Annexure B

Sample Credit Union Ltd – New Directors Induction Program

2.11 Sample Credit Union/

NEW DIRECTORS

INDUCTION PROGRAM

Dear Director,

Welcome.

These guidelines, together with the "Directors Companion" (AMInstitute), will assist you get to know your role and enable you to confidently serve our # members located throughout # .

The following information is divided into 5 parts.

1. Staff and operations arrangements
2. Introduction to the Credit Union
3. The "must know" and "must do"
4. The credit union movement
5. Our service suppliers

The guidelines (together with your Role Description) contain sufficient information for you to be able to initiate progress through the induction program at your own pace.

It is anticipated that this stage of your induction will involve your first 3 months of your term.

Chairperson

1.   CREDIT UNION BOARD & OFFICE OPERATIONS
To be completed in the first month following election

ACTION	SOURCE/ RESPONSIBILITY	DATE COMPLETED
1.1 Introduction to all Directors	Chairperson	
1.2 Information on board meetings & process, including access to building.	Chairperson	
1.3 Introduction to all management	CEO/GM	
1.4 Office and member service facilities Distribution channels Head office access and security Web banking, Rediphone etc Computer system Stationery and forms Promotion and merchandising Files and record storage Member communication	CEO/GM	
1.5 Individual meeting with each director	Each director	
1.6 Issue and discuss Board Charter/Director's Policy Manual	Chair/ CEO/GM	
1.7 Issue & discuss Strategic Plan	Chair/ Deputy Chair	
1.8 Receiving and managing member feedback, enquiry or complaint	Chair/ CEO/GM	
1.9 Employment Forms Completed (re: directors remuneration/allowance)	Management	
1.10 Attend Audit Committee Meeting	Audit Comm. Chair	

INFORMATION TO BE ISSUED OR SHOWN

	Received/Shown
Directors Policy Manual	
Copies of all current member information reports	
Copies of all forms/package used for new members	
Web site details	
Employee Information Forms, Superannuation and Taxation Office forms	
List of managers , contact details and organisational chart	
Copies of last 3 board papers	

2. INTRODUCTION TO THE CREDIT UNION

The credit union is a co-operative of members. The staff represent the operation of the credit union and are employed with the sole common purpose of improving the members financial well-being

Every director is required to demonstrate knowledge, understanding and the application of the following:

ACTION	SOURCE/ RESPONSIBILITY	DATE COMPLETED
2.1 Membership Profile review statistical profile; discuss personal observations) - age, location, gender, occupation, product usage, savings/lending patterns, volunteer representatives)		
2.2 Bond details Visit at least two of the major payroll groups or key partners (i)Office .... (ii)Office..		
2.3 Structure and Operation - Members, Board, Volunteers, Staff, Suppliers Arrange a meeting and discussion with: (i) The Chairperson and any other Director of the Board (ii) The credit union's external auditor (iii) The credit union's General Manager (iv) The credit union's key suppliers (iv) The credit union's key consultants		
2.4 Member Benefit Outcomes (Discuss these and how developed and monitored/audited): Financial, Service, Social		
2.5 Key Financial and Statistical Data Availability (Discuss with Chair, GM or another director the meaning and use of the KPI's used)		
2.7 Service Quality Standards (Discuss with one of the senior staff the current service standards, as documented in policies and procedures, how they are applied)		

INFORMATION TO BE ISSUED OR SHOWN

Board Strategic Plan	Received/Shown
Membership profile - Membership age analysis and product usage analysis	
Directors Names, Contact Details and Advocates & Volunteer Representatives	

Sample Credit Union Ltd

3. THE "MUST KNOW" AND "MUST DO"

The following knowledge and skills are considered essential for each new director to acquire or to demonstrate already possessing.

