BOARD ACTION MEMORANDUM

TO: NCUA Board DATE: July 1, 2004

FROM: Edward P. Dupcak SUBJ: Pennsylvania Central Federal Credit Union

Regional Director Application to Convert from

Multi-Group to Community Charter

ACTION REQUESTED: Approve application for conversion to a community charter for Pennsylvania Central Federal Credit Union (PA Central FCU) in Harrisburg, Pennsylvania, under Section 109 of the Federal Credit Union Act, and Interpretive Ruling and Policy Statement (IRPS) 03-1, as amended.

DATE ACTION REQUESTED: September 2004

OTHER OFFICES CONSULTED: General Counsel and Examination and Insurance

VIEWS OF OTHER OFFICES CONSULTED: Concur.

BUDGET IMPACT, IF ANY: None

RESPONSIBLE STAFF MEMBERS: Regional Director Edward P. Dupcak, Director of Insurance Antoinette St. Clair, and Insurance Analyst Cynthia Vaughn.

SUMMARY: Pennsylvania Central FCU, assets \$54.3 million, was chartered in 1938, and serves multiple groups in the vicinity of Harrisburg, Pennsylvania.

Pennsylvania Central FCU proposes to convert to a community charter to serve persons who live, work, worship, or go to school in, and businesses and other legal entities in Cumberland, Dauphin, and Lebanon Counties, Pennsylvania. The area's population is 585,799 according to the 2000 Census. The community is comprised of multiple political jurisdictions with well-defined geographic boundaries in the southeastern region of Pennsylvania.

Most of the workforce, 91 percent, is employed within the community. It has a major trade area, anchored by the community's two largest cities, Harrisburg and Hershey, and connected by major routes I-83 and 322. The bi-city trade area draws residents from throughout the community for medical and government services, shopping, employment, and entertainment. The community has an international airport, shared facilities, events, area newspaper, and recreation.

Our analysis shows the applicant has met all the requirements to convert to a community charter, including the Special Documentation Requirements to establish the community common bond based on a well-defined, local community with fixed geographic boundaries and residents having common interests or interaction.

Pennsylvania Central FCU has prepared a sound business plan, including a detailed marketin	g
plan and reasonable financial projections. The credit union also has the facilities, staff, and	
other infrastructure needed to offer its services to the entire community.	

RECOMMENDED ACTION:	Approve the application for conversion to community charter for
Pennsylvania Central Federa	Credit Union.

Regional Director Edward P. Dupcak