address of principal officer:  
TIMOTHY MARRIOTT  
1485 RESPONSE ROAD NO 126  
SACRAMENTO, CA 95815

**H(a)** Is this a group return for subordinates?  Yes  No  
**H(b)** Are all subordinates included?  Yes  No  
If "No," attach a list. (see instructions)  
**H(c)** Group exemption number ▶

**I** Tax-exempt status:  501(c)(3)  501(c)(14) ◀ (insert no.)  4947(a)(1) or  527

**J** Website: ▶ WWW.SCHOOLS.ORG

**K** Form of organization:  Corporation  Trust  Association  Other ▶

**L** Year of formation: 1933

**M** State of legal domicile: CA

## Part I Summary

**1** Briefly describe the organization's mission or most significant activities:  
TO PROVIDE MEMBERS WITH BETTER VALUE AND OUTSTANDING SERVICE.

**2** Check this box  if the organization discontinued its operations or disposed of more than 25% of its net assets.

<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	6
<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	6
<b>5</b> Total number of individuals employed in calendar year 2019 (Part V, line 2a)	390
<b>6</b> Total number of volunteers (estimate if necessary)	23
<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	482,497
<b>7b</b> Net unrelated business taxable income from Form 990-T, line 39	-508,738

	Prior Year	Current Year
<b>8</b> Contributions and grants (Part VIII, line 1h)	0	0
<b>9</b> Program service revenue (Part VIII, line 2g)	76,673,363	88,033,996
<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	9,297,427	12,757,155
<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	453,586	470,674
<b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	86,424,376	101,261,825

<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	48,387	43,655
<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	0	0
<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	24,282,636	27,295,989
<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	0	0
<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶ 0		
<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	34,485,982	41,915,219
<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	58,817,005	69,254,863
<b>19</b> Revenue less expenses. Subtract line 18 from line 12	27,607,371	32,006,962

	Beginning of Current Year	End of Year
<b>20</b> Total assets (Part X, line 16)	1,988,079,825	0
<b>21</b> Total liabilities (Part X, line 26)	1,759,012,272	0
<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	229,067,553	0

## Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

\*\*\*\*\*  
Signature of officer  
Date 2020-10-19

TIMOTHY MARRIOTT CEO  
Type or print name and title

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date 2020-10-19	Check <input type="checkbox"/> if self-employed	PTIN P00448102
Firm's name ▶ MOSS ADAMS LLP				Firm's EIN ▶ 91-0189318
Firm's address ▶ 2882 PROSPECT PARK DR STE 300 RANCHO CORDOVA, CA 95670				Phone no. (916) 503-8100

**Part III Statement of Program Service Accomplishments**

Check if Schedule O contains a response or note to any line in this Part III

**1** Briefly describe the organization's mission:

TO PROMOTE THRIFT AND SAVINGS AMONG MEMBERS, TO CREATE A SOURCE OF CREDIT FOR MEMBERS AT INTEREST RATES SET BY THE BOARD OF DIRECTORS, AND TO PROVIDE MEMBERS WITH AN OPPORTUNITY TO USE AND CONTROL THEIR MONEY ON A DEMOCRATIC BASIS IN ORDER TO IMPROVE THEIR ECONOMIC AND SOCIAL CONDITIONS.

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No

If "Yes," describe these new services on Schedule O.

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services?  Yes  No

If "Yes," describe these changes on Schedule O.

**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

**4a** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )  
See Additional Data












**4b** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )  
See Additional Data

**4c** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

**4d** Other program services (Describe in Schedule O.)  
(Expenses \$ including grants of \$ ) (Revenue \$ )

**4e** Total program service expenses ▶

**Part IV Checklist of Required Schedules**

		Yes	No
<b>1</b>	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A . . . . .		No
<b>2</b>	Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? . . . . .		No
<b>3</b>	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I . . . . .		No
<b>4</b>	<b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II . . . . .		
<b>5</b>	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III . . . . .		No
<b>6</b>	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I  . . . . .		No
<b>7</b>	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II  . . . . .		No
<b>8</b>	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III  . . . . .		No
<b>9</b>	Did the organization report an amount in Part X, line 21 for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV  . . . . .	Yes	
<b>10</b>	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi endowments? If "Yes," complete Schedule D, Part V . . . . .		No
<b>11</b>	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
<b>a</b>	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.  . . . . .		No
<b>b</b>	Did the organization report an amount for investments—other securities—in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII  . . . . .		No
<b>c</b>	Did the organization report an amount for investments—program related—in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII  . . . . .		No
<b>d</b>	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX  . . . . .		No
<b>e</b>	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X  . . . . .		No
<b>f</b>	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X  . . . . .	Yes	
<b>12a</b>	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII  . . . . .	Yes	
<b>b</b>	Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional  . . . . .		No
<b>13</b>	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E . . . . .		No
<b>14a</b>	Did the organization maintain an office, employees, or agents outside of the United States? . . . . .		No
<b>b</b>	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV . . . . .		No
<b>15</b>	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV . . . . .		No
<b>16</b>	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV . . . . .		No
<b>17</b>	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I(see instructions) . . . . .		No
<b>18</b>	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II . . . . .		No
<b>19</b>	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III . . . . .		No
<b>20a</b>	Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H . . . . .		No
<b>b</b>	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? . . . . .		
<b>21</b>	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II  . . . . .	Yes	

**Part IV Checklist of Required Schedules (continued)**

		Yes	No	
<b>22</b>	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III . . . . .	22	Yes	
<b>23</b>	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J . . . . .	23	Yes	
<b>24a</b>	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a . . . . .	24a		No
<b>b</b>	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .	24b		
<b>c</b>	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .	24c		
<b>d</b>	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .	24d		
<b>25a</b>	<b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I . . . . .	25a		
<b>b</b>	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I . . . . .	25b		
<b>26</b>	Did the organization report any amount on Part X, line 5 or 22 for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part II . . . . .	26	Yes	
<b>27</b>	Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? If "Yes," complete Schedule L, Part III . . . . .	27		No
<b>28</b>	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):			
<b>a</b>	A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? If "Yes," complete Schedule L, Part IV . . . . .	28a		No
<b>b</b>	A family member of any individual described in line 28a? If "Yes," complete Schedule L, Part IV . . . . .	28b		No
<b>c</b>	A 35% controlled entity of one or more individuals and/or organizations described in lines 28a or 28b? If "Yes," complete Schedule L, Part IV . . . . .	28c		No
<b>29</b>	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M . . . . .	29		No
<b>30</b>	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M . . . . .	30		No
<b>31</b>	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I . . . . .	31	Yes	
<b>32</b>	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II . . . . .	32		No
<b>33</b>	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I . . . . .	33		No
<b>34</b>	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1 . . . . .	34		No
<b>35a</b>	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		No
<b>b</b>	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2 . . . . .	35b		
<b>36</b>	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2 . . . . .	36		
<b>37</b>	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37		No
<b>38</b>	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O. . . . .	38	Yes	

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response or note to any line in this Part V . . . . .

		Yes	No	
<b>1a</b>	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable . . . . .	1a	97,668	
<b>b</b>	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable . . . . .	1b	0	
<b>c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . . . .	1c	Yes	



**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.  
 Check if Schedule O contains a response or note to any line in this Part VI

**Section A. Governing Body and Management**

		Yes	No
<b>1a</b>	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
<b>1b</b>	Enter the number of voting members included in line 1a, above, who are independent		
<b>2</b>	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		No
<b>3</b>	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		No
<b>4</b>	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	Yes	
<b>5</b>	Did the organization become aware during the year of a significant diversion of the organization's assets?		No
<b>6</b>	Did the organization have members or stockholders?	Yes	
<b>7a</b>	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	Yes	
<b>7b</b>	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	Yes	
<b>8</b>	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>a</b>	The governing body?	Yes	
<b>b</b>	Each committee with authority to act on behalf of the governing body?	Yes	
<b>9</b>	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		No

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
<b>10a</b>	Did the organization have local chapters, branches, or affiliates?		No
<b>10b</b>	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
<b>11a</b>	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	Yes	
<b>b</b>	Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
<b>12a</b>	Did the organization have a written conflict of interest policy? If "No," go to line 13	Yes	
<b>b</b>	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	Yes	
<b>c</b>	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	Yes	
<b>13</b>	Did the organization have a written whistleblower policy?	Yes	
<b>14</b>	Did the organization have a written document retention and destruction policy?	Yes	
<b>15</b>	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
<b>a</b>	The organization's CEO, Executive Director, or top management official	Yes	
<b>b</b>	Other officers or key employees of the organization	Yes	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
<b>16a</b>	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		No
<b>b</b>	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		

**Section C. Disclosure**

<b>17</b>	List the states with which a copy of this Form 990 is required to be filed▶ CA
<b>18</b>	Section 6104 requires an organization to make its Form 1023 (or 1024-A if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> Other (explain in Schedule O)
<b>19</b>	Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
<b>20</b>	State the name, address, and telephone number of the person who possesses the organization's books and records: ▶TODD DEVOOGD 1485 RESPONSE ROAD SUITE 126 SACRAMENTO, CA 95815 (916) 569-5400

