



**THE OFFICE OF
SMALL CREDIT UNION
INITIATIVES**

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FOCUS e-newsletter: Headliner
Credit unions offer paths to financial education
April 2013

In recognition of April as national Financial Education and Education month, we asked a few credit union officials to describe the financial education programs their credit unions offer. Following are what four credit unions requested we share with you.

Blossoming with financial education

Keesler Federal Credit Union

Biloxi, MS

OSCU Profile: Low-income designated

“If we could step back 15-20 years and incorporate financial education into our schools’ curriculum, we may be looking at a different economy than we’re experiencing now,” said Terri Gonzalez, Financial Education Manager of Keesler Federal Credit Union (KFCU). KFCU began its financial education outreach program in 1995. Since then, it has increased its efforts in the local community by implementing several exciting programs, including:

Money Mammals: This program teaches children ages 0-12 to “save, share and spend smart.”



The t-shirt launch is one way KFCU helps promote its community presence at its adult education seminar.

Participants get trinkets and incentives for making deposits and access to an educational interactive website. More than 2,100 members have joined since the program was implemented in 2011.

Banzaj: Is a national youth financial literacy program featuring an interactive classroom component that allows teachers to incorporate financial concepts through real-world scenarios. KFCU makes the

program available to local teachers and students for free and has graduated more than 3,000 students since implementing the program in 2012.

Adult financial education seminars: The most recent event, “Pump It Up,” was conducted on Keesler Air Force Base. It featured a dinner, three speakers, a t-shirt launcher, and a balloon pop - with cash flying from the balloons as they were popped.

For more information on KFCU’s financial education programs, contact Terri Gonzalez at 228-385-4548 or Terri.Gonzalez@kfcu.org.

A full menu of financial education services

Latino Community Credit Union

Durham, NC

OSCU Profile: Low-income designated

Latino Community Credit Union (LCCU) conducts free financial education workshops in Spanish and English twice a year. The need for financial education and affordable financial services became evident in the late 1990's when a local wave of robberies against Latinos was attributed to the perception that Latinos primarily operate in a cash-based economy.



Participants of LCCU's financial education program series being recognized during "graduation" event.

LCCU developed a Spanish-language basic financial education program targeted toward recent Latino immigrants. It partnered with local community organizations to enhance outreach. Since its inception in 2002, more than 13,000 people have attended the workshops. Those who attend the entire series participate in a financial education "graduation" attended by friends and families. "The graduations are a source of pride for the community and help instill the importance of financial education for the entire family," says Emily Polanco, LCCU's Communications & Outreach Specialist.

The financial education curriculum has grown with LCCU's members' needs and includes:

- How To Use A Financial Institution
- How To Use Electronic Financial Services
- Credit Cards: Advantages And Disadvantages
- Preparing For Homeownership
- Understanding Your Credit History
- How To Buy A Car
- Creating A Budget And Saving

LCCU developed two educational full-length feature films *Angelica's Dreams* and *Roberto's Dreams*, and a mini-series, *Reymundo's World*. "The films present financial education concepts in a fun, entertaining, and relatable way," explains Polanco. The credit union also launched an interactive online curriculum for members and non-members.

An evaluation of 2011 program graduates showed that attending all of the workshops resulted in positive behavioral changes relative to savings, checking, and direct deposit use. One year after completing the workshops, graduates had increased their savings by 30% and increased their use of checking accounts and direct deposit by 46% and 50%, respectively. By contrast a control group of non-participants was observed to have decreased savings and increased their use of checking accounts and direct deposit by 17% and 29%, respectively.

LCCU's financial education materials and videos are available on its website at www.latinoccu.org/knowledge-center. For additional information, contact LCCU's Erika Bell at Erika@latinoccu.org.

