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The Exchange

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CUDE Grads: Re-Charged and Re-Engaged

NJCUL Director of Education & Training Barbara Agin and Director of Marketing & Communications Candice Nigro returned from the National Credit Union Foundation's full-immersion, eight-day Credit Union Development Education (CUDE) training in Madison, Wisconsin back in April with an arsenal of ideas, insights, and new perspectives.

Below, hear how they described their "life changing" experience, as told to NJCUL Marketing & Communications Coordinator Marissa Anema, without giving too much away.

Marissa Anema (MA): What kind of pre-conference work/research did you have to complete before heading out to Madison for training?

Barbara Agin (BA): We were sent a book and instructions with three pre-work assignments. Though the notion of pre-work seemed scary, it really wasn't.

Candice Nigro (CN): It prepared us for what we were getting into without me realizing it. It was an acclimation of all we should have already known about credit unions.

BA: When I first thumbed through the book I thought, "Well, I've taught credit union orientation before. What is this about?" But the stories that they gave and the examples took it to a more in-depth level.



NJCUL Director of Marketing & Communications receives her CUDE certification.

MA: What is the structure of the conference?

CN: I wouldn't call it a conference.

BA: The structure is designed to fully implement experiential learning by using group discussions and activities to reinforce presented material.

CN: And I think, in addition to that, it seemed as though a lot of it was designed to get you to figure things out for yourself. Not for you to be told what the answers were. Not that there weren't right answers, there were definitely right answers, but instead of having them spew it out to you, you had to discover it for yourself.

MA: What type of speakers/topics did the training delve into?

BA: Early on, the content focused on philosophy and core credit union values. Then it broadened and went into development issues, within the United States and then outside of the United States, highlighting what credit unions were first created for: helping people, and specifically the types of people and problems they should be helping today.

MA: And it didn't really have speakers, per say?

CN: I'd say there were people who facilitated discussions, but I wouldn't call



NJCUL Director of Education & Training Barbara Agin receives her CUDE certification.

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5th Annual Small CU Conference Focuses On Driving and Continuing Success

HIGHTSTOWN, N.J. – On a beautiful, sunny New Jersey Saturday, credit union professionals gathered at the League office for the 5th Annual Small CU Conference. Barbara Agin welcomed the attendees and recognized our three large asset credit unions that sponsored this year's event: Aspire FCU, Credit Union of New Jersey, and XCEL FCU.

The opening keynote was Dr. Michael Hudson whose topic was "Making Strategy Practical - Develop Your

Mindset". He stated that as a leader of a small shop with limited staff, it is a challenge to push past the operational issues to think strategically. His session focused on teaching the group the tools needed to think strategically in order to innovate and make change. He cautioned the group not to shut themselves down with "but ifs".

He suggested people to ask, "what if we weren't already doing this—would we start?" Hudson stated that we need to see ourselves from the members' perspective and touched on the member experience and the credit union brand. Not only does the staff need to know and live the brand, but the members have to experience it. He asked folks to brainstorm on the drive home to find that best story and figure out how to share it. Michael Hudson



Dr. Michael Hudson challenging attendees to find their best story.

closed by sharing a proven seven-step process to strategic thinking. A truly valuable and insightful session!

Next up was Bonnie Karcewski and Mary Ann Flynn from New Jersey Law & Public Safety CU who shared their credit union's successes. They disclosed everything from their annual marketing budget and how they planned for the year to actual campaigns. Karcewski provided an overview of the credit union, and its passion and connection with members, while Flynn shared the detail behind their strategies. The pictorial presentation reviewed loan promotions, holiday promotions, and creative marketing. Pictures included one sent by a member with his new car thanking the credit union, which they featured in their newsletter. Attendees asked questions and this great exchange of information was beneficial to all.

NCUA took the stage and provided an overview of the areas of focus in a standard NCUA examination. Marcus Vander Wall covered baseline review areas and explained how a different level of focus would apply based on current activity at an individual credit union (new loans, mortgages, etc.) He also covered required review areas.

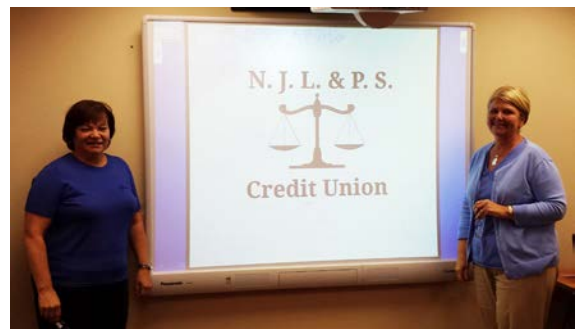
Terrance Adams reviewed Supervisory Committee Responsibilities and thanked those committee members in attendance for their hard work and dedication. Adams then turned the focus to hot topics and what to expect in 2014. Those topics included Interest Rate Risk (all aspects of), board of director approved policy and oversight, and private students loans.