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

**1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

See instructions for the order in which to list the persons above.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) MARIE B SMITH CHAIR	1.00	X		X			0	0	0	
(2) TERESA MATISTA VICE CHAIR	1.00	X		X			0	0	0	
(3) DOUGLAS SATO TREASURER	1.00	X		X			0	0	0	
(4) DOLORES BLEEKMAN SECRETARY	1.00	X		X			0	0	0	
(5) LUTHER NOLEN DIRECTOR	1.00	X					0	0	0	
(6) EMILIO MARTINEZ DIRECTOR	1.00	X					0	0	0	
(7) GREG SMITH DIRECTOR THROUGH 9/19	1.00	X					2,338	0	0	
(8) TIMOTHY MARRIOTT PRESIDENT/CEO	45.00			X			826,080	0	849,120	
(9) TODD DEVOOGD SVP FINANCE/CFO	45.00			X			279,664	0	35,145	
(10) TOM KUANG SVP INFORMATION SERVICES/CIO	40.00				X		232,551	0	32,322	
(11) STEVE LANGLEY SVP MEMBER SERVICES/CHIEF RETAIL OFFICER	40.00				X		248,270	0	32,110	
(12) ERIN FRITZ VP PAYMENT SYSTEMS	40.00					X	177,352	0	27,197	
(13) CATHY GRIMES VP MARKETING	40.00					X	202,192	0	22,394	
(14) LISA MACKAY VP HUMAN RESOURCES AND COM	40.00					X	208,652	0	21,916	
(15) ERIK SORDAHL VP CONSUMER LENDING	40.00					X	200,491	0	20,387	
(16) JASON STILES VP REAL ESTATE LENDING	40.00					X	210,630	0	29,375	





Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

Table with 5 columns: (A) Total revenue, (B) Related or exempt function revenue, (C) Unrelated business revenue, (D) Revenue excluded from tax under sections 512 - 514. Rows include 1a-1g for Federated campaigns, membership dues, fundraising events, related organizations, government grants, and other contributions.

Table for Program Service Revenue with 5 columns (A-D) and 6 rows (2a-2f). Includes Business Code column. Rows include LOAN INTEREST INCOME, FEES & SERVICE CHARGE INCOME, OTHER INCOME, GAIN ON SALE OF LOANS HELD FOR SA, and All other program service revenue.

Table for Other Revenue with 5 columns (A-D) and multiple rows (3-12). Includes Investment income, Income from investment of tax-exempt bond proceeds, Royalties, Rental income, Net gain or loss from sales of assets, Gross income from fundraising events, Gross income from gaming activities, Gross sales of inventory, and Miscellaneous Revenue.

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>	<b>(A)</b> Total expenses	<b>(B)</b> Program service expenses	<b>(C)</b> Management and general expenses	<b>(D)</b> Fundraising expenses
<b>1</b> Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 . . . . .	20,855			
<b>2</b> Grants and other assistance to domestic individuals. See Part IV, line 22 . . . . .	22,800			
<b>3</b> Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16. . . . .				
<b>4</b> Benefits paid to or for members . . . . .				
<b>5</b> Compensation of current officers, directors, trustees, and key employees . . . . .	2,537,600			
<b>6</b> Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .				
<b>7</b> Other salaries and wages . . . . .	18,638,997			
<b>8</b> Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions) . . . . .	1,876,956			
<b>9</b> Other employee benefits . . . . .	2,644,025			
<b>10</b> Payroll taxes . . . . .	1,598,411			
<b>11</b> Fees for services (non-employees):				
<b>a</b> Management . . . . .				
<b>b</b> Legal . . . . .	468,071			
<b>c</b> Accounting . . . . .	80,842			
<b>d</b> Lobbying . . . . .				
<b>e</b> Professional fundraising services. See Part IV, line 17				
<b>f</b> Investment management fees . . . . .				
<b>g</b> Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	146,142			
<b>12</b> Advertising and promotion . . . . .	637,085			
<b>13</b> Office expenses . . . . .	1,208,089			
<b>14</b> Information technology . . . . .	4,086,810			
<b>15</b> Royalties . . . . .				
<b>16</b> Occupancy . . . . .	2,464,914			
<b>17</b> Travel . . . . .	59,860			
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .				
<b>19</b> Conferences, conventions, and meetings . . . . .	348,042			
<b>20</b> Interest . . . . .	14,113,683			
<b>21</b> Payments to affiliates . . . . .				
<b>22</b> Depreciation, depletion, and amortization . . . . .	735,434			
<b>23</b> Insurance . . . . .	259,322			
<b>24</b> Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
<b>a</b> OUTSIDE SERVICES	8,139,424			
<b>b</b> PROVISION FOR LOAN LOSS	5,700,000			
<b>c</b> EQUIPMENT REPAIR & MAIN	557,087			
<b>d</b> OFFICER LOAN VALUATION	538,634			
<b>e</b> All other expenses	2,371,780			
<b>25</b> Total functional expenses. Add lines 1 through 24e	69,254,863			
<b>26</b> Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

**Part X Balance Sheet**

Check if Schedule O contains a response or note to any line in this Part IX

		(A) Beginning of year		(B) End of year	
<b>Assets</b>	<b>1</b> Cash—non-interest-bearing . . . . .	133,204,810	<b>1</b>	0	
	<b>2</b> Savings and temporary cash investments . . . . .	1,000,000	<b>2</b>	0	
	<b>3</b> Pledges and grants receivable, net . . . . .		<b>3</b>	0	
	<b>4</b> Accounts receivable, net . . . . .	2,978,463	<b>4</b>	0	
	<b>5</b> Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons . . . . .	7,877,776	<b>5</b>	0	
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B) . . . . .		<b>6</b>	0	
	<b>7</b> Notes and loans receivable, net . . . . .	1,476,501,507	<b>7</b>	0	
	<b>8</b> Inventories for sale or use . . . . .		<b>8</b>	0	
	<b>9</b> Prepaid expenses and deferred charges . . . . .	1,829,582	<b>9</b>	0	
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	<b>10a</b> 0			
	<b>b</b> Less: accumulated depreciation	<b>10b</b> 0	19,408,888	<b>10c</b>	0
	<b>11</b> Investments—publicly traded securities . . . . .	288,084,062	<b>11</b>	0	
	<b>12</b> Investments—other securities. See Part IV, line 11 . . . . .		<b>12</b>	0	
	<b>13</b> Investments—program-related. See Part IV, line 11 . . . . .		<b>13</b>	0	
	<b>14</b> Intangible assets . . . . .		<b>14</b>	0	
	<b>15</b> Other assets. See Part IV, line 11 . . . . .	57,194,737	<b>15</b>	0	
<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	1,988,079,825	<b>16</b>	0		
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .	14,448,195	<b>17</b>	0	
	<b>18</b> Grants payable . . . . .		<b>18</b>	0	
	<b>19</b> Deferred revenue . . . . .		<b>19</b>	0	
	<b>20</b> Tax-exempt bond liabilities . . . . .		<b>20</b>	0	
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D	2,039,769	<b>21</b>	0	
	<b>22</b> Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons . . . . .		<b>22</b>	0	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .		<b>23</b>	0	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties . . . . .		<b>24</b>	0	
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17 - 24). Complete Part X of Schedule D	1,742,524,308	<b>25</b>	0	
	<b>26 Total liabilities.</b> Add lines 17 through 25 . . . . .	1,759,012,272	<b>26</b>	0	
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow FASB ASC 958, check here</b> <input type="checkbox"/> <b>and complete lines 27, 28, 32, and 33.</b>				
	<b>27</b> Net assets without donor restrictions . . . . .		<b>27</b>	0	
	<b>28</b> Net assets with donor restrictions . . . . .		<b>28</b>	0	
	<b>Organizations that do not follow FASB ASC 958, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 29 through 33.</b>				
	<b>29</b> Capital stock or trust principal, or current funds . . . . .	0	<b>29</b>	0	
	<b>30</b> Paid-in or capital surplus, or land, building or equipment fund . . . . .	0	<b>30</b>	0	
	<b>31</b> Retained earnings, endowment, accumulated income, or other funds	229,067,553	<b>31</b>	0	
<b>32</b> Total net assets or fund balances . . . . .	229,067,553	<b>32</b>	0		
<b>33</b> Total liabilities and net assets/fund balances . . . . .	1,988,079,825	<b>33</b>	0		

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	101,261,825
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	69,254,863
<b>3</b>	Revenue less expenses. Subtract line 2 from line 1	<b>3</b>	32,006,962
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	<b>4</b>	229,067,553
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	4,589,524
<b>6</b>	Donated services and use of facilities	<b>6</b>	
<b>7</b>	Investment expenses	<b>7</b>	
<b>8</b>	Prior period adjustments	<b>8</b>	
<b>9</b>	Other changes in net assets or fund balances (explain in Schedule O)	<b>9</b>	-265,664,039
<b>10</b>	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	<b>10</b>	0

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line in this Part XII

- 1** Accounting method used to prepare the Form 990:  Cash  Accrual  Other \_\_\_\_\_  
 If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant?  
 If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- b** Were the organization's financial statements audited by an independent accountant?  
 If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- c** If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?  
 If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- 3a** As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.

