

Test Your Knowledge

June 2011

Coming Soon!

CU*Answers is creating a video series of 12 courses focused on Board Financial Literacy. We believe financial literacy is more than just book learning. It comes from the interactions Board members have with each other and with credit union teams. It comes with the confidence gained from experience, education, and perseverance as a volunteer.

Each class has three sections: they begin with a presentation by our panel of experienced professionals, Randy Karnes, Bob Frizzle, Jim Vilker and Patrick Sickels, followed by a summary of the terms or ideas in the presentation, then conclude with the test and answers.

This series is intended either to start your Board on the journey, or to confirm where they are as competent, experienced credit union volunteers.

The average volunteer spends less than 50 hours a year as a Board member, so every hour is precious. A credit union CEO needs to respect that. That's why we designed this series to be very straightforward. It's an open book test. And it's short enough so it can be a group process during regular Board meetings.

Why would our CUSO invest in a series like this? Why would we offer it to the market for free? It's simple: without confident and dedicated volunteers, our industry ceases to exist.

Nothing could be more valuable to our industry and to the careers of everyone that works as a credit union professional than contributing to the success and ongoing value that credit union volunteers represent.



Here is a preview of each of the 12 courses

1 Alphabet Soup: Glossary of Credit Union Lingo:

Welcome to our first class in this series. The credit union business loves its acronyms, so in this session we'll introduce you to some common ones you'll hear and use as a team.

2 Balance Sheet Structure 101: The balance sheet is a universal scorecard for all businesses. In this class we'll introduce you to some concepts that will help you to discuss and think about how your credit union is doing.

3 Income Statements 101: While the balance sheet helps you know where you are and what you're worth, the income statement points to how you got there and how you will continue to build value in the future. This class will cover some key concepts to help you understand how your credit union runs every day.

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4 Important Ratios: As much as credit unions love acronyms, they love ratios even more. In this class we'll review some key ratios you can use as indicators of your performance and which way your trends are moving.

5 Asset/Liability Management (ALM): It's common sense to take good care of your assets and control your liabilities. In this session we'll look at how you manage your balance sheet through ALM.

6 Assets 201: Once you get past the basics and start to dig into ALM, you need to look at your assets a little more closely. This class will get you started.

7 Liquidity, Savings, and Capital 101: Do we have enough cash? How are we managing our members' deposits? How are we managing our members' capital? These are key questions you will deal with in this class, and every time you get together as a Board.

8 Questions to Ask During a Board Meeting: To be a good team, everyone has to have confidence to ask questions and interact. Gaining confidence and speaking out during a Board meeting comes from a shared understanding of why a topic is important and what everyone needs to get from the presentation. This class will start you thinking about how you interact as a Board.

9 Income/Expense Statement 201 (Revenue Generation): How do we really earn our money? Are we good stewards of our members' money when we invest in our operation? This class will introduce the nuts and bolts of serving members while ensuring a return to all.

10 The Budget Process and Variance Analysis: Every organization must have a plan. To ensure that a plan is taken seriously, the stakeholders must hold themselves accountable along the way. In this class we will discuss some concepts that will test your goals for accountability.

11 Regulatory Requirements for Financials & Board Members: As a team you won't have the luxury of interacting only with members and employees. Occasionally you'll have to work with outside parties, who will test your understanding of regulations, as leaders of a financial institution. We hope this session will help build your confidence for your eventual interactions with regulators and examiners.

12 Bonding, Understanding Risk, and Mitigating Losses: Every business must take on risks in order to accomplish their goals. In this class we'll talk about risk and what you need to be aware of in working with your management team on the way to the future.

Watch for more details coming Fall 2011!