The final speaker was Teri Robinson, CEO of Pacific Northwest Ironworker's CU. In her session, "Faith in Serving the Undeserved", she explained the benefits of having the Low Income Designation (LID). She covered the CDFI Fund Awards and how to go about pursuing this grant money.

Robinson disclosed the financial position of her credit union in 2010, then showed a history of financials and discussed how the credit union doubled its net worth in four years. With a combination of receiving the LID, running successful campaigns, and implementing core product enhancements like check deposits, she was able to turn things around and help members with poor credit and debt issues.

With NCUA coming down hard with regard to the risky loans being made, Robinson explained how she did a review of membership, and was able to justify her loan portfolio. In 2011, the credit union received CDFI Certification, which gave them the additional capital needed for continued success.

To close the session, League Business Consultant Angel Santos briefly reviewed the latest LID eligibility statistics and the value of this designation for potential membership. He then provided a brief overview of League resources and encouraged attendees to reach out to the League.



New Jersey Law & Public Safety CU's Mary Ann Flynn and Bonnie Karcewski telling their CU success story.

CUNA Summary of NCUA June 19 Board Meeting

ALEXANDRIA, Va. – The NCUA Board's June meeting addressed several items: 1) a proposal on asset securitization; 2) a proposal on safe harbor treatment of securitizations and participations when a credit union is being liquidated or conserved; and 3) a proposal on appraisals.

The Board issued a final rule on voluntary liquidations and approved a request from Mainstreet Credit Union to convert from a Kansas state charter to a federal community charter. Visit <http://bit.ly/1qFgqWH> for CUNA's full summary of the NCUA Board meeting.

NCUA's Next Step on RBC Plan: Listening Sessions Begin this Week

WASHINGTON – This week, NCUA kicked off its three Listening Sessions on the agency's risk-based capital proposal.

A Los Angeles session was held on June 26. July 10 is Chicago. And the final forum is in Alexandria, Va. on July 17.

"It is important that the agency board members hear from as many credit unions as possible during this next phase," reminds CUNA interim President/CEO Bill Hampel. He noted that just last week CUNA had a series of positive meetings with NCUA board members and staff on the proposal.

CUNA has requested that the NCUA broadcast and record the sessions, a request made even more important by the fact that the Chicago and Alexandria sessions are already at capacity and some anxious to attend are being assigned to a waiting list.

Space is limited at each session to 150 people, but the Chicago event was able to accommodate 170 attendees, due to additional space in the room.

NCUA Chair Debbie Matz told CUNA last week that Listening Sessions are generally most productive when registrants come to a session with ideas for proposed solutions.

She added, "NCUA board members and senior staff will be there to listen, so we'll ask participants to share with us suggestions for how they believe the regulatory and supervision process can be improved."



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Record 2,000+ Comments on NCUA's RBC Plan

ALEXANDRIA, Va. – NCUA's risk-based capital (RBC) proposal received a record 2,052 comment letters by the May 28 deadline, surpassing the previous record of 1,300 received in 1995 on proposal that set all rules for federally insured corporate credit unions.

In addition to the NJCUL, 121 N.J. credit unions filed comments letters and six members of the state's U.S. House delegation signed the RBC letter to NCUA authored by Reps. King and Meeks letter.

NCUA is conducting a series of three-hour listening sessions in Los Angeles and one at the NCUA headquarters in Alexandria, Va. The sessions will not be live-streamed or made available as recordings, but the NCUA said the sessions are open to photographers and press reporters.

The NJCUL will attend the July 17 session in Alexandria and plans to provide transportation for interested members.

Additional information on CUNA's and the NJCUL's legislative and regulatory advocacy efforts are available through CUNA's weekly President's Report (<http://bit.ly/1vdvwav>), Legislative Update (<http://bit.ly/1oWSHXP>), and Regulatory Advocacy Reports (<http://bit.ly/1oWSML2>), and monthly Legislative Affairs Webcast (<http://bit.ly/1oWSPGN>), as well as reported in various NJCUL publications such as the *Daily Exchange*.