	Yes	No
<b>2a</b>		No
<b>2b</b>	Yes	
<b>2c</b>	Yes	
<b>3a</b>		No
<b>3b</b>		

## Additional Data

**Software ID:**

**Software Version:**

**EIN:** 94-1189841

**Name:** SCHOOLS FINANCIAL CREDIT UNION

Form 990 (2019)

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### **Form 990, Part III, Line 4a:**

SCHOOLS FINANCIAL CREDIT UNION (SCHOOLS FINANCIAL) IS A MEMBER OWNED, NOT-FOR-PROFIT FINANCIAL COOPERATIVE DEDICATED TO SERVING THE FINANCIAL NEEDS OF ITS MEMBERS. ITS PURPOSE IS TO BE THE PRIMARY FINANCIAL INSTITUTION FOR COMMUNITY MEMBERS IN ITS SERVICE AREA. ITS MISSION IS TO PROVIDE MEMBERS WITH BETTER VALUE AND OUTSTANDING SERVICE.SCHOOLS FINANCIAL FOSTERS A CULTURE OF "PEOPLE HELPING PEOPLE" THROUGHOUT THE ORGANIZATION, AND ITS INTERACTION WITH MEMBERS EPITOMIZES THE STANDARDS OF ETHICAL BEHAVIOR. SCHOOLS FINANCIAL TREATS ALL MEMBERS WITH RESPECT AND DIGNITY AND PROVIDES SERVICES TO SAVERS AND BORROWERS IN A DEMOCRATIC FASHION. SCHOOLS FINANCIAL OFFERS ITS MEMBERS AN ECONOMIC ADVANTAGE COMBINED WITH COURTEOUS, COMPETENT, AND TIMELY SERVICE. IT VALUES OPEN, HONEST, TWO-WAY COMMUNICATION WITH ITS MEMBERS. SCHOOLS FINANCIAL SOLICITS INPUT FROM ITS MEMBERS TO FACILITATE COMMUNICATION AND TO MEASURE SERVICE QUALITY. SCHOOLS FINANCIAL IS COMMITTED TO CONSTANTLY IMPROVING ITS OVERALL OPERATIONAL EFFICIENCY, ITS SERVICE DELIVERY CONVENIENCE AND THE LEVEL OF PROFESSIONAL SERVICE IT PROVIDES TO ITS MEMBERS. IT MEETS ITS MEMBERS' EXPECTATIONS FOR PRICE ADVANTAGE, QUALITY SERVICE AND CONVENIENCE BY REMAINING FINANCIALLY STRONG AND VIABLE.SCHOOLS FINANCIAL COMMUNICATES ITS SERVICES IN A MEANINGFUL WAY SO THAT MEMBERS, POTENTIAL MEMBERS, LEGISLATORS, REGULATORS AND THE COMMUNITY-AT-LARGE UNDERSTAND AND APPRECIATE THE UNIQUE ROLE THAT MEMBER-OWNED FINANCIAL COOPERATIVES PLAY IN THEIR LIVES. ITS COMMITMENT TO MEMBERS IS CONSISTENT WITH ITS PRINCIPLES OF "FOR SERVICE, NOT FOR PROFIT, NOT FOR CHARITY AND ITS PHILOSOPHY OF "PEOPLE HELPING PEOPLE". THIS COMMITMENT REPRESENTS THE SOUND BUSINESS PRACTICES THAT ENSURE THE FINANCIAL STRENGTH OF SCHOOLS FINANCIAL FOR ITS MEMBERS.

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**Form 990, Part III, Line 4b:**

AS OF DECEMBER 31, 2019, SCHOOLS FINANCIAL HAD ELEVEN BRANCHES, 159,881 MEMBERS, TOTAL ASSETS OF \$2,150,075,672, TOTAL OUTSTANDING LOANS OF \$1,633,906,634, AND TOTAL DEPOSITS OF \$1,864,796,531.

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**SCHEDULE D**  
(Form 990)  
  
Department of the Treasury  
Internal Revenue Service

# Supplemental Financial Statements

OMB No. 1545-0047  
**2019**  
**Open to Public Inspection**

▶ **Complete if the organization answered "Yes," on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**  
▶ **Attach to Form 990.**  
▶ **Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.**

**Name of the organization**  
SCHOOLS FINANCIAL CREDIT UNION

**Employer identification number**  
94-1189841

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.**  
Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
<b>1</b> Total number at end of year . . . . .		
<b>2</b> Aggregate value of contributions to (during year)		
<b>3</b> Aggregate value of grants from (during year)		
<b>4</b> Aggregate value at end of year . . . . .		

**5** Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? . . . . .  Yes  No

**6** Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? . . . . .  Yes  No

**Part II Conservation Easements.**  
Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

**1** Purpose(s) of conservation easements held by the organization (check all that apply).

Preservation of land for public use (e.g., recreation or education)       Preservation of an historically important land area

Protection of natural habitat       Preservation of a certified historic structure

Preservation of open space

**2** Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Year
<b>a</b> Total number of conservation easements . . . . .	<b>2a</b>
<b>b</b> Total acreage restricted by conservation easements . . . . .	<b>2b</b>
<b>c</b> Number of conservation easements on a certified historic structure included in (a) . . . . .	<b>2c</b>
<b>d</b> Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register . . . . .	<b>2d</b>

**3** Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ \_\_\_\_\_

**4** Number of states where property subject to conservation easement is located ▶ \_\_\_\_\_

**5** Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? . . . . .  Yes  No

**6** Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \_\_\_\_\_

**7** Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$ \_\_\_\_\_

**8** Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? . . . . .  Yes  No

**9** In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**  
Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

**1a** If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

**b** If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1 . . . . . ▶ \$ \_\_\_\_\_

(ii) Assets included in Form 990, Part X . . . . . ▶ \$ \_\_\_\_\_

**2** If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

**a** Revenue included on Form 990, Part VIII, line 1 . . . . . ▶ \$ \_\_\_\_\_

**b** Assets included in Form 990, Part X . . . . . ▶ \$ \_\_\_\_\_

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** *(continued)*

- 3** Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a**  Public exhibition
  - b**  Scholarly research
  - c**  Preservation for future generations
  - d**  Loan or exchange programs
  - e**  Other .....
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5** During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? . . .  **Yes**  **No**

**Part IV Escrow and Custodial Arrangements.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? . . . . .  **Yes**  **No**

**b** If "Yes," explain the arrangement in Part XIII and complete the following table:

- c** Beginning balance . . . . .
- d** Additions during the year . . . . .
- e** Distributions during the year . . . . .
- f** Ending balance . . . . .

	Amount
<b>1c</b>	
<b>1d</b>	
<b>1e</b>	
<b>1f</b>	

- 2a** Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? . . .  **Yes**  **No**
- b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII . . . .

**Part V Endowment Funds.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
<b>1a</b> Beginning of year balance . . . . .					
<b>b</b> Contributions . . . . .					
<b>c</b> Net investment earnings, gains, and losses					
<b>d</b> Grants or scholarships . . . . .					
<b>e</b> Other expenditures for facilities and programs . . . . .					
<b>f</b> Administrative expenses . . . . .					
<b>g</b> End of year balance . . . . .					

**2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a** Board designated or quasi-endowment ▶ .....
  - b** Permanent endowment ▶ .....
  - c** Temporarily restricted endowment ▶ .....
- The percentages on lines 2a, 2b, and 2c should equal 100%.

**3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i)** unrelated organizations . . . . .
- (ii)** related organizations . . . . .

	Yes	No
<b>3a(i)</b>		
<b>3a(ii)</b>		
<b>3b</b>		

**b** If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R? . . . . .

**4** Describe in Part XIII the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
<b>1a</b> Land . . . . .				
<b>b</b> Buildings . . . . .				
<b>c</b> Leasehold improvements				
<b>d</b> Equipment . . . . .				
<b>e</b> Other . . . . .				

**Total.** Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) . . . ▶ 0



**Part VII Investments—Other Securities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives . . . . .		
(2) Closely-held equity interests . . . . .		
(3) Other _____		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 12.)		

**Part VIII Investments—Program Related.**

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col.(B) line 13.)		

**Part IX Other Assets.**

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col.(B) line 15.)	

**Part X Other Liabilities.**

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col.(B) line 25.)	

