



**DECEMBER  
2003**

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**MCUA  
Modernization  
Beneficial to large  
and small credit unions**



by *David Adams, MCUL President/CEO*

Gov. Jennifer Granholm has signed into law legislation approved unanimously by the Michigan Senate and House of Representatives to modernize the Michigan Credit Union Act (MCUA), which is now known as Public Act 215 of 2003.

As I'm sure you're aware, MCUA modernization has been a legislative priority for the MCUL, and the Governor's signature will be the culmination of an effort that began nearly three years ago.

From the very beginning of this process, we encouraged credit unions to provide us with input on what specific provisions of the MCUA needed to be changed. What finally emerged was a consensus on a whole host of issues resulting in a bill that will benefit all Michigan credit unions, small and large.

Here is a short summary of just a few of the positive features of the legislation:

- Establishment of an 18-month exam cycle vs. the current 12-month cycle;
- Ability for boards to meet nine times per year vs. 12;
- Significantly greater clarity and latitude for expanding field of membership (FOM), including a clear authority for multi-county charters and the virtual elimination of a costly and time-consuming approval process. Credit unions

will only be required to demonstrate a common bond based on clear geographic criteria such as multiple cities or multiple counties; there will no longer be an additional requirement for the demonstration of "personal acquaintance among members" and a "community of interests and activities." The concept of "well-defined community" will be replaced with clear language to support the allowance of multiple cities, counties, etc.

- FOM was added to the "powers" section of the statute, allowing OFIS to keep pace with FOM authority granted to federal charters. There is also a new "wildcard" provision that will allow OFIS to authorize any power for credit unions necessary to allow them to compete with other financial institutions in the state of Michigan.
- Credit unions will be able to offer low-balance (under \$1,000), short-term (under 30 day) loans to compete with payday lenders, subject to a 10 percent fee cap.
- Check cashing, the sale of money orders and travelers checks, currency exchanges and wire transfers may now be offered to



*MCUA was a hot topic during the MCUL's 2003 Capitol Day. Below, Steve Cook, right, meets with State Rep. Lorence Wenke (R-Richland).*

We reserve the right to edit all articles for clarity and require all articles include author's name, credit union name and phone number or e-mail address. All articles published solely represent the views of the authors and are not necessarily the view of the Gazette or the MCUL.

non-members if they live or work in an underserved area or are “unbanked.”

Some credit unions have expressed concerns about the FOM provisions in MCUA modernization. A great deal of input and thought went into these changes, and the conclusion was that the new FOM standards are the best way to ensure equal growth opportunities for all Michigan credit unions.

Testifying before the Senate Banking Committee last June, one credit union CEO noted that her credit union is not large and was finding it difficult to grow under the old law, which requires lengthy and costly legal and regulatory review to expand an FOM. As she put it, “Our time and money are better spent serving our members than doing paperwork. This bill would give us the flexibility to expand.”

Overlapping common bonds, broad-based FOMs and credit union competition are already facts of life in today’s environment. Modernization codifies this reality by establishing FOM parity between federal charters and state charters and gives small credit unions the same opportunities for charter expansion as larger credit unions.

*A more detailed summary of the MCUA modernization is available in the October 2003 President’s Report, the Third Quarter 2003 Contact Magazine and on the MCUL Web site at [www.mcul.org](http://www.mcul.org), keyword jump “MCUA.” If you have any comments or questions, feel free to contact me at 800-262-6285, Ext. 231, or at [dave.adams@mcul.org](mailto:dave.adams@mcul.org).*

## Put Pen to Paper Before Getting Online

So you’ve decided to get with the Net, now what?

There is plenty of work to do before a credit union decides to “go live” with its own Web site.

Planning is one of the first items on the agenda.

### Gazette Available by E-mail

The quarterly *Gazette* is now available via e-mail to all affiliated CUs, regardless of asset size. To subscribe to this free service, visit online at [www.mcul.org](http://www.mcul.org), under Small Credit Union Resources, then *Gazette*. Back issues of the *Gazette* are also available online as well as an index of articles from previous issues.



by **Todd Mason**,  
MCUL Vice  
President  
E-Business

Some key Web site questions a credit union should be able to answer include what is the purpose of the site; who will be the intended audience(s); how will the site add value to its other delivery channels, to the organization, to its audience(s); and what are the major reasons and various ways each audience will use the site.