Senate Approves McWatters for NCUA Post

WASHINGTON – The U.S. Senate confirmed J. Mark McWatters to the NCUA board. He will join NCUA Chair Debbie Matz and board member Rick Metsger to form the three-person board.

CUNA interim President/CEO Bill Hampel offered CUNA's congratulations to McWatters. Hampel said, "His extensive experience in business, the private practice of law, teaching, congressional staff work, and other endeavors will help him bring a unique perspective to the issues.

"We at CUNA look forward to discussing a range of issues with Mr. McWatters, including the importance of a strong safety and soundness regulator, while at the same time providing much needed regulatory relief for credit unions."

On June 12, CUNA sent a letter to Sens. Harry Reid (D-Nev.) and Mitch McConnell (R-Ky.), urging the Senate to schedule a vote on McWatters so the board would have a full contingent as it considers comments on its risk-based capital proposal.

McWatters, who was nominated by President Barack Obama in December, will serve a term that ends in August 2019.

Members of the NCUA are appointed by the U.S. president and confirmed by the Senate. No more than two board members can be from the same political party, and each member serves a staggered six-year term.

During his March nomination hearing before the Senate Banking Committee, McWatters said he intends to work with NCUA board members, agency staff, and external stakeholders "in an open and respectful manner, with the goal of finding a common ground and working cooperatively through any differences."

Previously, McWatters served as a member of the Troubled Asset Relief Program (TARP) Congressional Oversight Panel, and prior to that he practiced for more than 25 years as a domestic and cross-border tax, corporate finance and mergers and acquisitions attorney.

McWatters received his J.D. degree from the University of Texas School of Law, a master of laws degree from Columbia University School of Law and a master of laws degree in taxation from New York University School of Law.



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Who Are the Unbanked? Uncovering The Financial Inclusion Gap

Worldwide, approximately 2.5 billion people do not have a formal account at a financial institution. Access to affordable financial services is linked to overcoming poverty, reducing income disparities, and increasing economic growth.

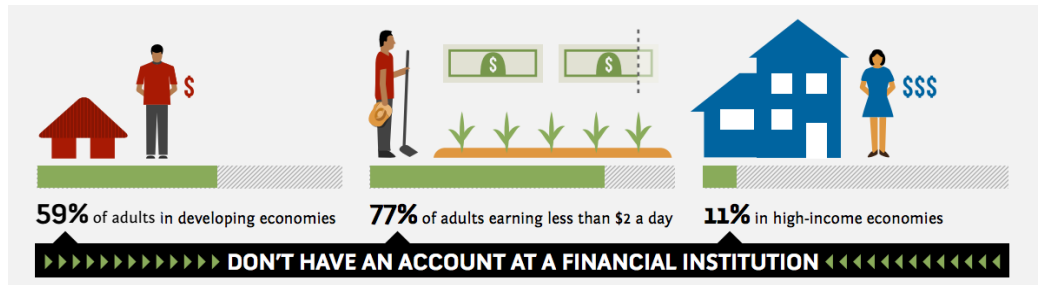
The World Bank has created the Global Findex, a new global financial inclusion database to measure the use of financial services and identify those with the greatest barriers to access.

WHY ARE PEOPLE UNBANKED?

The Global Findex shows 3/4 of the world's poor do not have a bank account, not only because of poverty, but also due to costs, travel distance and paper work involved.

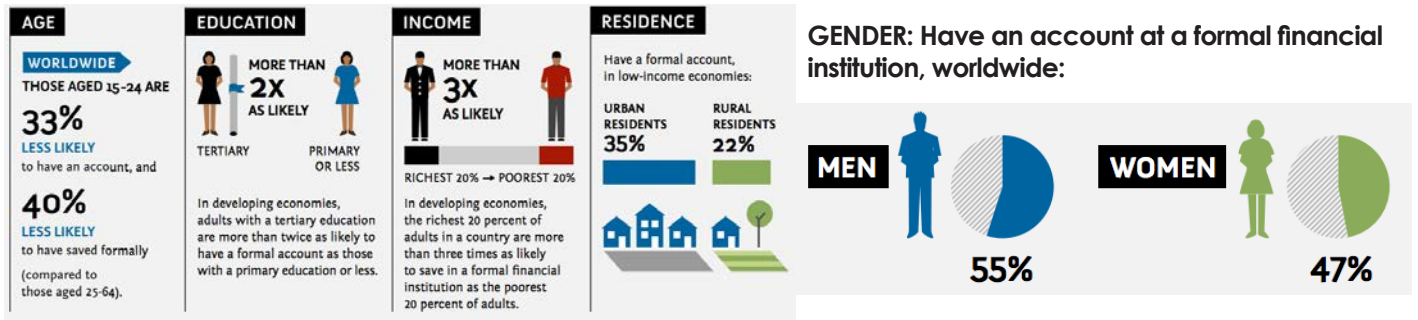
In all regions, with the exception of high-income economies, borrowing from friends and family is the most commonly reported source of credit for current loans.