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.**

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

<b>1</b>	Total revenue, gains, and other support per audited financial statements . . . . .	<b>1</b>	101,955,280
<b>2</b>	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
<b>a</b>	Net unrealized gains (losses) on investments . . . . .	<b>2a</b>	
<b>b</b>	Donated services and use of facilities . . . . .	<b>2b</b>	
<b>c</b>	Recoveries of prior year grants . . . . .	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII.) . . . . .	<b>2d</b>	693,455
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .	<b>2e</b>	693,455
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .	<b>3</b>	101,261,825
<b>4</b>	Amounts included on Form 990, Part VIII, line 12, but not on line <b>1</b> :		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIII.) . . . . .	<b>4b</b>	
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .	<b>4c</b>	0
<b>5</b>	Total revenue. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 12.) . . . . .	<b>5</b>	101,261,825

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

<b>1</b>	Total expenses and losses per audited financial statements . . . . .	<b>1</b>	69,948,318
<b>2</b>	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
<b>a</b>	Donated services and use of facilities . . . . .	<b>2a</b>	
<b>b</b>	Prior year adjustments . . . . .	<b>2b</b>	
<b>c</b>	Other losses . . . . .	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII.) . . . . .	<b>2d</b>	693,455
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .	<b>2e</b>	693,455
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .	<b>3</b>	69,254,863
<b>4</b>	Amounts included on Form 990, Part IX, line 25, but not on line <b>1</b> :		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIII.) . . . . .	<b>4b</b>	
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .	<b>4c</b>	0
<b>5</b>	Total expenses. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 18.) . . . . .	<b>5</b>	69,254,863

**Part XIII Supplemental Information**

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Return Reference	Explanation
See Additional Data Table	

**Part XIII** Supplemental Information *(continued)*

Return Reference	Explanation

## Additional Data

**Software ID:**

**Software Version:**

**EIN:** 94-1189841

**Name:** SCHOOLS FINANCIAL CREDIT UNION

## Supplemental Information

Return Reference	Explanation
PART IV, LINE 2B:	THE ESCROW ACCOUNTS HOLD AMOUNTS TO BE USED TO PAY THOSE MEMBERS' HOMEOWNERS' INSURANCE PR EMIUMS AND PROPERTY TAXES WHEN DUE AND ARE COLLECTED WITH THE MEMBERS' MORTGAGE PAYMENTS.

**Supplemental Information**

Return Reference	Explanation
PART X, LINE 2:	<p>THE CREDIT UNION IS EXEMPT, BY STATUTE, FROM FEDERAL INCOME TAXES. THE CREDIT UNION IS A STATE-CHARTERED CREDIT UNION DESCRIBED IN INTERNAL REVENUE CODE SECTION 501(C)(14). AS SUCH, THE CREDIT UNION IS EXEMPT FROM FEDERAL TAXATION OF INCOME DERIVED FROM THE PERFORMANCE OF ACTIVITIES THAT ARE IN FURTHERANCE OF ITS EXEMPT PURPOSES. FASB ASC TOPIC 740, INCOME TAXES, PROVIDES GUIDANCE FOR HOW UNCERTAIN TAX POSITIONS SHOULD BE RECOGNIZED, MEASURED, DISCLOSED AND PRESENTED IN THE FINANCIAL STATEMENTS. THIS REQUIRES THE EVALUATION OF TAX POSITIONS TAKEN OR EXPECTED TO BE TAKEN IN THE COURSE OF PREPARING THE CREDIT UNION'S TAX RETURNS TO DETERMINE WHETHER THE TAX POSITIONS ARE MORE LIKELY THAN NOT TO BE SUSTAINED WHEN CHALLENGED OR WHEN EXAMINED BY THE APPLICABLE TAX AUTHORITY. TAX POSITIONS NOT DEEMED TO MEET THE MORE-LIKELY-THAN-NOT THRESHOLD WOULD BE RECORDED AS A TAX EXPENSE AND LIABILITY IN THE CURRENT YEAR. FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018, MANAGEMENT HAS DETERMINED THAT THERE ARE NO MATERIAL UNCERTAIN TAX POSITIONS.</p>

# Supplemental Information

Return Reference	Explanation
PART XI, LINE 2D - OTHER ADJUSTMENTS:	RENTAL EXPENSES RECLASSIFIED FROM FUNCTIONAL EXPENSES 693,455.

# Supplemental Information

Return Reference	Explanation
PART XII, LINE 2D - OTHER ADJUSTMENTS:	RENTAL EXPENSES RECLASSIFIED TO STATEMENT OF REVENUE 693,455.

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

Schedule I (Form 990)

Grants and Other Assistance to Organizations, Governments and Individuals in the United States

Complete if the organization answered "Yes," on Form 990, Part IV, line 21 or 22.

Attach to Form 990.

Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2019

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Name of the organization: SCHOOLS FINANCIAL CREDIT UNION

Employer identification number

94-1189841

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance...
2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000.

Table with 8 columns: (a) Name and address of organization or government, (b) EIN, (c) IRC section (if applicable), (d) Amount of cash grant, (e) Amount of non-cash assistance, (f) Method of valuation, (g) Description of noncash assistance, (h) Purpose of grant or assistance. Rows 1-12.

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table. 3
3 Enter total number of other organizations listed in the line 1 table. 0



**Part III Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22.

Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of noncash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
(1) ABC10 TEACHER OF THE YEAR	1	5,000			CLASSROOM MATERIALS
(2) CLASSROOM MATERIALS	12	12,000			CLASSROOM MATERIALS
(3) EDUCATION MATTERS GRANTS	17	4,800	1,000	ACTUAL COST	CLASSROOM MATERIALS
(3)					
(4)					
(5)					
(6)					
(7)					

**Part IV Supplemental Information.** Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.

Return Reference	Explanation
PART I, LINE 2:	SCHOOLS FINANCIAL PARTNERS WITH SACRAMENTO'S CHANNEL 10 TO PROVIDE AWARDS TO EXCEPTIONAL TEACHERS THAT CHANNEL 10 HAS DESIGNATED AS TEACHERS OF THE MONTH OR TEACHERS OF THE YEAR. SCHOOLS FINANCIAL'S EDUCATION MATTERS GRANTS ARE DEVISED TO HELP CLASSROOM TEACHERS AFFORD THE SUPPLIES THEY NEED FOR THEIR STUDENTS TO LEARN EFFECTIVELY AND FURTHER EVIDENCE SCHOOLS FINANCIAL'S COMMITMENT TO THE FIELD OF EDUCATION. SCHOOLS FINANCIAL IS ONE OF THE SPONSORS OF THE ANNUAL RUN TO FEED THE HUNGRY WHICH RAISES FUNDS FOR THE SACRAMENTO FOOD BANK; THIS IS A WAY FOR SCHOOLS FINANCIAL TO GIVE BACK TO THE COMMUNITY.

**Additional Data**

**Software ID:**  
**Software Version:**  
**EIN:** 94-1189841  
**Name:** SCHOOLS FINANCIAL CREDIT UNION

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
SACRAMENTO FOOD BANK AND FAMILY SERVICES 3333 3RD AVENUE SACRAMENTO, CA 95817	94-3315566	501(C)(3)	4,000	2,722	ACTUAL COST	BOTTLED WATER	RUN TO FEED THE HUNGRY
LOS RIOS COLLEGES FOUNDATION 1919 SPANOS COURT SACRAMENTO, CA 95825	94-2506591	501(C)(3)	8,000				ARC STEM BUILDING CAPITAL CAMPAIGN

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
RICHARD MYLES JOHNSON FOUNDATION 2855 E GUASTI ROAD SUITE 600 ONTARIO, CA 917611250	95-6141173	501(C)(3)	6,133				GENERAL SUPPORT

**Schedule J**  
(Form 990)

Department of the Treasury  
Internal Revenue Service

**Compensation Information**

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 23.**  
▶ **Attach to Form 990.**  
▶ **Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.**

OMB No. 1545-0047

**2019**

**Open to Public Inspection**

Name of the organization  
SCHOOLS FINANCIAL CREDIT UNION

Employer identification number  
94-1189841

**Part I Questions Regarding Compensation**

	Yes	No
<b>1a</b> Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.		
<input type="checkbox"/> First-class or charter travel <input checked="" type="checkbox"/> Travel for companions <input type="checkbox"/> Tax idemnification and gross-up payments <input type="checkbox"/> Discretionary spending account		
<input type="checkbox"/> Housing allowance or residence for personal use <input type="checkbox"/> Payments for business use of personal residence <input type="checkbox"/> Health or social club dues or initiation fees <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
<b>b</b> If any of the boxes on Line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	<b>1b</b> Yes	
<b>2</b> Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked on Line 1a?	<b>2</b> Yes	
<b>3</b> Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.		
<input checked="" type="checkbox"/> Compensation committee <input type="checkbox"/> Independent compensation consultant <input type="checkbox"/> Form 990 of other organizations		
<input type="checkbox"/> Written employment contract <input checked="" type="checkbox"/> Compensation survey or study <input checked="" type="checkbox"/> Approval by the board or compensation committee		
<b>4</b> During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:		
<b>a</b> Receive a severance payment or change-of-control payment?	<b>4a</b>	No
<b>b</b> Participate in, or receive payment from, a supplemental nonqualified retirement plan?	<b>4b</b>	Yes
<b>c</b> Participate in, or receive payment from, an equity-based compensation arrangement?	<b>4c</b>	No
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.		
<b>Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.</b>		
<b>5</b> For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:		
<b>a</b> The organization?	<b>5a</b>	
<b>b</b> Any related organization?	<b>5b</b>	
If "Yes," on line 5a or 5b, describe in Part III.		
<b>6</b> For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:		
<b>a</b> The organization?	<b>6a</b>	
<b>b</b> Any related organization?	<b>6b</b>	
If "Yes," on line 6a or 6b, describe in Part III.		
<b>7</b> For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described in lines 5 and 6? If "Yes," describe in Part III.	<b>7</b>	
<b>8</b> Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.	<b>8</b>	
<b>9</b> If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	<b>9</b>	