Establishing a mission for the Web site, similar to the statement the credit union uses for its brick and mortar operation, needs to be completed. Writing down the goals will help clarify the Web site’s purpose.

As part of the planning process, the credit union will need to determine what functions it would like to include on its Web site.

There is an almost endless list of functions that include information about the credit union, rates, applications, products and services, calculators, investment and insurance services, on-line banking and bill payment, e-mail marketing, as well as check ordering and credit reports.

Some functions, like calculators, need very little updating, if any, by the credit union. Others, like rates and on-line newsletters, will need to be updated frequently.

On the technical side, the credit union will need to determine browser and device compatibility, security, and whether the site will be managed by the credit union, a vendor, or a combination of both.

Another phase of the process is the design of the Web site. It can vary based on how often it will be updated and number of functions.



*At the beginning of the SAS Roundtable, Jim Francis, from left, David Adams and Bonita Bileti discuss credit union concerns.*

A credit union that will be updating its home page frequently may include fresh content such as upcoming events, rates, polls, ads and features.

A home page that is updated less frequently may include a prominent graphic design and navigation tools with less emphasis on ads and features.

Then there is the home page that is not going to be updated. It can have a graphic design as its main focus and include nominal introductory information such as hours and locations, with a few links to its other Web pages.

Once all the preliminary work has been completed, it's time for a trial run. It's best to open up the site to credit union volunteers and staff prior to the whole membership. Work out any bugs. Letting staff become familiar with the site enables them to better promote the site as well as answer any questions from members.

*Excerpted from Todd Mason's presentation at the SAS Roundtable held at the Michigan CU Center in Northville Twp., 11/20/03.*

*Web resources include <http://smallcu.mcul.org>.*

## Business Development Tips Shared at Roundtable

A new Business Development Roundtable held its first meeting on Sept. 25 at MidWest Financial CU. The group plans to meet quarterly at various credit unions. At the meeting, the group shared tips on ways to increase relationships with SEG contacts, including:

- Provide financial articles for SEGs' newsletters or send to employees through e-mail. Publish credit line at the bottom of the story that includes credit union name. Address topics of interest to each SEG. Don't overuse e-mail just because it's there.
- Draw up a partnership plan or letter for SEGs to sign and include expectations of both credit

union and SEG. The plan should include contact person for the SEG and credit union. Have more than one contact person, know assistant or supervisor. When staff changes at SEG, partnership letter does not have to be rewritten but a relationship with new staffer has to be established. Get new staffer's vision of how they would like to maintain the relationship.

- Determine the method of contact each SEG prefers – face-to-face, paper, e-mail, etc.
- If possible, divide SEGs into territories to be serviced by appropriate credit union staff. Set goal for number of visits to SEG per year.
- Start an awards program for SEG contacts. Host an awards luncheon.
- Focus on what's important to SEG and its employees, not the credit union.
- Attend SEG's charitable events. If SEG is having a blood drive – donate cookies and juice and include a sign "Compliments of (credit union name)." Let SEGs use credit union's meeting facilities.
- Drop off donuts with a business card and wish contact person a happy day.
- Establish relationship with SEG's local businesses. Make purchases at the local businesses. Get on boards and chambers. Advertise in SEG's newsletters and community newspapers.

## FAQs Posted Online

The topic for the MCUL Compliance and Regulatory Issues FAQs Vol. 4, Issue 13 is "The Michigan Uniform Unclaimed Property Act." This and other FAQs are available online at [www.mcul.org](http://www.mcul.org) under Regulatory Compliance.

## Winter Conference Scheduled

The MCUL's SAS Winter Conference will be held Thursday, Dec. 11, from 9:30 a.m.-3 p.m. at the Michigan CU Center in Northville Township.

Speakers and topics include Julie Rost, NCUA Regional Training specialist, "ALM Made Simple;" and Erika Kim, NCUA Economic Development specialist, "How to Improve Your Bottom Line."

The cost is \$25 per person.

For more information, contact MCUL Consultant Manager of SAS CUs Carolyn Miller at MCUL Ext. 753, 269-544-1348, or e-mail [mil@mcul.org](mailto:mil@mcul.org).

