

## EP.174 Rick Wieczorek

**Narrator:** You're listening to *BioTalk* with Rich Bendis, the only podcast focused on the BioHealth Capital Region. Each episode, we'll talk to leaders in the industry to break down the biggest topics happening today in BioHealth.

**Rich Bendis:** Hi, this is Rich Bendis, President and CEO of BioHealth Innovation and also your host for *BioTalk*. And we have a very interesting and timely guest today based on everything that's going on around us in the federal government. And it's Rick Wieczorek, who is the President and CEO of the National Institute of Health Federal Credit Union, but it's called NIHFCU. Rick, welcome to *BioTalk*.

**Rick Wieczorek:** Thank you, Rich, for inviting me.

**Rich Bendis:** As I mentioned, it's very timely because of what's going on with a lot of the federal agencies today and what's going on with the government and some of the changes. But the NIHFCU's been around for a long time. So, I think before we start talking about your organization, the listeners would like to hear about you, a little bit about your background and how you got into this federal credit union business.

0:01:05 So, tell us everything we'd like to learn about Rick.

**Rick Wieczorek:** Thank you, Rich, again. I really appreciate this opportunity. So, actually, I started my journey in credit unions 42 years ago, and it's almost to the day, as a teller at a local credit union while I was attending George Mason University for undergrad, and I also earned my MBA at George Washington University while I worked at the credit union. And at the credit union I worked at, I eventually ended up managing the investment portfolio and ran the asset liability management program, which is basically making sure that the loans were making enough to pay for the savings accounts, which, what's really neat about this, though, is, it allowed me to apply what I was learning in school to real life and, of course, pay for my education. But I've worked for about three other credit unions over the course of 42 years in roles as the CFO, Executive Vice President, CEO for almost about 17 years, and of those 17 years, I've spent 11 years as the CEO of NIH Federal Credit Union.

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**Rich Bendis:** That's an interesting background, but you've been a local boy, and you've stayed in the region. George Mason, GW, and now, NIHFCU, so you probably have a lot of history that's gone on in what we call the BioHealth Capital Region, Maryland, D.C., and Virginia. So, let's introduce the Credit Union to our listeners because there's lots of things that people don't know about credit unions, Rick.

**Rick Wieczorek:** Well, putting it in perspective, NIH Federal Credit Union is one of approximately 4,500 credit unions in the US. Collectively, credit unions represent about \$2.3 trillion in total assets. And the credit union movement, as we call it, serves about 142 million members. And putting it in perspective, JP Morgan Chase is \$4 trillion, so just JP Morgan Chase is almost twice the size of the entire credit union movement.

0:03:02 NIH Federal Credit Union is a full-service financial institution offering a wide range of financial services. We are celebrating our 85th anniversary this year, and we have 137 employees. We're headquartered in Rockville, Maryland. And NIH Federal Credit Union started much like many other credit unions. Back in 1940, there were nine NIH employees who pulled \$75 out of a shoebox, as the story goes, for its initial deposit. And today, we serve over 44,000 members nationwide, and we're closing in on \$1 billion in total assets. At NIH Federal Credit Union, we have six branches. Four branches are on NIH facilities, and then two are located in retail spaces, one of which is in Silver Spring, on East-West Highway in the Blairs Shopping Center, and our second is in Rockville on Rockville Pike right across from the Metro. Now, you might be thinking, "Well, wait a minute. Six branches? There's a lot of people to serve."

0:04:04 Well, credit unions realize that we don't have the resources of the larger banks like Bank of America and Wells Fargo, so we collaborate, and we pull our resources together. So, through this collaboration, we also provide access to 5,000 shared branches across the nation through this cooperative that we're a part of. We also allow our members access to 30,000 surcharge-free ATMs nationwide, and a lot of them are actually located in 7-Elevens. But I've got to tell you, our most popular access channel is our state-of-the-art mobile app. It provides online banking, it provides also daily credit score monitoring, text alerts about activity in our members' accounts. And let me tell you, one of the experiences that I've had over the last couple years is that if you're not signed up with text

alerts through your financial institution, you really need to because there's no better way to understand if there's fraud taking place in your account other than getting a message from your home banking system.

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And of course, we also provide Zelle and many other services through our mobile app. But one last thing about NIH is that this month's edition *Forbes* and *Fortune* magazine has recognized us as a leading credit union in the D.C. Metro area. And I'm really proud of our volunteer board and our employees that made this happen.