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

**Note.** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 TIMOTHY MARRIOTT PRESIDENT/CEO	(i)	581,896	174,025	70,159	828,012	21,108	1,675,200	0
	(ii)	0	0	0	0	0	0	0
2 TODD DEVOGD SVP FINANCE/CFO	(i)	245,216	23,387	11,061	19,410	15,735	314,809	0
	(ii)	0	0	0	0	0	0	0
3 TOM KUANG SVP INFORMATION SERVICES/CIO	(i)	196,035	17,720	18,796	16,956	15,366	264,873	0
	(ii)	0	0	0	0	0	0	0
4 STEVE LANGLEY SVP MEMBER SERVICES/CHIEF RETAIL OFF	(i)	212,053	20,245	15,972	17,776	14,334	280,380	0
	(ii)	0	0	0	0	0	0	0
5 ERIN FRITZ VP PAYMENT SYSTEMS	(i)	148,959	14,363	14,030	12,863	14,334	204,549	0
	(ii)	0	0	0	0	0	0	0
6 CATHY GRIMES VP MARKETING	(i)	184,078	17,052	1,062	14,079	8,315	224,586	0
	(ii)	0	0	0	0	0	0	0
7 LISA MACKAY VP HUMAN RESOURCES AND COM	(i)	180,671	17,070	10,911	14,323	7,593	230,568	0
	(ii)	0	0	0	0	0	0	0
8 ERIK SORDAHL VP CONSUMER LENDING	(i)	168,120	14,816	17,555	12,818	7,569	220,878	0
	(ii)	0	0	0	0	0	0	0
9 JASON STILES VP REAL ESTATE LENDING	(i)	187,126	17,370	6,134	15,036	14,339	240,005	0
	(ii)	0	0	0	0	0	0	0

**Part III Supplemental Information**

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Return Reference	Explanation
PART I, LINE 1A	THE CREDIT UNION REIMBURSES BOTH THE DIRECTORS AND THEIR SPOUSES FOR THE COSTS INCURRED IN ATTENDING CREDIT UNION RELATED CONFERENCES/MEETINGS. THE SPOUSAL REIMBURSEMENT, IF IT IS IN EXCESS OF \$600, IS INCLUDED ON A 1099 FILED IN THE NAME OF THE SPOUSE. SPOUSAL TRAVEL FOR OFFICERS IS REPORTED AS TAXABLE INCOME WHEN THERE IS NOT A BONA FIDE BUSINESS PURPOSE.
PART I, LINE 4B	THE CREDIT UNION HAS A NONQUALIFIED DEFERRED COMPENSATION PLAN IN PLACE FOR CERTAIN EXECUTIVES AS DESCRIBED IN SECTION 457(F). THE PAYOUT CALCULATIONS ARE PERFORMED UPON RETIREMENT AND BASED ON COMPENSATORY AMOUNTS CALCULATED PER A FORMULA APPROACH TAKING INTO ACCOUNT THE PRIOR FIVE YEARS COMPENSATION AMOUNTS. AMOUNTS ACCRUED UNDER SUCH PLAN ARE PROPERLY REFLECTED IN PART VII, COLUMN F, AND IN SCHEDULE J, PART II, COLUMN C. ONE PERSON RECEIVED A CONTRIBUTION DURING 2019 AND IT IS CORRECTLY REPORTED IN PART VII, AS REPORTABLE COMPENSATION, AND SCHEDULE J, PART II, COLUMN (C). ADDITIONAL TERMS AND CONDITIONS OF SUCH PLAN ARE AVAILABLE TO THE IRS UPON REQUEST.

**Schedule L**  
(Form 990 or 990-EZ)

**Transactions with Interested Persons**

OMB No. 1545-0047

**2019**

**Open to Public Inspection**

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.**  
▶ **Attach to Form 990 or Form 990-EZ.**  
▶ **Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.**

Department of the Treasury  
Internal Revenue Service

Name of the organization  
SCHOOLS FINANCIAL CREDIT UNION

**Employer identification number**

94-1189841

**Part I Excess Benefit Transactions** (section 501(c)(3), section 501(c)(4), and section 501(c)(29) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
				Yes	No

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958. . . . . ▶ \$ \_\_\_\_\_

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ▶ \$ \_\_\_\_\_

**Part II Loans to and/or From Interested Persons.**

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
(1) TIMOTHY MARRIOTT	OFFICER	SPLIT-DOLLAR LIFE ARRANGEMENT		X	4,600,000	0		No	Yes		Yes	
(2) TODD DEVOGD	OFFICER	SPLIT-DOLLAR LIFE ARRANGEMENT		X	1,225,000	0		No	Yes		Yes	
(3) STEVE LANGLEY	KEY EMPLOYEE	SPLIT-DOLLAR LIFE ARRANGEMENT		X	1,975,000	0		No	Yes		Yes	
<b>Total</b>												

**Part III Grants or Assistance Benefiting Interested Persons.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance

**Part IV Business Transactions Involving Interested Persons.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No

**Part V Supplemental Information**

Provide additional information for responses to questions on Schedule L (see instructions).

Return Reference	Explanation
PART II:	THE BALANCES REPORTED IN PART II, COLUMN (F) ARE REPORTED AT \$0 AS THE CREDIT UNION TRANSFERRED THE OUTSTANDING BALANCES AS OF DECEMBER 31, 2019 FOR THE SPLIT-DOLLAR LIFE ARRANGEMENTS TO THE SURVIVING CREDIT UNION AS A RESULT OF THE MERGER. THE BALANCES TRANSFERRED AT DECEMBER 31, 2019 WERE AS FOLLOWS:TIMOTHY MARRIOTT: \$4,349,382TODD DEVOOGD: \$1,215,188STEVE LANGLEY: \$1,946,780PLEASE ALSO SEE SCHEDULE N.



Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

SCHEDULE N (Form 990 or 990-EZ)

Liquidation, Termination, Dissolution, or Significant Disposition of Assets

- Complete if the organization answered "Yes" on Form 990, Part IV, lines 31 or 32; or Form 990-EZ, line 36.
Attach certified copies of any articles of dissolution, resolutions, or plans.
Attach to Form 990 or 990-EZ.
Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2019

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Name of the organization SCHOOLS FINANCIAL CREDIT UNION

Employer identification number

94-1189841

Part I Liquidation, Termination, or Dissolution. Complete this part if the organization answered "Yes" on Form 990, Part IV, line 31, or Form 990-EZ, line 36. Part I can be duplicated if additional space is needed.

Table with 7 columns: (a) Description of asset(s) distributed or transaction expenses paid, (b) Date of distribution, (c) Fair market value of asset(s) distributed or amount of transaction expenses, (d) Method of determining FMV for asset(s) distributed or transaction expenses, (e) EIN of recipient, (f) Name and address of recipient, (g) IRC section of recipient(s) (if tax-exempt) or type of entity. Row 1: See Additional Data.

- 2 Did or will any officer, director, trustee, or key employee of the organization:
a Become a director or trustee of a successor or transferee organization?
b Become an employee of, or independent contractor for, a successor or transferee organization?
c Become a direct or indirect owner of a successor or transferee organization?
d Receive, or become entitled to, compensation or other similar payments as a result of the organization's significant disposition of assets?
e If the organization answered "Yes" to any of the questions on lines 2a through 2d, provide the name of the person involved and explain in Part III.

Summary table with columns Yes, No and rows 2a, 2b, 2c, 2d.

**Part I Liquidation, Termination, or Dissolution** (continued)

**Note.** If the organization distributed all of its assets during the tax year, then Form 990, Part X, column (B), line 16 (Total assets), and line 26 (Total liabilities), should equal -0-.