- Do a survey – one page (front and back) to get feedback from SEG rating performance/service of credit union.
- If SEG contact is not a credit union member, sign him/her up so they can get first-hand experience. A contact who is a member may more actively promote the credit union.
- When SEG asks credit union to speak at an event, provide valuable information. Avoid focusing on credit union product or service. Select a topic appropriate for the group.
- Get SEG's mailing list for their newsletter.
- Give SEGs a "heads up" about upcoming promotions.
- Be sincere in your relationship with the contact person, their business and their interests.
- Work on SEG's agenda; they need to feel value in their relationship with the credit union. Avoid acting like a solicitor for the credit union.

- Provide a coupon (\$5) to employees who join the credit union during an on-site visit. Waive the membership fee if employee signs up for a minimum number of products/services.
- Take laptop to on-site visits.
- After switching to community charter, continue special relationship with existing SEGs.
- Put membership representative in SEG, I.e. satellite office.
- Increasing the number of SEGs is important, cross selling to existing membership is vital.

*For additional articles on this topic, visit [www.cues.org](http://www.cues.org).*

## Supply and Demand: Its Impact on Jobs Is there a risk factor to credit unions?

*By Peter Duffy  
Credit Union Management  
Magazine On-line Columnist*

The "jobless recovery" we're experiencing is based on the supply/demand equation.

In the last recession of the late '80s, many folks were fired as companies began downsizing to lower overhead and improve profits. Shortly after, the tech industry (and the Internet) exploded on the scene and re-employed a lot of the fired professionals.

In our current recession/recovery, I don't see a cottage industry about to lift off and provide the same kind of employment opportunity as the tech sector supplied. Additionally, any up-tick in capital expenditures appears to be the result of a required need to increase productivity rather than aiding in any employment recovery.

## Auto Show Tickets Available

The MCUL has arranged for a continuing credit union relationship with the North American International Auto Show (NAIAS). Credit unions can purchase discounted passes to the 2004 NAIAS, scheduled for Saturday, Jan. 10, through Monday, Jan. 19, at Detroit's Cobo Exhibition Center.

Through this exclusive "Any-Day Pass Program," credit unions have the opportunity to purchase special passes for only \$8 – a \$4 savings over the regular \$12 show ticket price. Passes can be made available to policymakers, staff and members, and make excellent stocking stuffers.

Order forms to purchase Any-Day Passes are available by phoning MCUL Ext. 226 or online at [www.mcul.org](http://www.mcul.org). Send the order form and either a corporate check or credit card number to the NAIAS. Tickets may also be ordered online from the Auto Show Web site – a link can be found at [www.mcul.org](http://www.mcul.org). A minimum order of 25 tickets is required. Refunds are not available, but re-orders will be permitted if additional quantities are needed. Tickets ordered before Dec. 26 will be mailed, otherwise tickets may be picked up at Cobo Center.

Questions should be directed to MCUL Ext. 226.

## Have a Topic to Share?

Credit union professionals who would like to submit an article for the *Gazette* that would be of interest to small asset size credit unions \$20 million and below, can contact Carol Marsh, *Gazette* editor, at [csd@mcul.org](mailto:csd@mcul.org).

Companies in all sectors are justifiably reluctant to hire back workers. The simple fact is: They don't need them. All those productivity gains we read about in the past 20 years were real. A car, mattress, car loan, box of diapers can be turned from raw material and delivered to the consumer using fewer people, yet faster than ever. The stunning effect this may have on the unemployment rate is still not defined and, until we know, I for one am concerned about how strong this "recovery" really is.

Companies are much less inclined (are, in fact, loath) to rehire for another reason that seems to just now be coming to the forefront. The cost of an employee has become such a weighty issue that companies are justifiably trying to get by on as few workers as possible.

The boom-era rush to get products and services to satisfy the insatiable appetite of the American consumer created so much capacity that the supply/demand equation is significantly unbalanced. Stunning as this may seem, our manufacturers and service providers have outstripped the demand of the American consumer.

To many companies, the only solution is to stand pat on current employee numbers. Some may need to continue shedding overhead.