55% of borrowers in developing economies use only informal sources of credit.



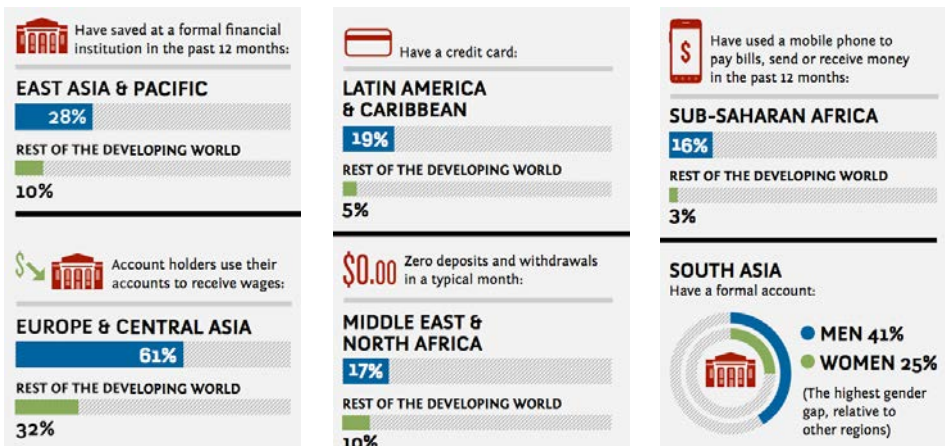
WHO ARE THE UNBANKED?

The Global Findex shows gaps in financial inclusion across demographics, with women, the poor, youth, and rural residents at the greatest disadvantage.



REGIONAL DIFFERENCES IN BANKING

The Global Findex reveals regional differences in financial inclusion worldwide.



For more information on the Global Findex Project, visit: www.worldbank.org/globalindex. To download this graphic in full, visit <http://bit.ly/1jLbbE7>.

continued from page 1 them “speakers” per say.

BA: The whole program is designed differently than anything I’ve ever attended. The facilitators were touching on topics and getting you in tune with, for example economic issues, or looking at the United States from a different perspective in regards to wealth and things like that.

CN: They were presenting information that is readily available, that you could very easily go on the computer and find, but that you wouldn’t necessarily seek out on your own because you wouldn’t understand the relevance or importance of it to what you do day to day. By them showing it to you, it was sort of giving you this tool that you could use to think about things differently.

BA: And the order they were giving it to you was done very specifically. So, it went from information, to building, and then experiences...you were always using what you learned prior.

CN: You really start at point A and end up at point Z with all of these stops along the way that are meaningful and important.

BA: Anyone who addressed the group, whether it was a facilitator or a speaker, they were unique.

CN: And I’d imagine that the speakers would be different for each DE session. I think that there are parts of it that would be the same every year, but I think that depending on the people in the room, the whole experience of DE itself would be different. It really hinges on the people who are there.

BA: Until the last day, we did not know anyone’s titles. We were not allowed to share ours. All the groups were by design with different roles at each table, we just didn’t know who was who necessarily. You could have a CEO, a teller, a director, a League person.

MA: Sort of piggy-backing off of that, how much opportunity for networking with other attendees did the conference give you?

CN: I would say 90%, but not traditional networking.

BA: The activities you do are definitely off-the-cuff. And that I’m not sharing; you have to experience it. But you work the most in the groups you were assigned to. You were with the entire group for long days, at meals, and things like that, which afforded you the opportunity to get to know other people.

CN: But it was very different. Usually at a credit union conference, you sit around and discuss credit union things. A lot of this networking was more personal. More human interaction than business interaction, which ultimately became business interaction because of the things we were doing.