- 3** Did the organization distribute its assets in accordance with its governing instrument(s)? If "No," describe in Part III . . . . .
- 4a** Is the organization required to notify the attorney general or other appropriate state official of its intent to dissolve, liquidate, or terminate? . . . . .
- b** If "Yes," did the organization provide such notice? . . . . .
- 5** Did the organization discharge or pay all of its liabilities in accordance with state laws? . . . . .
- 6a** Did the organization have any tax-exempt bonds outstanding during the year? . . . . .
- b** If "Yes" on line 6a, did the organization discharge or defease all of its tax-exempt bond liabilities during the tax year in accordance with the Internal Revenue Code and state laws?
- c** If "Yes" on line 6b, describe in Part III how the organization defeased or otherwise settled these liabilities. If "No" on line 6b, explain in Part III.

	Yes	No
<b>3</b>	Yes	
<b>4a</b>	Yes	
<b>4b</b>	Yes	
<b>5</b>	Yes	
<b>6a</b>		No
<b>6b</b>		

**Part II Sale, Exchange, Disposition, or Other Transfer of More Than 25% of the Organization's Assets.** Complete this part if the organization answered "Yes" on Form 990, Part IV, line 32, or Form 990-EZ, line 36. Part II can be duplicated if additional space is needed.

<b>1</b>	<b>(a)</b> Description of asset(s) distributed or transaction expenses paid	<b>(b)</b> Date of distribution	<b>(c)</b> Fair market value of asset(s) distributed or amount of transaction expenses	<b>(d)</b> Method of determining FMV for asset(s) distributed or transaction expenses	<b>(e)</b> EIN of recipient	<b>(f)</b> Name and address of recipient	<b>(g)</b> IRC section of recipient(s) (if tax-exempt) or type of entity
----------	---	---------------------------------	--	---	-----------------------------	--	--

- 2** Did or will any officer, director, trustee, or key employee of the organization:
  - a** Become a director or trustee of a successor or transferee organization? . . . . .
  - b** Become an employee of, or independent contractor for, a successor or transferee organization? . . . . .
  - c** Become a direct or indirect owner of a successor or transferee organization? . . . . .
  - d** Receive, or become entitled to, compensation or other similar payments as a result of the organization's liquidation, termination, or dissolution? . . . . .
  - e** If the organization answered "Yes" to any of the questions on lines 2a through 2d, provide the name of the person involved and explain in Part III. ►

	Yes	No
<b>2a</b>	Yes	
<b>2b</b>	Yes	
<b>2c</b>		No
<b>2d</b>	Yes	

**Part III Supplemental Information.**

Provide the information required by Part I, lines 2e and 6c, and Part II, line 2e. Also complete this part to provide any additional information.

Return Reference	Explanation
PART I, LINE 2E:	PERSON(S) INVOLVED: TODD DEVOOGD, TOM KUANG, STEVE LANGLEY, TIM MARRIOT, TERESA MATISTA, MARIE SMITH
	<p>EXPLANATION OF INVOLVEMENT: LINE 2A: BECAME A DIRECTOR OR TRUSTEE OF THE SUCCESSOR ORGANIZATION: MARIE SMITH, TERESA MATISTA - VOTING MEMBERS OF THE SUCCESSOR BOARD OF DIRECTORS.LINE 2B: BECAME AN EMPLOYEE OF THE SUCCESSOR ORGANIZATION: TODD DEVOOGD, TOM KUANG, STEVE LANGLEY, AND TIM MARRIOTLINE 2D: RECEIVED, OR BECAME ENTITLED TO COMPENSATION OR OTHER PAYMENTS AS A RESULT OF THE MERGER: TODD DEVOOGD, TOM KUANG, STEVE LANGLEY, AND TIM MARRIOTT. THE COMPENSATION ARRANGEMENTS DISCUSSED BELOW DEPEND ON THE EMPLOYEES CHOOSING TO CONTINUE IN THEIR EMPLOYMENT IN THE YEARS AFTER THE MERGER DATE. CERTAIN PLANS ARE DISCLOSED AT THEIR MAXIMUM POTENTIAL VALUE, WITH THE LIKELY AMOUNTS BEING SIGNIFICANTLY LOWER.TIM MARRIOTT: MR. MARRIOTT WILL BE EMPLOYED BY SCHOOLSFIRST FEDERAL CREDIT UNION (FCU) FOR A 3-YEAR TERM BEGINNING ON THE MERGER DATE AT THE SAME BASE SALARY AND COMPARABLE BENEFITS AS CURRENTLY PROVIDED BY SCHOOLS FINANCIAL. MR. MARRIOTT WILL PARTICIPATE IN SCHOOLSFIRST FCU'S EXISTING SHORT-TERM (ANNUAL) AND LONG-TERM (3-YEAR) BONUS PLANS, ON A BASIS EQUIVALENT OR SIMILAR TO SCHOOLSFIRST FCU EXECUTIVES, WITH POTENTIAL TARGET AMOUNTS OF APPROXIMATELY \$290,948 PER YEAR, WHICH COULD TOTAL ABOUT \$1,163,792 AT THE END OF 3 YEARS. ACTUAL AMOUNTS MAY VARY BASED ON MR. MARRIOTT'S PERFORMANCE AGAINST INDIVIDUAL AND ORGANIZATIONAL GOALS.IF TERMINATED WITHOUT CAUSE DURING THESE 3 YEARS OR IF MR. MARRIOTT LEAVES FOR "GOOD REASON," MR. MARRIOTT WILL BE ELIGIBLE TO RECEIVE HIS UNPAID BASE SALARY AND TARGET BONUS AMOUNTS FOR THE REMAINING 3-YEAR TERM. THE MAXIMUM AMOUNT OF UNPAID BASE SALARY MR. MARRIOTT WOULD BE ELIGIBLE TO RECEIVE IS \$1,745,688.IF MR. MARRIOTT VOLUNTARILY RESIGNS OR IS TERMINATED WITH CAUSE, HE WILL NOT BE ENTITLED TO ADDITIONAL SALARY OR BONUS AMOUNTS. MR. MARRIOTT'S EXISTING SCHOOLS FINANCIAL SPLIT DOLLAR LIFE INSURANCE PLAN WILL BE AMENDED TO VEST AS OF 3 YEARS AFTER THE MERGER INSTEAD OF IN 2028, WHICH WOULD PERMIT HIM TO BORROW UP TO A PRESENT VALUE OF \$2,063,052 COMMENCING AT THE PRE-EXISTING RETIREMENT DATE IN 2028. IN EXCHANGE FOR THE EARLIER VESTING, MR. MARRIOTT WILL GIVE UP HIS PRE-EXISTING RIGHTS UNDER THE PLAN TO LEAVE HIS EMPLOYMENT UPON THE MERGER WITH THE FULL BENEFIT AMOUNT. MR. MARRIOTT WILL NOT BE ELIGIBLE FOR BENEFITS UNDER THE PLAN IF SCHOOLSFIRST FCU TERMINATES HIS EMPLOYMENT WITH CAUSE OR HE VOLUNTARILY RESIGNS DURING THE 3-YEAR TERM.MR. MARRIOTT'S EXISTING SCHOOLS FINANCIAL SUPPLEMENTAL RETIREMENT PLAN AND AGREEMENT WILL BE TERMINATED AND LIQUIDATED WITHIN ONE YEAR AFTER THE MERGER, AT WHICH TIME MR. MARRIOTT WILL RECEIVE A PREVIOUSLY ACCRUED SUM OF APPROXIMATELY \$3,039,000 RATHER THAN A GREATER AMOUNT UPON RETIREMENT IN 2028. THIS PLAN LIQUIDATION IS ALSO AT NO MATERIAL ADDITIONAL COST TO EITHER OF THE CREDIT UNIONS.TODD DEVOOGD: MR. DEVOOGD WILL RECEIVE RETENTION BONUSES CONTINGENT UPON STAYING WITH THE CONTINUING CREDIT UNION OF APPROXIMATELY \$128,400 AT THE END OF 12 MONTHS AFTER THE MERGER DATE AND APPROXIMATELY \$128,400 AT THE END OF 24 MONTHS AFTER THE MERGER DATE. IF SCHOOLSFIRST FCU TERMINATES HIS EMPLOYMENT WITHOUT CAUSE BEFORE 24 MONTHS AFTER THE MERGER DATE, MR. DEVOOGD WILL BE ELIGIBLE TO RECEIVE ANY UNPAID AMOUNTS OF BOTH BONUSES. MR. DEVOOGD WILL NOT BE ENTITLED TO ANY UNPAID AMOUNTS IF HE IS TERMINATED WITH CAUSE OR VOLUNTARILY RESIGNS BEFORE 24 MONTHS AFTER THE MERGER DATE.MR. DEVOOGD'S EXISTING SCHOOLS FINANCIAL SPLIT DOLLAR LIFE INSURANCE PLAN WILL BE AMENDED TO VEST AS OF 2-YEARS FOLLOWING THE MERGER DATE INSTEAD OF IN 2034, WHICH WOULD PERMIT HIM TO BORROW UP TO A PRESENT VALUE OF \$471,667 COMMENCING AT THE PRE-EXISTING RETIREMENT DATE IN 2034. IN EXCHANGE FOR THE EARLIER VESTING, MR. DEVOOGD WILL GIVE UP HIS PRE-EXISTING RIGHTS UNDER THE PLAN TO LEAVE HIS EMPLOYMENT UPON THE MERGER WITH THE FULL BENEFIT AMOUNT. MR. DEVOOGD WILL NOT BE ELIGIBLE FOR BENEFITS UNDER THE PLAN IF SCHOOLSFIRST FCU TERMINATES HIS EMPLOYMENT WITH CAUSE OR IF HE VOLUNTARILY RESIGNS DURING THE 2-YEAR TERM.STEVE LANGLEY: MR. LANGLEY WILL RECEIVE RETENTION BONUSES CONTINGENT UPON STAYING WITH THE CONTINUING CREDIT UNION OF APPROXIMATELY \$111,150 AT THE END OF 12 MONTHS AFTER THE MERGER DATE AND APPROXIMATELY \$111,150 AT THE END OF 24 MONTHS AFTER THE MERGER DATE. IF SCHOOLSFIRST FCU TERMINATES HIS EMPLOYMENT WITHOUT CAUSE BEFORE 24 MONTHS AFTER THE MERGER DATE, MR. LANGLEY WILL BE ELIGIBLE TO RECEIVE ANY UNPAID AMOUNTS OF BOTH BONUSES. MR. LANGLEY NOT BE ENTITLED TO ANY UNPAID AMOUNTS IF HE IS TERMINATED WITH CAUSE OR VOLUNTARILY RESIGNS BEFORE 24 MONTHS AFTER THE MERGER DATE.MR. LANGLEY'S EXISTING SCHOOLS FINANCIAL SPLIT DOLLAR LIFE INSURANCE PLAN WILL BE AMENDED TO VEST AS OF 2-YEARS FOLLOWING THE MERGER DATE INSTEAD OF IN 2026, WHICH WOULD PERMIT HIM TO BORROW UP TO A PRESENT VALUE OF \$518,197 COMMENCING AT THE PRE-EXISTING RETIREMENT DATE IN 2026. IN EXCHANGE FOR THE EARLIER VESTING, MR. LANGLEY WILL GIVE UP HIS PRE-EXISTING RIGHTS UNDER THE PLAN TO LEAVE HIS EMPLOYMENT UPON THE MERGER WITH THE FULL BENEFIT AMOUNT. MR. LANGLEY WILL NOT BE ELIGIBLE FOR BENEFITS UNDER THE PLAN IF SCHOOLSFIRST FCU TERMINATES HIS EMPLOYMENT WITH CAUSE OR HE VOLUNTARILY RESIGNS DURING THE 2-YEAR TERM.TOM KUANG: MR. KUANG WILL RECEIVE RETENTION BONUSES CONTINGENT UPON STAYING WITH THE CONTINUING CREDIT UNION OF APPROXIMATELY \$103,800 AT THE END OF 12 MONTHS AFTER THE MERGER DATE AND APPROXIMATELY \$103,800 AT THE END OF 24 MONTHS AFTER THE MERGER DATE. IF SCHOOLSFIRST FCU TERMINATES HIS EMPLOYMENT WITHOUT CAUSE BEFORE 24 MONTHS AFTER THE MERGER DATE, MR. KUANG WILL BE ELIGIBLE TO RECEIVE ANY UNPAID AMOUNTS OF BOTH BONUSES. MR. KUANG WILL NOT BE ENTITLED TO ANY UNPAID AMOUNTS IF HE IS TERMINATED WITH CAUSE OR VOLUNTARILY RESIGNS BEFORE 24 MONTHS AFTER THE MERGER DATE.</p>
PART I, LINE 2E:	