Laying a foundation for the future
Fayette Federal Employees Federal Credit Union

Uniontown, PA

*OSCU Profile: Low-income designated;
Small*

To recognize National Credit Union Youth Week (April 21 – 27, 2013), Fayette Federal Employees Federal Credit Union (FFFCU) planned a special financial literacy program. It participated in the National Youth Saving Challenge sponsored by the Credit Union National Association (CUNA). “We took full advantage of the theme, ‘Savings Sleuth’ and decorated our office with magnifying glasses, posters, and even eyes and mustaches to help spark curiosity in members both young and old,” says Megan Sanders, FFCU Member Service Representative.



FFFCU branch all decorated to help promote National Youth Saving Challenge.

Throughout the month, FFCU distributed pamphlets on how to save and explain the services the credit union offers. “Many [students] don’t realize that they have an account with us. Their parents established the accounts when they were younger and made deposits. By the time they come of age, they are unaware of the great services a credit union can offer to them,” says Sanders of the challenge in reaching younger members. “We hope to not only get members interested in current accounts or opening new ones but to also pass along the knowledge that we have gained to help them learn how to better manage their money.” FFCU tracked the deposits of younger members during the campaign and rewarded them with prizes and goodie bags.

In coordinating this event, Sanders said decisions about how to engage members and potential members who enter the branch were easy using theme decorations. The challenge was extending the promotion beyond the branch. As a small credit union, promoting a single event can quickly consume all or most of the advertising budget. Another challenge was that FFCU’s website is fairly new and members are still adapting to relying on it for information. To cover all the bases, FFCU promoted the event on its home-banking website and included flyers in its monthly statements.

FFFCU recognizes that appealing to the younger generation is key to the success of the credit union and the entire field. Sanders offers this advice to credit unions seeking to grow their membership: “Do not tread lightly on the issue of attracting younger members. While it may seem to be a ‘long term goal’ or ‘something we strive for in the future’ attracting young members is pertinent now....”

For more information about FFCU’s programs to educate and attract youth, contact CEO Wendy Myden or Megan Sanders at 724-438-3070 (or 888-438-3070) or office@fffcu.org.



Building relationships in and out of school

Hawaii First Federal Credit Union

Kamuela, HI

OSCUI Profile: Low-income designated; Small

Hawaii First Federal Credit Union's (HFFCU's) Save First Program began with the Kid's Savings Statewide Pilot Project implemented at the University of Hawaii at Manoa. In 2010, HFFCU used its experience from the pilot to design its own Save First Program.

“With the support of our Native Community Development Financial Institution (CDFI) designation and grant [from the CDFI Fund], we developed a program to focus on meeting two goals,” reports Mary Ann Otake, Vice President of Operations and Development at HFFCU. Goal #1 was for each student to make six deposits during the school year to develop a savings habit; goal #2 was for the student to save a minimum of \$30. HFFCU provided a \$20 matched incentive per account to student who met both goals.

“We noticed many parents weren't expecting to open a credit union savings account for their child and therefore were hesitant to participate even with the cash incentive,” recalled Otake of the initial response to the product. HFFCU overcame that obstacle by only requiring parental consent for students to participate in the school year program. “At the end of the school year, we offered a Save First Summer Special which would allow a two month window for a student and parent to visit a branch to open an account and transfer their school savings.” HFFCU provided an additional \$20 incentive for students who completed the transfer. Since the program began, HFFCU has added more than 100 new youth accounts per year.

“We set out to reach five schools, reaching low-income and Native communities, and today we are in eight schools, including a pre-school!” exclaimed Otake. “This program has definitely proven effective in lowering the credit union's membership age....Our value proposition at the beginning of this journey was to educate the youth teaching them the importance of saving early and regularly has also supported HFFCU's efforts in building long-term, loyal members. Our Save First students inspire their parents, grandparents and siblings to open an account at HFFCU and actively use our many services!”

For more information about HFFCU's programs to support community revitalization and economic development, contact Mary Ann Otake, HFFCU's Vice President of Operations and Development by email at marvann@hawaiiirstfcu.com.