

# NCUA LETTER TO FEDERAL CREDIT UNIONS

## NATIONAL CREDIT UNION ADMINISTRATION 1775 Duke Street, Alexandria, VA

**DATE:** JUNE 2004 **LETTER NO.:** 04-FCU-02

**TO:** All Federal Credit Unions

**SUBJ:** Yearend 2003 Credit Union Development  
Program & Activity Report

### DEAR BOARD OF DIRECTORS:

Enclosed is NCUA's credit union development program and activity report for calendar year 2003. In support of the agency's mission to foster the safety and soundness of credit unions and to better enable the credit union community to extend credit for productive and provident purposes NCUA this past year provided:

- assistance for credit unions through training opportunities at workshops;
- on-site assistance for small credit unions;
- financial assistance for low-income designated credit unions (LICUs);
- opportunities for credit unions to partner with organizations providing assistance to the credit union and its membership; and
- economic empowerment through field of membership expansions into underserved areas.

The efforts we have put forth in pursuing the credit union development activities have had several notable results. There has been a significant increase in the number of credit unions being designated as Small Business Administration lender participants. Over 100 credit unions are now participating with the Internal Revenue Service in providing tax assistance through the Volunteer Income Tax Assistance (VITA) program. Federal credit unions have added an additional 25 million potential members from underserved areas to their field of membership. NCUA provided \$1.5 million in financial assistance (grants and loans) to LICUs to further their service capabilities to their members and potential members.

Also outlined in the enclosed document are the details relating to the LICUs financial performance during 2003 which includes member growth in LICUs of 3.6 percent (which is almost 2 percent higher than all credit unions) and asset growth in LICUs of 10.5 percent (which is one percent higher than all credit unions).

I encourage your participation in the programs described above and in the attached report.

Sincerely,

***/S/***

JoAnn Johnson  
Chairman

Enclosure