

credit union philosophy

Montana Certification Checktest

If you answer at least 12 of the following 15 questions correctly, you will qualify to be certified by the MT Credit Union Philosophy Program. To receive your certificate, please

complete and mail this test to the Philosophy Certification Program at the Montana Credit Union Network 101 N Rodney Street • Helena, MT 59601

Name: _____ Title _____ Email _____

Credit Union _____ Address _____ City _____ ST _____ Zip _____

1. What is a credit union?

- A small bank, organized and controlled by stockholders for the purpose of making a profit
- A financial cooperative, owned and controlled by its members for the purpose of providing financial services
- A collection agency

2. How are credit unions structured?

- Democratically. Every member has an equal say regarding the credit union's goals and functions. They exercise that right by voting at the credit union's annual meeting and by running for the board.
- A small number of stockholders vote on the goals and functions of the organization.
- Usually with a teller line and a quiet place to do loan reviews.

3. Which of the following are the fundamental cooperative principles established by Friedrich Raffeisen?

- The owners of the credit union are the people who saved and borrowed there. Only members could borrow money.
- Loans would be made for prudent and productive purposes.
- Each credit union would be governed democratically, with each member having a say in how the credit union operated.
- All of the above.

4. Which of the following is NOT one of the seven principles of credit unions?

- Credit unions are democratic.
- Credit unions believe in financial education.
- Credit unions are independent, owned by members.
- Credit unions work together.
- Credit unions are open — no matter their financial situation, race or gender, everyone can be a member.
- Credit unions have, on average, better rates.
- Credit unions offer their executive staff top dollar and extra perks.
- Credit unions give back to their community.

5. What is the name of the federal regulatory agency for credit unions?

- Federal Deposit Insurance Corporation (FDIC)
- Credit Union National Association (CUNA)
- National Credit Union Administration (NCUA)
- World Council of Credit Unions (WOCCU)
- National Credit Union Share Insurance Fund (NCUSIF)

6. Where do a credit union's earnings go?

- Earnings are returned to a few stockholders.
- Earnings are returned to the members in the form of dividends, lower loan rates, and increased services.
- Earnings are deposited into the accounts of the board of directors.

7. What is the purpose of a credit union

- a. For profit
- b. For charity
- c. For service

8. How is the board of directors chosen at the credit union?

- a. Directors are elected by the membership and volunteer their time.
- b. Directors are elected by the shareholders and are paid for their time.
- c. Directors are chosen by the manager of the credit union.

9. Why should members do business with your credit union?

- a. Our rates are better than the banks or other financial institutions.
- b. We're friendly.
- c. This is their credit union, owned and controlled by the membership.
- d. All of the above

10. What is THE basic building block that forms the foundation of the entire credit union system?

- a. Credit unions
- b. Cooperation
- c. The Montana Credit Union Network
- d. The individual credit union member
- e. Credit unions' non-profit status

11. What credit union chapter does your credit union belong to?

12. When was your credit union founded, what is its current charter, and has that changed from the past?

13. Of the 5, state-level credit union service organizations in Montana, which 3 are part of the MT Credit Union Network?

- a. Treasure State Corporate Credit Union
- b. The Montana Credit Union League
- c. Montana Credit Unions for Community Development
- d. CUsource, LLC
- e. The League Service Group

14. Credit unions are unique. How do they differ from other financial institutions and what benefits do they offer their members? (Please give at least one way in which credit unions are different and the benefit that offers to the people who choose them.)

15. Please describe a "good news" story from your credit union.

Have you ever gone out of your way to help a member? Please describe the incident. If you've worked at your credit union for less than 3 months and don't have a "good news" story to relate, write why you decided to come to work at the credit union and how it differs from your previous employment.