**Rich Bendis:**

Thank you for that intro, Rick. And you should be proud of that recognition, so congratulations. And I think a couple misnomers when people think about credit unions, and then especially when you say NIH Federal Credit Union, is, the Credit Union is not just for NIH employees, it's open to all people. And basically, it's not just local, as you mentioned, but it's a national organization. I think those are two big things that people don't understand about credit unions. They think they're local, and they think they're only geared to supporting specific people within certain companies.

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So, I think that's something you might elaborate on a little bit.

**Rick Wieczorek:**

Yeah, that's exactly right. That's one of the biggest challenges that all credit unions face is that many times, consumers feel, "Well, I can't join because I'm not a federal employee," or, "I don't work for," as you said, "NIH." But absolutely, anybody can join our credit union, and we make it extremely easy to join our credit union through our online account-opening system.

**Rich Bendis:**

Now that it's open to anybody, we do know that you do have a unique focus, though. You focus a lot on the healthcare and the biomedical community. So, why is this specialization important to you, and how does this influence the products and services you offer to that community?

**Rick Wieczorek:**

Thank you, great question. So, as you know, we were created, as mentioned, 85 years ago by working in the healthcare and biomedical communities to serve their fellow employees. And so, we take the time to understand the banking needs of the people within these communities and put their needs before profits.

0:07:03 And one of the things that became very apparent is that the people that are a part of these communities are extremely busy, and we need to be there when and where they need us for their banking needs. And so, to do that, we've invested in a world-class digital mobile banking platform that provides frictionless online account and loan application systems that are, I feel, second to none. We also, making sure that we're available, we pick up the phone. If they need to speak to us, we answer the phone, and I personally track this every day, I feel that's really important. I realize most people are accessing through technology, but there's times when you just need to speak to someone if you're dealing with, let's just say, a mortgage loan, and you're going to closing, and you want to make sure that everything is set up for you, for instance. The other thing, too, is that we've realized that typically, people that work in the biomedical and healthcare communities have a lot of student debt.

0:08:00 If they're not looking for it, they might be looking to refinance. And so, we offer programs, for instance, for medical studies, student loan lines up to \$250,000, so we want to make sure that they can focus on making the world healthier as opposed to getting the funds to get their education or make it more affordable.

**Rich Bendis:** One of the things that you talk about with credit union is, people become a member of a credit union. They're customers, but they're also a member. What does a membership involve in a credit union, and how does that differentiate between just a traditional commercial bank?

**Rick Wieczorek:** Well, when you join, and hopefully everybody that's listening will join NIH Federal Credit Union, your first deposit, which will be a dollar, is called a share. And the par value of your ownership in the cooperative, which is the credit union, gives you the ability to actually, if you wanted to, run for the board. You can be my boss. Participate. It's democratically run in the sense that when you become a member, and you have your share, you vote on our board of directors and who actually oversees the strategic direction of your credit union.

0:09:13 So, it's very different.

**Rich Bendis:** Yeah, but basically, you say everyone's equal. If you have 44,000 members or 45,000 members, those are the people that constitute the

board of directors. You could be a small member, or you could be a very large member.

**Rick Wieczorek:** Everybody's treated the same.

**Rich Bendis:** Everybody's treated the same. Very neat. You have a program that's called an at-work program. What does it do to provide to life science companies, and why is it an important resources for employers and their teams?

**Rick Wieczorek:** Yeah, so back when credit unions first came on the scene in North America back in, let's just say, about 100 years or so ago, they were designed to or created to help the employees of, let's just say, a major plant, manufacturing plant.

0:10:00 And so, what we do with our at-work program is create that same customized approach for the employees of an employer that you used to get many years ago. First of all, it's a no-cost turnkey program that employers, biomedical and healthcare employers, can offer to their employees as a part of their workforce benefit package. It gives you the ability to offer your employees low-cost products and services. We actually have onsite or virtual benefit fairs that we'll attend, orientations, employee celebrations, and any kind of corporate event that you might have. We also have a wealth management program here and will provide complimentary financial education seminars for your employees, and you'll actually get, from NIH Federal Credit Union, a dedicated person to help you create and customize your program. And this might involve, for instance—let's just say you have several thousand employees. You might want an ATM in the cafeteria.

0:11:00 Or, better yet, you might want something we call the ITM or interactive teller machine. It's almost like banking in a box, where you can have a live teller work with your employees onsite at your work and help them with whatever banking needs they have. So, we're there to support the employees of an employer that wishes to participate in the NIHCFU at-work program.

**Rich Bendis:** I like that teller in a box. It reminds me of the Big movie with Tom Hanks of having that fortune teller in a box. So, you've got a teller in a box.