### What Does This Mean for Credit Unions?

One immediate thought we've been discussing a lot lately is credit scoring and indirect loans. The average household is spending more disposable dollars than it actually has (Bureau of Economic Advisors and Federal Reserve Board statistics). If one of the spouses experiences a layoff, your "A" or "B" paper could move immediately to default. Credit union folks have told me this happened in the last recession.

Of particular concern are indirect auto loans. With indirect loans you combine a car dealer who can't wait to move the car off the lot with a lender

who can't wait to do another loan. In a still tenuous economy, booking a lot of paper like this could prove undesirable. Over the years, credit unions and banks have experienced a lot more losses due to bad loans than for any other reason, including interest rate risk and investments.

If your CU is engaged in indirect lending and your loan growth is significantly better than your local competitors', is that a good sign? Or does it mean you're getting more than your fair share of the potentially more risky paper?

Another possible outcome of the supply/demand imbalance is that rates will remain low and liquidity plentiful. This, in turn, implies a smaller loan portfolio and larger investment portfolio. Your strategy should include an idea of a properly constructed investment portfolio that delivers income while balancing cash flow risk. In doing so, keep in mind the current yields on portfolios for the average credit union are still unnecessarily lower than the average community bank.

Finally, the over-supply will probably lead to a continued consolidation in the credit union movement, as well as banking, autos, airlines, and

## Credit Unions Get Lower Rate

All credit unions under \$10 million in assets are being offered a special discount to attend the 2004 CUNA GAC Feb. 22-25 in Washington, D.C.

The reduced early-bird rate is \$340, and after Jan. 16, the rate will be \$390, each are a \$339 savings. When registering, SAS credit unions should make their payment at the reduced rates and include a copy of CUNA President Dan Mica's Nov. 10 letter with their GAC registration form.

Housing for the GAC is handled through the CUNA Housing Bureau at 800-492-7886. However, CUNA can assist SAS CUs in arranging lower-cost accommodations in Washington. Credit unions that are interested in such arrangements should contact CUNA's Vicki Schmitz at 800-356-9655, Ext. 4323.

The heart of the GAC continues to be league-organized lobbying trips to Capitol Hill by credit union people to visit members of their state's Congressional delegation. Credit unions are urged to check with the MCUL for more details on Hill visits.

Additional information is available at [www.cuna.org](http://www.cuna.org), then GAC 2004.

## What's New in Connection?

The most recent issue of *Connection* newsletter is now online at <http://training.cuna.org/pubs/connect.html>. Articles in this issue include 13 more ways to improve direct mail, YOUth make a difference, Marketing MBLs with CU advantages, and Full-service on-line branches.

many other industries. Credit unions want to be thinking about what role, if any, they plan to play. In 1985, there were over 17,500 CUs in the United States. Today there are roughly 9,800. A very similar shrinkage has occurred within the banking industry. Consumers still have no shortage of places to find credit, so the race will go to the players who become really good at SALES and not just service. The race is on to build meaningful market share through sales and consolidation, funded by improved financial competitiveness.

*Excerpted from CUES FYI, 11/13/03, with permission from Peter Duffy and CUES.*

*Peter Duffy is SVP/fixed income division at Keefe, Bruyette & Woods Inc., New York. Reach him at pduffy@kbw.com.*

## Director Evaluations and Succession Planning

### Are they good for credit union boards?

Performance reviews or evaluations are standard procedure for paid employees. But what about volunteers?

Should an evaluation be mandatory for volunteers? If so, what should be on the evaluation?

According to MCUL Fall I Volunteer Conference

speaker David Gilbert, Maryland's Aberdeen Proving Ground Federal Credit Union chairman: "Because it is so difficult to get volunteers, it's necessary to make sure the volunteers you have are performing to their full capacity, feedback is important in order to do that.

"Evaluations are aimed at giving feedback on how well a director is doing as a volunteer of the credit union and where there might be room for improvement."

***"Evaluations are aimed at giving feedback on how well a director is doing as a volunteer of the credit union and where there might be room for improvement."***

Board members have the authority, responsibilities and opportunities to move their credit unions ahead, but what most don't have, according to Gilbert, is feedback on their own performance.

"This is a self-help effort, it's not aimed at trying to criticize people," said Gilbert. "We want to ensure that everyone is trying to do their best."