**Additional Data**

**Software ID:**  
**Software Version:**  
**EIN:** 94-1189841  
**Name:** SCHOOLS FINANCIAL CREDIT UNION

**Form 990, Schedule N, Part I - Liquidation, Termination or Dissolution**

<b>1</b>	<b>(a)</b> Description of asset(s) distributed or transactional expenses paid	<b>(b)</b> Date of distribution	<b>(c)</b> Fair market value of asset(s) distributed or amount of transactional expenses	<b>(d)</b> Method of determining FMV for asset(s) distributed or transactional expenses	<b>(e)</b> Ein of recipient	<b>(f)</b> Name and address of recipient	<b>(g)</b> IRC Code section recipient(s) (if tax-exempt) or type of entity
	CASH/SAVINGS	12-31-2019	236,280,159	BOOK VALUE	95-1068595	SCHOOLSFIRST FEDERAL CREDIT UNION 15442 NEWPORT AVE TUSTIN, CA 92780	501(A)
	SAVINGS AND TEMPORARY CASH INVESTMENTS	12-31-2019	500,340	BOOK VALUE	95-1068595	SCHOOLSFIRST FEDERAL CREDIT UNION 15442 NEWPORT AVE TUSTIN, CA 92780	501(A)
	ACCOUNTS RECEIVABLE, NET	12-31-2019	2,294,168	BOOK VALUE	95-1068595	SCHOOLSFIRST FEDERAL CREDIT UNION 15442 NEWPORT AVE TUSTIN, CA 92780	501(A)
	LOANS AND OTHER RECEIVABLES FROM DISQUALIFIED PERSONS	12-31-2019	7,511,350	BOOK VALUE	95-1068595	SCHOOLSFIRST FEDERAL CREDIT UNION 15442 NEWPORT AVE TUSTIN, CA 92780	501(A)
	NOTES AND LOANS RECEIVABLE, NET	12-31-2019	1,629,815,184	BOOK VALUE	95-1068595	SCHOOLSFIRST FEDERAL CREDIT UNION 15442 NEWPORT AVE TUSTIN, CA 92780	501(A)
	PREPAID EXPENSES AND DEFERRED CHARGES	12-31-2019	2,113,807	BOOK VALUE	95-1068595	SCHOOLSFIRST FEDERAL CREDIT UNION 15442 NEWPORT AVE TUSTIN, CA 92780	501(A)
	FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	12-31-2019	19,365,479	BOOK VALUE	95-1068595	SCHOOLSFIRST FEDERAL CREDIT UNION 15442 NEWPORT AVE TUSTIN, CA 92780	501(A)
	PUBLICLY TRADED SECURITIES	12-31-2019	193,230,932	BOOK VALUE	95-1068595	SCHOOLSFIRST FEDERAL CREDIT UNION 15442 NEWPORT AVE TUSTIN, CA 92780	501(A)
	NCUIF DEPOSIT	12-31-2019	17,339,284	BOOK VALUE	95-1068595	SCHOOLSFIRST FEDERAL CREDIT UNION 15442 NEWPORT AVE TUSTIN, CA 92780	501(A)
	INVESTMENT IN LIFE INSURANCE	12-31-2019	24,870,390	BOOK VALUE	95-1068595	SCHOOLSFIRST FEDERAL CREDIT UNION 15442 NEWPORT AVE TUSTIN, CA 92780	501(A)
	FHLB COMMON STOCK	12-31-2019	7,272,600	BOOK VALUE	95-1068595	SCHOOLSFIRST FEDERAL CREDIT UNION 15442 NEWPORT AVE TUSTIN, CA 92780	501(A)
	ACCRUED INTEREST RECEIVABLE	12-31-2019	4,642,517	BOOK VALUE	95-1068595	SCHOOLSFIRST FEDERAL CREDIT UNION 15442 NEWPORT AVE TUSTIN, CA 92780	501(A)
	OTHER ASSETS	12-31-2019	4,839,462	BOOK VALUE	95-1068595	SCHOOLSFIRST FEDERAL CREDIT UNION 15442 NEWPORT AVE TUSTIN, CA 92780	501(A)
	ACCOUNTS PAYABLE AND ACCRUED EXPENSES	12-31-2019	-16,895,860	BOOK VALUE	95-1068595	SCHOOLSFIRST FEDERAL CREDIT UNION 15442 NEWPORT AVE TUSTIN, CA 92780	501(A)
	ESCROW OR CUSTODIAL ACCOUNT LIABILITY	12-31-2019	-2,719,242	BOOK VALUE	95-1068595	SCHOOLSFIRST FEDERAL CREDIT UNION 15442 NEWPORT AVE TUSTIN, CA 92780	501(A)
	CURRENT SHARES	12-31-2019	-1,021,412,732	BOOK VALUE	95-1068595	SCHOOLSFIRST FEDERAL CREDIT UNION 15442 NEWPORT AVE TUSTIN, CA 92780	501(A)
	MONEY MARKET LIABILITY	12-31-2019	-520,977,614	BOOK VALUE	95-1068595	SCHOOLSFIRST FEDERAL CREDIT UNION 15442 NEWPORT AVE TUSTIN, CA 92780	501(A)
	IRA LIABILITY	12-31-2019	-80,690,928	BOOK VALUE	95-1068595	SCHOOLSFIRST FEDERAL CREDIT UNION 15442 NEWPORT AVE TUSTIN, CA 92780	501(A)
	DEFERRED COMPENSATION LIABILITY	12-31-2019	-3,760,842	BOOK VALUE	95-1068595	SCHOOLSFIRST FEDERAL CREDIT UNION 15442 NEWPORT AVE TUSTIN, CA 92780	501(A)
	CD LIABILITY	12-31-2019	-237,954,415	BOOK VALUE	95-1068595	SCHOOLSFIRST FEDERAL CREDIT UNION 15442 NEWPORT AVE TUSTIN, CA 92780	501(A)

**SCHEDULE O**  
(Form 990 or 990-EZ)

**Supplemental Information to Form 990 or 990-EZ**

OMB No. 1545-0047

**2019**

**Open to Public Inspection**

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

Department of the Treasury

Name of the organization

SCHOOLS FINANCIAL CREDIT UNION

Employer identification number

94-1189841

**990 Schedule O, Supplemental Information**

Return Reference	Explanation
FORM 990, PART III, LINE 3	THE ORGANIZATION IS MERGING WITH ANOTHER CREDIT UNION AS OF JANUARY 1, 2020.