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Get to Know Barbara Agin

Favorite song: I don't have one favorite but many

Last book I read: People Not Profit (My DE Required Reading)

Favorite radio station: I listen to Sirius Radio and my saved stations range from Classic Rock to 60's, 70's, 80's, 90's and current hits

Favorite past time: At this time of year: Pool, beach, parks, being outdoors

Favorite restaurant: Carrabba's Italian Grill

Favorite vacation spot: Bethany Beach, Delaware

If I were an animal, I'd be a(n): Doe, a deer, a female deer

If I weren't working at a credit union, I'd: in the medical profession, maybe a nurse

If could have lunch with any one (living or dead), it would be: my father

continued from page 6 **MA:** How is this conference—or training—valuable to credit unions? Who should attend?

CN: Everyone.

BA: Everyone.

CN: One of the biggest takeaways that I had was I realized that a lot of credit union employees don't realize how truly important the credit union is to the people that actually need a credit union. And they sort of downplay all that they do for those people. And then there are these other guys that have completely forgotten what they're supposed to be doing and are so caught up in the "industry" side of it that they've lost touch with the "movement" side of it.

BA: Absolutely. And if credit unions don't do a better job of communicating how they're different, that gets lost. And we're just another financial institution. Competing for technology, innovation, and products and services is not that much different than a bank. If they're not going deeper into how they can help, then they're missing an opportunity.

MA: What tools/resources/ideas did the conference give you to bring back to the League and N.J. CUs?

BA: There was one presentation in particular—on wealth in America—that I found really impactful. Candice and I would like to get together with the chapters and get on the agenda for the 2014/2105 chapter season to share our experiences. I feel that from a cooperative philosophy standpoint, from the North East perspective, it seems like the rest of the country is a lot more on-board than we are. And I feel a need to sort of move that philosophy forward.

CN: I think the program changed the way I think pretty much about everything. Not just for my job, but my personal life. Things that I didn't realize that I was doing before or things that I could do better for other people.

BA: Right. The impact. The personal imprint or footprint. It makes you think about what you are doing, what makes a difference, and what you will leave behind.

CN: And being in a room with people from all over the country who live more mindfully than I do, and a majority of people in New Jersey, was a little scary. It kind of made me think that we need to change the way we do things or we'll just get gobbled up. I feel like after going through DE, it's our opportunity to make things better. It gives you the sense that you, just one person, have the ability to make things better. All it takes is one person, and if you can get people behind you to support you, you can make a difference. It was an experience that, for me, was very life changing. I don't think I'll ever look at things the same anymore.

MA: Barbara, from an educator's perspective, how did the CUDE training benefit you and your role?

BA: From a department leader perspective, I had already been thinking "something has to change", and this experience really kind of fueled that notion of "we need to help". If everything is about the member, and that's what we keep saying this whole movement is about, then as a League, we need to help our members help their members. I'm still in the process of figuring out strategically what that means, but I'm looking at how to do things differently, looking to have more impact.

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Get to Know Candice Nigro

Favorite song: so hard to pick just one...wild world, cat stevens

Last book I read: orange is the new black by piper kerman

Favorite radio station: i really only listen to pandora. my jack johnson station is the most played

Favorite past time: spending time with my family and friends -- and shopping

Favorite restaurant: sushi palace

Favorite vacation spot: st. lucia

If I were an animal, I'd be a(n): bird

If I weren't working at a credit union, I'd: (if money wasn't an object) a writer

If could have lunch with any one (living or dead), it would be: james carville

continued from page 7 **MA: Candice, from a marketer's perspective, how did the CUDE training benefit you and your role?**

CN: For me, I like the "Banking You Can Trust" campaign. I think it's beneficial and it's worthwhile; in and of itself it's important and understandable, but I feel like we should stop trying to be a bank and just be a credit union. I feel like in future campaigns for the "Banking You Can Trust" brand, I'd like to embrace the idea of membership and the idea of it being a credit union, and see what happens. Because the worst that can happen is that it doesn't work, but at least I'll know that it doesn't work and then we go back to the drawing board. DE gave me the ability to feel OK with the idea of failing forward. Before, I had this fear of trying something and it wouldn't work. Now, I just have this sense that we're going to try things, and if it doesn't work, then we'll know it doesn't work and we're going to move forward and try something else.

MA: How are you each implementing/using what you learned at CUDE training back at the League?

BA: It changed the way I currently work with the credit unions and my approach going forward, again on things that will help them get from A to B as opposed to throwing stuff out there and hoping it sticks. I want to work smarter, work more consultatively.

CN: I think the overarching idea is that we would like to do well by doing good. And if that means that we have to take a step back and look at how we were doing things before and how we need to do things going forward, ultimately it comes down to the fact that we, as a League, want to help our member credit unions so they can help their members.