For boards setting up an evaluation process for the first time, or boards ready for an update on the existing process, Gilbert has the following tips:

- It is up to the board to decide what needs to be included in the evaluation.
- Performance and participation, relationships and communication, knowledge and understanding, leadership and planning, commitment and results, and endorsement for renomination are some criteria that can be included in a director peer review.
- Length of service should also be taken into consideration when evaluating a board member.
- Comments should be constructive and positive. The final evaluation total is an average of all the scores. By doing a peer evaluation, volunteers can see how they measure up to the board average.
- Volunteers should receive a copy of their own confidential total summary evaluation sheet.
- A spreadsheet of courses completed and conferences attended by each volunteer should be kept on file.

On another topic, Gilbert suggested boards that do not have a succession plan, put one in place and include a provision for alternate directors.

Alternates, like full board members, come from the membership. Alternates do everything directors do – receive board packets, attend meetings, participate in peer evaluations – but they cannot vote.

"If there are three vacancies on the board, I always want one more name than the number of vacancies," said Gilbert. "That keeps the board lively and sends out the message they may not get reelected."

When recruiting volunteers, Gilbert suggests thinking unconventionally.

Find a position for volunteers to work or have them work on a limited project such as site evaluation, financial report, etc. When an open seat becomes available, an alternate can be considered and the volunteer recruited for the open alternate slot.

Sample forms have been posted with permission from David Gilbert at <http://smallcu.mcul.org> under Worksheets and Checklists, then Director Evaluations.

For additional articles on Credit Union Boards, visit [www.cues.org](http://www.cues.org), quick link to Management Magazine Online.

## Biometrics: Coming to a Credit Union Soon?

People want to simplify their lives. One way they will accomplish this in the future is with technology.

Credit unions have already simplified the lives of their members by offering home branching, voice activated systems, ATMs, and direct deposit.

To continue in this effort, credit unions need to find ways to integrate more technology, according to Dr. Stephen Lovejoy, Purdue Emp. Federal Credit

Union director emeritus and speaker at the MCUL Fall I Volunteer Conference on "Credit Unions, Technology and the Future."

"Some of our members today have not set foot in any credit union building ever," said Lovejoy. "They joined online, do all their business online, and go to the ATM to get cash."

How do credit unions build a relationship with this new type of member?

**"You're not going to survive unless you're high-tech, you're not going to survive if your members don't view you as high-touch."**

They have to be both high-tech and high-touch, according to Lovejoy.

"You're not going to survive unless you're high-tech, you're not going to survive if your members

don't view you as high-touch," he said. "Their view of high-tech may be different than yours or mine."

As costs continue to fall, Lovejoy said biometrics will become a bigger part of the technological future.

Biometrics is the automatic identification or identity verification of individuals based on behavior or physiological characteristics.

Why biometrics? According to Lovejoy, the consumer is becoming more and more comfortable with the technology and it simplifies their lives.

Classifications of biometric devices include behaviorally based and physiologically based.

Behaviorally based devices include speaker verification, dynamic signature analysis and keystroke analysis. Physiologically based devices include finger imaging, hand/finger geometry, iris/retinal scanning, facial imaging/thermography, vein patterns and body odor.

Biometrics is used for identification and verification. It helps with fraud, the issuing of cards, the personalization of services and minimizes the number of e-mails from members requesting forgotten pin information.

Verification includes a one-to-one search where identity is proven while identification is the one-to-many search where someone is identified with no prior claimed identity.

Why biometrics for credit unions? It provides added security at remote access locations, there is no PIN number to forget or be stolen, it eliminates lost, damaged or stolen cards, and it eliminates the need to reissue cards periodically.

Biometrics will simplify the lives of members, but may complicate matters for credit unions. Moving to a high-tech workforce requires a more

## Time is Running out on Funds

Small credit union scholarship funds of \$1,000 must be used before Dec. 31. Remaining funds can be used to purchase video tapes, learning tools and CUNA modules.

SAS credit unions are encouraged to contact the Michigan Credit Union Foundation at 800-262-6285, Ext. 339 to find out if there is a balance on their account.

