

# Credit Unions Champion Financial Fitness

If you were with us at the Future Forum in June you heard me say that credit unions are very good at financial education—but we need to do more.

Our long history of commitment to member education—helping members make the most of their financial resources—is one of the best features of credit unions. Some credit unions build it into the very fiber of credit union culture. Some want to do more but aren't sure how. Most credit union people, I'd guess, are looking for ways to incorporate financial education into credit union service offerings.

That's one reason I put out the call for the National Financial Education Summit, to be held Sept. 26 in Washington, D.C. The summit will bring together the major organizations involved in the movement's financial literacy efforts to educate each other about their programs, share their plans, and uncover new ways to work together more closely.

At the summit, we'll work to come up with a document describing what we're doing and what we'd like to do to see that our members—and our members' children—are educated about ways to master their finances.

This issue of *Financial Fitness*, the third such annual supplement to *Credit Union Magazine* from CUNA's Center for Personal Finance, explores how education can ensure that members can build their financial muscles as well as understand the real differences between credit unions and banks. It looks at how frontline staff especially—those who deal day in and day out with our members—can take the lead in educating members about their finances as well as the credit union difference.



**Juri Valdov**  
Chairman,  
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One rallying point this past year has been the call by legislators and regulators for credit unions to serve members of modest means. There's been a lot of discussion about what that means.

Of course we serve members of modest means. Credit unions, in fact, do more than serve members of modest means. They create members of modest means—the broad middle class—by working with low-income consumers, immigrants, and young people just starting out in their financial lives. They educate them about their finances and about the ways credit unions can help them.

It's in the business interest of every credit union in the country to work hard to improve their members' financial fitness through education. An educated consumer is one who will choose to be an owner/member of a credit union in the first place. An educated member will make prudent loans and have fewer delinquencies. An educated, financially fit consumer will avoid bankruptcy.

An educated member won't fall victim to an e-mail phishing ploy, or share a PIN with a roommate, or leave a Social Security number in plain sight. Educate your members about your products and services—and at the same time explain how your not-for-profit, cooperative structure makes your rates and fees so competitive.

Do you think a member will stand up to resist the call for credit union taxation—unless the member understands the linkage between credit union uniqueness and the income tax exemption? Who will explain that to your members if you don't?

Taking financial education to your members is a virtue in itself. It's also just good business.



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