**Rick Wieczorek:** There you go. [Laugh]

**Rich Bendis:** There you go. Well, okay. Another thing that's unique about credit unions is, you talk about wealth management. You basically offer a lot of the same services that the big commercial banks or investment banks offer in helping people plan their financial futures. Talk a little bit about how that works within the credit union.

**Rick Wieczorek:** Well, yeah, you're exactly right. We offer all the services that the very large money-center banks offer to their customers. And one of the things that we do as a credit union is, we also offer personalized banking for business owners.

0:12:04 We're one of the few credit unions in the country that actually does business banking, and we have a business lending team that averages over 25 years of experience in business banking and business lending. We've done over \$100 million in commercial loans since 2020. We do the whole gamut, as you mentioned, of services. For instance, we offer commercial real estate loans, equipment loans, working capital loans and lines, expansion and growth loans, Small Business Administration loans, which you have to really know what you're doing when you're offering SBA loans, and of course, business credit cards. And another unique differentiator with credit unions is that we don't charge prepayment penalties if a business owner wants to refinance at a lower rate. See, these programs are very expensive to put on the books, and so it's understandable why prepayment penalties would exist.

0:13:00 But in credit unions, we don't do that, and so we allow you to move on if you so choose. But of course, we would always want to try to make sure that we retain you with a counter offer. And also, too, we were just recently recognized by the *Washington Business Journal* as having the second-fastest-growing business loan portfolio compared to other credit unions. So, once again, we're being recognized, and we're really proud of that.

**Rich Bendis:** You're on the move. That's really good. By the way, we're talking with Rick Wieczorek, who is the President and CEO of NIHFCU or NIH Federal Credit Union, located in Rockville, Maryland. And a lot of your members right now, Rick, are federal employees, or some of the members are companies that do business with the federal government. With some of the changes that are going on within the federal government, there are some challenges for some of these members and companies that are

doing business or working with the federal government. What is the NIHFCU doing to try to accommodate some of these changing needs that these federal employees are having with some of their new challenges?

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**Rick Wieczorek:** Great question again. So, as an organization focused on the biomedical and healthcare communities and meeting their banking needs, we found this as a reason to show our genuine concern about their financial wellbeing. So, we created a landing page on our website that provides various resources to these families that are facing difficult challenges, one of which is that we're providing seminars and webinars on how to adjust to a shortfall in income. How do you overcome that? Or let's just say, for instance, if you're looking to retire, how do you make that transition, given that you're looking at a possible reduction in force? We'll provide you the tools to prepare for that. We also look for opportunities to help our members that they are having difficulty making their loan payments. Much like what happened back in COVID, we will have a financial counselor work with our members to look for opportunities to reshuffle their budgets or maybe refinance loans that they currently have.

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Now, you have to have a job to have a loan, but there are other ways and there are some opportunities that we can do to work with these individuals. We'll also do things like, for instance, if you have a CD with us, we will waive the early withdrawal penalty so that you can have access to your money. So, here we are, this is credit unions doing what we were created to do, which is people helping people. And we see this as an opportunity.

**Rich Bendis:** You know, everybody's having these challenges. It's nice to have understanding financial institutions to help people meet those challenges during those times. But you mentioned to me you have this banking with heart philosophy, which is really a signature part of the credit union's identity. So, what does that really mean in practice? I understand what you're trying to do for some of these displaced workers and employers having challenges. But what does this banking with heart philosophy really mean in practice, and how does it reflect in your mission?

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**Rick Wieczorek:** Well, over my 42-year career within the credit union movement, one of the things that became very apparent to me is that your employees will treat the members the way the credit union treats them. So, it always starts with compassion, and respect, and making sure that they are valued, and they know it. And we know that if we do that for them, that they will translate that to our members, and we see it. And so, it's really about relying on your employees to lend that helping hand, look for solutions, not treat members like a number, sometimes what happens in much larger organizations. And the *American Banker* just recently recognized us as a best place to work. And actually, that was our third year of earning that recognition. So, it's all about going back to the people-helping-people philosophy for your membership.

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**Rich Bendis:** And basically, you've been around, as you say, what, 42 years in the credit union business, and then what is it, 16, 17 years in this Rockville and running this credit union.

**Rick Wieczorek:** 11 years at NIH Federal Credit Union.

**Rich Bendis:** 11 years at NIHFCU. What do you see as your intermediate and long-term goals for this credit union and for you personally?

**Rick Wieczorek:** Our intermediate goal would be that we want to spread the word about the credit union difference and how, while we provide banking solutions and services, we are fundamentally structured differently than the typical banking environment. And we want to make sure that we are providing the best possible loan rates and deposit rates, which will then lead to additional financial wellbeing for our members and growth for the credit union.