## Updated SARS Form Required

All credit unions will be required to use the new **Suspicious Activity Report (SAR)** Form effective Jan. 1. This form became effective July 1, however FinCEN has been accepting both the old and new form through the end of this year. To get an updated SAR form, either go to the MCUL Web site, click on Regulatory Compliance, then select Compliance Resources and look under USA Patriot Act Resources. Or visit <http://www.fincen.gov/f9022-47-1a.pdf>. Previous versions of the SAR form will not be accepted after Dec. 31.

sophisticated staff that is educated, trained and experienced in technology.

"The dot com generation is our future," said Lovejoy.

*Dr. Stephen Lovejoy has worked with credit unions across the nation and can be reached at stevelovejoy@insightbb.com.*

*Additional resources include William Rogers, Biometric Digest publisher, who began hosting the first of 13 Internet radio programs, "From Face to Fingerprint – Focus on Security, Privacy and Identification," on Dec. 2. Two programs will focus on credit unions. The exact dates have not yet been determined. The hourly talk show will air every Tuesday at 5 p.m. on <http://www.VoiceAmerica.com>. CUNA Mutual Group is a sponsor.*

## Check Fraud a Burgeoning Problem

### Identifying problems, integrating safeguards can reduce check/deposit fraud

An estimated \$13 billion is lost annually to check fraud, with financial institutions accounting for about 10 percent of that amount, according to the TowerGroup, a Massachusetts-based research company. And check-fraud losses are expected to grow by 2.5 percent annually.

Credit unions aren't immune to this alarming trend. Industry-wide losses are estimated at more than \$20 million annually, and those losses could grow as credit unions increase membership and provide those members with quick access to their funds in order to remain competitive in today's regulatory environment.

The CUNA Mutual Group has identified a number of forces in the industry that are driving the increase in check-fraud losses in areas such as counterfeits, forgeries, kiting, identify theft, new-account fraud and insider fraud.

"Technology and the sophistication of criminals are just two of many reasons why losses related to check fraud are rising," said Darlys Lawinger, CUNA Mutual Group's SCAM Alert manager. "Ironically, the robust economy contributes also. Low unemployment and junior employee turnover has resulted in inadequately trained people working the front-line teller positions."

SCAM Alert is a free, information-sharing service administered by CUNA Mutual exclusively for its Bond policyowners. Each year, hundreds of fraud schemes perpetrated against credit unions are broadcast to thousands of credit unions nationwide, raising the awareness of frauds, and preventing crimes. The service is available by e-mail or fax and through CUNA Mutual's Web site. For more information about SCAM Alert, visit [www.cunamutual.com](http://www.cunamutual.com).

E-commerce not only offers credit unions competitive advantages; it can provide criminals another tool with which to ply their trade. "Electronic transactions complicate the problem," Lawinger said. "The inability to positively identify who is on the other end of the line also makes prosecution difficult."

But there are other reasons why credit unions and other financial institutions are susceptible to check-related fraud:

- As credit unions expand their fields of membership, there are fewer requirements for membership eligibility and verifying eligibility becomes difficult.
- Credit unions traditionally want to preserve their advantage over other institutions, which means they sometimes open accounts for higher-risk individuals and often provide immediate credit on deposits as a member service.
- Shared service centers contribute to the problem, as important information on a member's account history is less accessible.
- The Internet allows thieves to share information, and new types of fraud, such as identity theft, are adding to the problem.

In an effort to avoid higher rates or writing exclusions into coverages, CUNA Mutual Group risk management experts have identified a number of ways credit unions can protect themselves against check-fraud losses.

Research indicates many losses are coming from new-account fraud where withdrawals are made from new deposits, frequently through ATMs, before a person's credit can be verified. Risk-management experts recommend better prescreening procedures and putting restrictions on accounts, such as limitations on ATM or debit cards for six months, or until the member establishes a good track record.

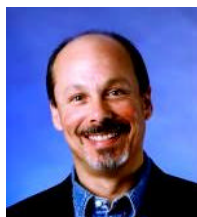
Other recommended safeguards include:

- Extending check holds for higher-risk deposits such as ATM deposits, large-dollar deposits and new accounts.
- Improving tools, procedures and training for verifying the identification of new members.
- Most frauds can be detected and prevented by having an alert and well-trained staff.

"There are some frauds that even the sharpest front-line staff will miss," said Lawinger. "But by implementing and following sound policies and staying on top of the trends in fraud, most losses can be prevented."