BA: And I think at the same time, between DE and some of the other experiences I've had since—I went from DE to strategic thinking with Dr. Michael Hudson to ELS with Filene's George Hofheimer—have influenced my thought process.

CN: I went from DE to CO-OP THINK to George. And I think that part of why those experiences were so great is because I changed and the way I think about things has changed.

BA: I think some of these subsequent events and speakers helped me figure out how to do things differently. It made me look at the other tools that are available. You walk out of DE thinking that you want to do things differently, but you have no clue as to how you're going to make that happen.

CN: You leave feeling like you want to take on the world. You're open to anything.

BA: Yes, and it makes you look at your other experiences differently. I looked at the League's vision and to me the secret is in how you apply the vision; how you make it real. Since DE, I've looked at how I can live that vision differently.

MA: In many testimonials from other CUDE grads, they say they came back to their CUs "recharged". How does the program "recharge" attendees?

CN: It's hard to believe. You're gone for only eight days, but you come back completely recharged.

BA: I looked back at the book, looked at the table of contents, and it doesn't describe what I experienced at all. You look at the book and you think "what?"

CN: I feel like I left DE and any kind of weird, lofty idealistic feeling I had and, in all its craziness, I didn't feel so crazy anymore. I felt like there were other people who

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My CUDE Experience

Stacey Walker, XCEL FCU

My participation in the Credit Union Development Education Program, or DE, was a unique opportunity to enhance my effectiveness as a volunteer board director with XCEL Federal Credit Union.

DE gave me a deeper understanding of how to promote cooperative principles, how to position credit union values as a distinct advantage in the financial industry, and how to strengthen XCEL by working cooperatively with other credit unions in New Jersey.

Upon completion, I proudly earned my CUDE certification and joined a networking group of over 1,000 DE graduates who can partner with me in my commitment to the credit union movement.



continued from page 8 understood that there was really something good that a credit union can do for a member. And returning to New Jersey, I didn't feel like I was coming back alone with my crazy ideas. I felt like I was able to do anything and take risks.

BA: What also helps is that our boss [Greg Michlig] is a recent graduate of the DE program. So, understanding where he's coming from...

CN: And part of it, too, is understanding literally where he's from. We were in Wisconsin, [where Greg is from] and the credit union system there is incredibly different than the credit union system here. So, it was a glimpse of what could be if we could get more people to understand the possibilities.

BA: Not even just the credit union system, just the whole notion of cooperative businesses actually lives in the Mid-West. It doesn't live here.

MA: To both of you: Would you do it again, if you could?

BA: I would say yes because even though some of the content would be the same, the majority of the takeaways had to do with your interactions with others. If there were different people this time around, or if they took the same 40+ people and mixed them up in a room again, you'd have a different experience.

CN: Yes! I'd love to participate in one of the DE programs again. And they do have a workshop every year for DE grads. The listserv that you can access as a DE grad is so robust. It's very different from any other listservs that I'm on.

BA: You can't sing praise for the program without singing the praises of the facilitators, Lois Kitch and Bob Schumacher. They were just incredible. There was not one moment of time where I felt bored. It carried you the whole time. They set the stage and they set the guidelines and it just works. They kept saying "trust the process".

CN: Yes. And I think that's the overarching message: If you trust the process, you leave DE feeling the way we feel. If you don't trust the process, then you don't leave feeling as re-engaged. Everyone should go. Anyone who cares about credit unions.

BA: And for the amount of time, the amount of food they give you, and the reasonable cost, you can justify it. Also there are scholarships available. So if someone's interested in attending but doesn't have the budget for it, they should definitely apply for a scholarship.

CN: The other thing that I would add is that the support of other DEs was definitely evident. During the last couple days there, we had past DE graduates coming up and congratulating us. And there are other DE programs around the world. They just finished up one in Africa, there's two in the U.K., there's a Caribbean DE, and I know there are others.

BA: You join a great network as a CUDE. It's like another family.



Graduates of the first Africa DE Training with training staff in Nairobi, Kenya.

##

Registration is open for the CUDE training taking place September 10-17, 2014 in Madison, Wis. For more information and to register, visit <http://bit.ly/poCUKq>.

For questions concerning registration, contact reginfo@cuna.coop or (608) 231-4400.

For questions concerning training, contact Lois Kitsch at (407) 616-2409.

If you are interested in attending DE Training in 2015 and can't attend one of the 2014 trainings, please email NCUF at cude@ncuf.coop to be put on a notification list. They'll make sure you are the first to know when registration for the trainings opens up!