0:18:04      As an organization, I'd like to see us actually exceed the billion-dollar asset mark, not just for a goal, but it gives us the scale to provide even better services and more opportunities to our members.

**Rich Bendis:** Yeah, I think a billion's real money. [Laugh]

**Rick Wieczorek:** Yes. [Laugh]

**Rich Bendis:** It's a nice target to have. Do you believe that in our conversation, which has been relatively brief today, that we've basically educated the



listeners to everything they need to know about credit unions and NIHFCU? Is there anything else that we've left out that you'd like to convey to them?

**Rick Wieczorek:** Thank you for that opportunity. So, I've talked about how we're structured very differently. So, I wanted to reinforce that credit unions are not for-profit, and it's not to be confused with nonprofit 501(c)(3)s. So, we need to operate profitably to accumulate capital so that we can get and we can grow to that billion-dollar, in excess of a billion dollars, in assets.

0:19:03 So, our profits are necessary, but the primary focus is to return those profits back to our members in the form of better loans and saving rates, and fewer fees, and typically, lower fees. Whereas a bank issues stock, and their primary focus is to be profitable to return value and earnings back to their stockholders. So, we're a cooperative that focuses on our membership and creating value for the people that use the credit union. And one other thing, too, is, it starts at the top. Our board of directors are volunteers. They're not paid like the board of directors of banks. Not that that's a bad thing, but it's just where we're coming from. It's a really important thing. Once again, it goes back to the whole people-helping-people concept. People can improve their lives by pulling their savings together and lending to their colleagues.

**Rich Bendis:** And then, since we're really focused on what we call the BioHealth Capital Region, Maryland, D.C., and Virginia, you might want to refresh the listeners again to the locations for NIHFCU within our region.

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**Rick Wieczorek:** So, we have our location at Rockville Pike, right across from the Metro and actually not too far away from BioHealth Innovation. Right across the street. I think I can see your office from mine [0:20:18].

**Rich Bendis:** Yeah, we could wave to each other.

**Rick Wieczorek:** [Laugh] And we also have our other retail branch, Silver Spring on East-West Highway on the Blairs Shopping Center, but then, also, too, with NIH, we do have branches at NIH facilities. However, if they're not that convenient, what I recommend you do is, you go to our website, and you go to locations, and you can see the other branches through the shared

branching network that you can access. In fact, I, myself, use a credit union in Northern Virginia when I can't make it out to Rockville, let's just say, on the weekend. So, you have access to that, and then also, we have ITMs, we call it banking in the box, and you can identify those locations on our website as well. Real easy to do.

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**Rich Bendis:** Yeah, so, basically, you've got me interested now. If I'm like some of the other listeners out there who like your philosophy, how do I get started working with a federal credit union?

**Rick Wieczorek:** The best thing to do is, I want you to go to our website, NIHFCU.org, and then I want you to join.

**Rich Bendis:** For a dollar.

**Rick Wieczorek:** For a dollar. What a deal. And if you're an employer, check out our NIHFCU At-Work Partner Program. And if you want to speak to us, then test me out on answering the calls within a couple of minutes. Give us a call at 1-800-877-6440, or if that doesn't work, contact me directly at CEO@NIHFCU.org. And I respond. And that's something that I also feel that really differentiates us from other financial institutions.

0:22:03 If a member has a concern, I take their call personally. And I do it on weekends. And I want to hear from our members about how we're doing. And we have great members because they don't hold back. They'll tell us exactly how they're feeling.

**Rich Bendis:** I like that philosophy, the buck stops here, stops with the CEO, and they can reach you any time if they have a need to talk to you about their financial needs.

**Rick Wieczorek:** Hey, I like that. The buck stops here. Exactly. [Laugh]

**Rich Bendis:** [0:22:30] Truman.

**Rick Wieczorek:** No pun intended.

**Rich Bendis:** I'm from the Midwest, and the buck stops here, and it is more relevant in the financial world than it is in the government world, actually. So, we've had a very enjoyable time here talking with Rick Wieczorek, who is basically President and CEO of NIHFCU. Also happens to be a board

member of BioHealth Innovation, so thank you for your support of BHI, Rick. And I know that there's a lot of listeners out there who have become much more educated on what credit unions are, and if they would like to learn more, they know how to get a hold of you, and they can visit you personally or go to your website.

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So, thank you very much for being on *BioTalk* today, and we look forward to seeing that billion-dollar goal hit. And as soon as you hit that, we'll put you back on *BioTalk* again.

**Rick Wieczorek:**

Excellent. Thank you so much, Rich.

**Narrator:**

Thanks for listening to *BioTalk* with Rich Bendis.

**End of recording**