*Reprinted with permission from CUNA Mutual Group.*

## Speaking Like a Pro Requires Authenticity



*by Dr. Barton Goldsmith, motivational speaker and author*

We all know that communication is the key to success in business and in life, but what is it, exactly, that makes the difference between an awesome, earthshaking communicator and one who is simply average?

There are some very definite things that separate the Martin Luther Kings, John F. Kennedys and Winston Churchills from the rest.

The first is a clear, laser-like theme or message.

"Ask not what your country can do for you," "I have nothing to offer but blood, toil, tears and sweat," "The only thing we have to fear is fear itself," "Ich bin ein berliner," "Mr. Gorbachev, tear down this wall," "I have a dream." These simple phrases or sentences summarize an entire personality, an entire speech and, in some cases, an entire movement. Your business speeches and presentations, and even your comments in a simple meeting, will break out of the norm if and when you take a few moments to simplify and laser-ize your message.

Once you have a solid theme, it is critical that you deliver it with conviction and commitment. You have to own every word. Listen to the conviction of Churchill, Roosevelt, Kennedy, King and Reagan. They didn't just read their speeches. They sold them!

Thirdly, you've got to reach every member of your audience, no matter how big or small. You do this by speaking in big concepts for the big picture people, hitting the critical facts for the detail crowd, really connecting, on a warm, personal level for the more touchy-feely ones and putting it all together in a smooth, user-friendly, easy to listen to story that makes everyone feel they've been with you for the entire ride.

And, to make that ride even more compelling, you've gotta have rhythm. Yes, rhythm. The most brilliant ideas, the most spectacular words, the most respected presenters can all fall flat without a cadence that makes your audience want to listen. Words can be . . . and should be, music and the great orators infuse their speeches with a rhythmic cadence not unlike that of a great symphony. Churchill, Kennedy, Anwar Sadat, Barbara Jordan and, of course, Martin Luther King were all masters at this.

## CUNA Begins Promotion

With the help of CUNA & Affiliates strategic alliance providers, credit unions have 15 ways to save.

Through the Budget 2004 promotion, CUNA & Affiliates has used the collective buying power of credit unions to create 15 money saving discounts on capital expenditures.

Budget 2004 promotion highlights include:

- Save more than \$3,000 on an Express Delivery System from Diebold.
- Save up to \$750 with a rebate on a Canon digital document recorder.
- Save up to \$1,724 via a trade-in/rebate lease offer on a Canon digital copier.
- Save up to \$1,599 on the Mach 6 coin sorter/counter from De La Rue.
- Save an additional 5 percent on the new ThinPac dye pack from 3SI.

Visit [buy.cuna.org](http://buy.cuna.org) and enter "Budget2004" in the search box to see the complete list of products and discounts.

The Web site also contains a tips and trends article that points out four key business opportunities to increase a credit union's competitiveness.

The Budget 2004 promotion offers are good through March 31, 2004.

But, as one examines the greatest speakers and the greatest speeches, one of the simplest qualities emerges as one of the most important. Authenticity. Pure and simple authenticity. Speaking from one's heart, like Lou Gehrig did as he stood in front of 60,000 at Yankee Stadium in 1939, is often all that one needs to really touch people and make your point and . . . Improve your effectiveness as a leader.

The best leaders have several things in common, one of the most important is that they are able to speak to a crowd and make each and every person feel like they were speaking to them individually. Being a great speaker is sometimes a

gift, but most times it is a combination of guts, ideas and practice.

*About the Author: For more than two decades Dr. Barton Goldsmith has been helping Fortune 500 companies, educational institutions and government organizations worldwide develop creative and balanced leadership. He is a keynote speaker, business consultant and nationally syndicated author. His columns appear in over 150 publications, including the Los Angeles Business Journal. Dr. Goldsmith works regularly with The Young President's Organization and The Executive Committee. He has spoken worldwide to groups of 10 to 5,000 for Keynotes, Training and Consulting. He may be contacted online at BartonGoldsmith.com or by phone at 818-879-9996.*

## 2004 Michigan Credit Union League Education Calendar

### January

6-7	Modernization – The New MI Credit Union Act	Webcast/Audio/Live
8	Forum Benefits & HR	Northville Twp.
13	Alternative Revenue Sources	Internet Session
14	Forum Lending	Northville Twp.
18-21	Midwest Management Issues Conference	San Antonio, Texas
20	Finance & Economic Forum Meeting	Northville Twp.