# 990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 4	THE ORGANIZATION APPROVED ARTICLES OF MERGER EFFECTIVE JANUARY 1, 2020 WITH SCHOOLSFIRST FEDERAL CREDIT UNION.

# 990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6	THE CREDIT UNION'S MEMBERS HAVE RIGHTS TO ELECT THE MEMBERS OF THE GOVERNING BODY. THE CREDIT UNION'S MEMBERS ALSO RECEIVE A SHARE OF THE ORGANIZATION'S PROFITS IN THE FORM OF CASH DIVIDENDS.

# 990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A	MEMBERS OF THE CREDIT UNION HAVE THE RIGHT TO ELECT ONE OR MORE MEMBERS OF THE ORGANIZATION'S GOVERNING BODY, WHETHER PERIODICALLY, OR AS VACANCIES ARISE, OR OTHERWISE.



# 990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7B	MEMBERS OF THE CREDIT UNION HAVE THE RIGHT TO APPROVE THE GOVERNING BODY'S ELECTION AND REMOVAL OF MEMBERS OF THE GOVERNING BODY, AS WELL AS OTHER MATTERS THAT ARE SUBJECT TO THE APPROVAL OF MEMBERS OF THE CREDIT UNION AS THEY OCCUR.

## 990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11B	THE EXECUTIVE COMMITTEE WILL REVIEW THE DRAFT OF THE FORM 990. THE COMPLETED FORM 990 WILL BE PROVIDED TO THE BOARD OF DIRECTORS PRIOR TO FILING.

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART VI, SECTION B, LINE 12C	THE CREDIT UNION HAS A WRITTEN CONFLICT OF INTEREST POLICY AND AN ANNUAL STATEMENT REGARDING CONFLICT OF INTEREST POLICY ("STATEMENT"). THE STATEMENT REQUIRES THE SIGNATORY TO ANNUALLY AFFIRM THAT HE/SHE HAS RECEIVED, READ, AND UNDERSTOOD THE CONFLICT OF INTEREST POLICY AND AGREES TO COMPLY WITH THE POLICY. THE STATEMENT ASKS A SERIES OF QUESTIONS DESIGNED TO REVEAL ANY POTENTIAL CONFLICTS OF INTEREST. THE SIGNATORY MUST EXPLAIN ANY POTENTIAL CONFLICTS OF INTEREST ON THE STATEMENT. THE MEMBERS OF THE BOARD OF DIRECTORS AND THE SUPERVISORY COMMITTEE, AS WELL AS THE CEO AND ALL OF THE VICE PRESIDENTS, MUST SIGN THE STATEMENT EACH YEAR. THE EXECUTIVE DEPARTMENT MAINTAINS A RECURRING EVENTS LIST TO ENSURE THAT THE ANNUAL STATEMENT REGARDING CONFLICT OF INTEREST POLICY IS SIGNED EVERY YEAR BY THE PERTINENT INDIVIDUALS.

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART VI, SECTION B, LINE 15	<p>PRESIDENT/CEO: THE EXECUTIVE COMMITTEE IS RESPONSIBLE FOR PREPARING THE CEO'S ANNUAL REVIEW, WHICH IS SUBMITTED ANNUALLY TO THE BOARD OF DIRECTORS FOR THEIR APPROVAL. ANNUALLY, THE EXECUTIVE COMMITTEE PRESENTS TO THE BOARD OF DIRECTORS A RECOMMENDATION FOR THE PRESIDENT /CEO'S MERIT RATING. THIS RECOMMENDATION WILL BE BASED ON THE PRESIDENT/CEO'S ANNUAL RESULTS AND WILL BE STATED IN TERMS OF THE STANDARD SCHOOLS FINANCIAL PERFORMANCE CATEGORIES. IN CONJUNCTION WITH THE MERIT RATING, THE EXECUTIVE COMMITTEE RECOMMENDS A PERFORMANCE BONUS AND SALARY INCREASE BASED ON THE CURRENT SCHOOLS FINANCIAL MERIT RATING CHART. THE PERFORMANCE BONUS IS CALCULATED BASED ON SUCCESS IN MEETING PRE-DETERMINED GOALS. THE BOARD OF DIRECTORS WILL ESTABLISH THE AMOUNT OF THE SALARY INCREASE (IF ANY) THAT WILL BE GRANTED TO THE PRESIDENT/CEO. THE MIDPOINT SALARY FOR THE PRESIDENT/CEO, AND PERFORMANCE BONUS TARGET, ARE ESTABLISHED ANNUALLY BY CONSULTING THE CALIFORNIA AND NEVADA CREDIT UNION'S BURNS-FAZZI, BROCK AND ASSOCIATES (BFB) SUMMIT ROUND TABLE (SRT) EXECUTIVE COMPENSATION SURVEY. THE SRT EXECUTIVE COMPENSATION SURVEY IS AN ANNUAL SURVEY OF SRT CREDIT UNION MEMBERS. THE LEAGUE CONDUCTS THIS SURVEY AS A SERVICE TO SRT CREDIT UNIONS, PROVIDING THEM WITH COMPARATIVE PEER DATA FOR EXECUTIVE COMPENSATION, BENEFIT, AND DEMOGRAPHIC INFORMATION. BASED ON THE RESULTS OF THIS SURVEY, THE EXECUTIVE COMMITTEE WILL RECOMMEND A MIDPOINT ADJUSTMENT TO THE BOARD OF DIRECTORS, IF NECESSARY. THE SCHOOLS FINANCIAL SURVEY RANGE WILL EXTEND FROM 80% OF ESTABLISHED MIDPOINT TO 120% OF THAT MIDPOINT. OTHER OFFICERS AND KEY EMPLOYEES: THE PRESIDENT/CEO COMPLETES ANNUAL REVIEWS OF THE OTHER OFFICERS AND KEY EMPLOYEES. THE ANNUAL RESULTS OF THESE EMPLOYEES ARE EVALUATED IN TERMS OF THE STANDARD SCHOOLS FINANCIAL PERFORMANCE CATEGORIES. THE MIDPOINT SALARY FOR THESE EMPLOYEES IS ESTABLISHED ANNUALLY BY CONSULTING THE CALIFORNIA AND NEVADA CREDIT UNION'S BURNS-FAZZI, BROCK AND ASSOCIATES (BFB) SUMMIT ROUND TABLE (SRT) EXECUTIVE COMPENSATION SURVEY. BASED ON THE RESULTS OF THIS SURVEY, THE EXECUTIVE COMMITTEE WILL RECOMMEND A MIDPOINT ADJUSTMENT TO THE BOARD OF DIRECTORS, IF NECESSARY. THIS MIDPOINT IS APPROXIMATELY EQUAL TO THE MEDIAN BASE SALARY FOR EACH EMPLOYEE'S RESPECTIVE POSITION AS SHOWN IN THE ABOVE MENTIONED SURVEY. THE SCHOOLS FINANCIAL SALARY RANGE WILL EXTEND FROM 80% OF THE ESTABLISHED MIDPOINT TO 120% OF THAT MIDPOINT.</p>

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART VI, SECTION C, LINE 19	THE CREDIT UNION'S GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICIES ARE AVAILABLE TO THE PUBLIC UPON REQUEST FOR THE SAME PERIOD OF DISCLOSURE AS SET FORTH IN SECTION 6104(D). THE CREDIT UNION'S ANNUAL REPORTS CAN BE VIEWED ON ITS WEBSITE. A COPY OF THE CREDIT UNION'S FINANCIAL STATEMENTS CAN BE REQUESTED. WE FILE A QUARTERLY 5300 REPORT WITH NCUA AND THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT.

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART XI, LINE 9:	TRANSFER AS A RESULT OF MERGER -265,664,039.