KNOWLEDGE	
1. Membership	Date completed:
• Location and composition profile of current members	
• Product used profile of members	
• New member profile and member growth trends	

2. Products (Key Features and Benefits)	Date completed:
• Loan Products	
• Savings Products	
• Transaction/Access Products	
• Superannuation, Financial Planning, Education Products	

3. Credit Union's Board Charter/Policies	Date completed:

4. Credit Union's Constitution	Date completed:

5. Corporations Act	Date completed:

4. SKILLS

1. Read and interpret financial reports:	Date completed:
• Balance Sheet	
• Income and Expenses	
• APRA Quarterly Report	

2. Explain the new member application and approval procedures	Date completed:

3. Credit and Delinquency	Date completed:
• Explain the policy relating to staff and director loan approval	
• Read and interpret monthly delinquency report	
4. Member Contact: Problem or Enquiry Management	Date completed:
• Receiving a contact and identifying how to further assist or refer the member	
• Monitor and discuss any trend regarding service or product improvement needs	
• Complaint and dispute resolution report, policy and procedures	

INFORMATION TO BE ISSUED OR SHOWN

	Received/Shown
AMInstitute Director's Companion booklet	
Copies of recent Member Surveys/Feedback and other eg. Telephone Mystery Shopper Reports	
APRA Quarterly Report	
Complaints register	

5. **THE CREDIT UNION MOVEMENT**

Sample Credit Union is affiliated with the world credit union movement. Credit Unions operate in over 100 countries using a wide range of names.

1. Structure of the Movement: Australia and Internationally	Date completed:
2. Our Credit union's history and our present application of credit union principles and values	Date completed:
3. Major legislation and compliance requirements, especially ASIC, APRA, Privacy, CTR, Credit Act, FSR	Date completed:
4. Co-operation and relationships between credit unions	Date completed:
• Regional relationships between board & management	
• Joint services	
•	

5. CU Support Organisations	Date completed:
FutureStaff	
Chapters	
Credit Union Foundation Australia (CUFA),	
Australasian Mutuals Institute (AMInstitute)	

6. The governance, operational style and board process of other credit unions	
• Visit: Credit Union 1	Date completed:
• Visit: Credit Union 2	Date completed:

7. The role of Credit Union Services Corporation (Australia) Limited CUSCAL and/or Indue	Date completed:
8. Role of Abacus	Date completed:

9. Attend a Credit Union District/Regional Meeting	Date completed:

INFORMATION TO BE ISSUED OR SHOWN

	Received/Shown
The 9 International Credit Union Operating Principles	
Abacus Values & Principles Booklet	
Credit Union Magazineonnexus, including back issues	
Copies of Annual Reports from 6 - 8 other credit unions ie. small, large, employer, community, country, metropolitan	
Sample copies of American, Canadian and WOCCU magazines and information	
Details of CUFA and its Development Education Course	

6. OUR SERVICE SUPPLIERS

Sample Credit Union has a policy of employing only staff who are effective in responding to and solving member service requirements.

We are also dependent on a wide range of suppliers for back office processing and product delivery to members.

FAMILIARITY WITH THE RANGE OF SERVICES PROVIDED BY EXTERNAL SUPPLIERS

1. Abacus – Australian Mutuals, Cuscal ltd Indue Ltd		Date completed:	
VISA,	Redicard	Staff Recruitment	Superannuation
Chequing	Central Banking	Research & Planning	Marketing Services
Government Relations	Public Relations	Information Technology	Compliance Training

2. Banking Arrangements	Date completed:

3. External Management Support Services	Date completed:	
• Financial Auditing	• Technology maintenance	
• Printing	• Operational Advice and Support	
• Legal	• Delinquency & Collections	
• Strategic Planning	• CSR/Social Audit	
• Marketing & Research	• HR/IR	

INFORMATION TO BE ISSUED OR SHOWN

	Received/Shown
Names and outline of role of major suppliers, other than CUSCAL (which has been previously covered).	

INDUCTION PROGRAM COMPLETED:

Signed: _____   ---
                   Chairperson   Vice Chairperson

Date: _____   ---