### February

1-5	CUES Symposium	Kauai, HI
4-5	Marketing Conference	East Lansing
11	Patriot Act and Bank Secrecy Act	Cooperative League Webcast
11	Frontline Staff Robbery & Security Training	Metro Detroit
11-13	Tech Mecca Technology Conference	Fort Worth, Texas
18	Frontline Staff Robbery & Security Training	Marquette
22-25	CUNA Governmental Affairs Conference (GAC)	Washington, D.C.
24	Frontline Staff Robbery & Security Training	Saginaw
24-25	Lending Conference	Frankenmuth
25	Frontline Staff Robbery & Security Training	Grand Rapids
27	Forum Technology	Northville Twp.

### March

9	Small Asset Sized CU Roundtable Meeting	Northville Twp.
10	Member Right to Privacy	Webcast/Audio/Live
11	Call Center Conference	Lansing
17-18	MCUL Governmental Affairs Conference (GAC)	Lansing
23-24	Member Business Lending Conference	Northville Twp.
23-24	CUcorp IRA Essentials & Advanced	Mt. Pleasant
24-25	CUcorp IRA Essentials & Advanced	Marquette
25	Train the Trainer Conference	Metro Detroit
30	Info Security Trends & Solutions Workshop	Lansing

Michigan Credit Union League (MCUL) – 800-262-6285 Ext. 235 or 407

CUcorp – IRA Training 800-262-6285, Ext. 534

CUNA – 800-356-9655

Program dates may be modified as necessary.

For the most current information and to register, visit [www.mcul.org](http://www.mcul.org), under Education.

**Michigan Credit Union Foundation  
Annual Fundraiser**



The Michigan Credit Union Foundation (MCUF) is a non-profit organization dedicated to progressive professional development of credit union staff and volunteers, disaster relief and international credit union development. The Foundation relies upon the commitment and funding support of MCUL-affiliated credit unions, chapters and partnering organizations. We ask that you continue to support the Foundation by committing to donate three pennies for each member of your credit union. Your contribution will help make it possible for staff and volunteers of smaller credit unions to gain the knowledge they need to succeed.

The MCUF 2003 Power for just Pennies goal is \$121,619. Your contribution can be designated to support one or more of the funds that make up the MCUF — the General Fund, the Ebaugh-Lesnieski Memorial Fund, the Vanderveen Memorial Fund and/or the Woodman-Wilde Fund. Donations can be made monthly, quarterly, biannually or yearly. Also:

- Donations of \$1,000 or more are awarded special "Pacesetter" award recognition at the MCUL Annual Convention & Exposition.
- Pacesetter donations may be given in combination between the MCUF and the National CU Foundation (NCUF) and total a \$1,000 or more.
- Donation goals and updates are printed periodically in issues of *Michigan Monitor*.
- For additional information, visit online at [www.foundation.mcul.org](http://www.foundation.mcul.org).

— **Include a copy of this form with your donation** —

**Michigan Credit Union Foundation Donation Form**

Credit Union Name: \_\_\_\_\_

City: \_\_\_\_\_ Zip: \_\_\_\_\_ Chapter: \_\_\_\_\_

We would like our contribution used in the following way(s):

**General Fund** . . . . . \$ \_\_\_\_\_

Provides educational scholarships for staff and officials of small credit unions.

**Ebaugh-Lesnieski Memorial Fund** . . . . . \$ \_\_\_\_\_

Provides scholarship for first-, second- or third-year CUNA Management School.

**Vanderveen Memorial Fund** . . . . . \$ \_\_\_\_\_

Provides scholarship for first-year CUNA Management School.

**Woodman-Wilde Memorial Fund** . . . . . \$ \_\_\_\_\_

Provides \$5,000 college scholarship to recipient named by the Credit Union Community Volunteer recipient.

Mail your contribution and this form to the Michigan Credit Union Foundation, Attn: Finance and Administration, P.O. Box 8054, Plymouth, MI 48170-8054. Telephone: 800-262-6285, Ext. 339.

***Thank you for your continuing support!***

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