

# CALIFORNIA



## 2011 STATISTICS

- ▶ **9,061** members received formal financial counseling
- ▶ **8,927** hours spent on formal financial counseling
- ▶ **\$533,000** estimated spent on financial education programs (Excluding staff time)
- ▶ **637** financial seminars for adult members
- ▶ **907** adults joined a credit union after attending a seminar
- ▶ **1,539,397** members received education on foreclosure prevention or loss mitigation
- ▶ **2,273,245** members received education on money management
- ▶ **1,828,468** members received information on saving accumulation
- ▶ **638,101** members received information on small business planning
- ▶ **1,211** classroom presentations to **33,719** students
- ▶ **2,818** students became credit union members after attending classroom presentation
- ▶ **59** Reality Fairs
- ▶ **4,810** students participated in those Reality Fairs; **30** joined a credit union



California's credit unions continue to provide numerous resources, tools, and educational opportunities to help their members and the communities they serve weather the financial storm.

Among the many success stories, a few highlights:

**Educational Employees CU's** "Wise Up!" program provides high school students a hands-on opportunity to develop good financial management skills. First, students develop a household budget based on the career they choose and net income they'll receive. In the interaction section, they visit eight stations, including a credit union. The program—launched in 2009—has reached more than 12,000 students—including 4,527 at 17 "Wise Up!" events in 2010. It has been presented at schools as well as organizations such as Boys and Girls Club.

**Meriwest CU** established its "Financial Education for All" program in 2007 to provide financial information to families struggling as the economy started to decline. As the recession deepened, Meriwest made the program a regular part of its educational offerings. It provides education in managing credit, budgeting, managing checking accounts, and preventing identity theft. More than 6,300 area individuals have taken part in the workshops; nearly 2,000 adults and students so far in 2011.

**San Mateo CU's** Individual Development Account program has helped more than 180 families complete financial literacy training, open savings accounts, and build assets. Combined, they have completed more than 2,000 hours of San Mateo's financial literacy training, and invested more than \$285,000 in asset building, including post-secondary education, retirement, small businesses, and home ownership.

**Southern California Postal CU** CEO Christine Haley and VP Ken Peterson work with members to develop budgets and debt reduction plans as well as introduced an envelope program for those financially overwhelmed. In the program, members detail their expenses—groceries, utilities etc.—and envelopes are created for each one. On payday, SCPCU puts cash in each envelope. That's all the member can spend. The member also must put money in savings—even if only \$5—this helps to create an emergency fund. Only a few members have used this, but it's worked well—some have even stayed with the system long after necessary.

### LOOKING TO THE FUTURE...

The Richard Myles Johnson Foundation, the state foundation for credit unions in California and Nevada, is planning to introduce Reality Fair events in both states, starting in 2012. These events will teach young people financial basics through interactive sessions.



**RICHARD MYLES JOHNSON**  
**FOUNDATION**  
BUILDING LEADERS & FINANCIALLY SOUND CONSUMERS

## Award-winning Efforts!

Recent accolades for California credit unions include:

### 2011 State Desjardins Award

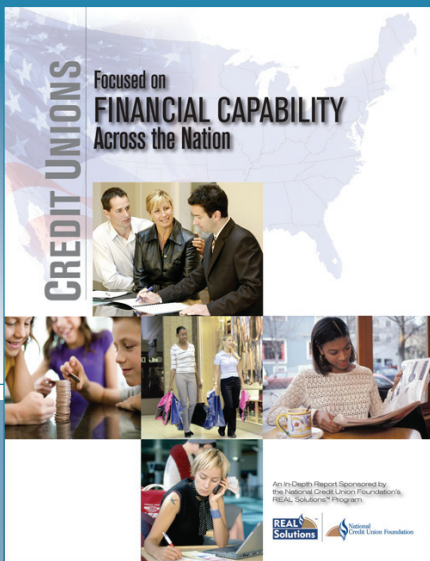
- ▶ First-place Desjardins Youth Financial Educational Award (\$500-plus million-asset category)—Educational Employees CU
- ▶ Second place—Redwood CU
- ▶ Honorable mentions—Meriwest CU and Provident CU
- ▶ First-place Desjardins Adult Financial Educational Award (\$500-plus-million category)—Patelco CU
- ▶ Second place—SAFE CU
- ▶ Honorable mention—San Mateo CU

### 2011 Richard Myles Johnson Beacon Awards—highest honor by state foundation for credit unions in California and Nevada

- ▶ Recipient—Educational Employees CU
- ▶ Finalists—Boulder Dam CU (NV); Meriwest CU, and Redwood CU

### 2011 Community Outreach Award

- ▶ Individual recipient—San Mateo CU Financial Education Specialist Richard Villareal
- ▶ Credit union recipient—The Golden 1 CU



## About Credit Unions

- ▶ Credit unions are not-for-profit financial institutions that adhere to cooperative principles.
- ▶ As of December 2010, 92.6 million U.S. consumers were member owners of 7,605 credit unions across the country.
- ▶ Earnings are returned to members in the form of lower loan rates, higher interest on deposits, and lower fees.
- ▶ Credit unions serve members who have a common bond such as employment, association membership, or residence in a particular geographic area.
- ▶ Every credit union is governed by a board of directors, elected by and from the credit union's membership. Board members serve voluntarily.
- ▶ Congress exempts credit unions from federal income taxes but credit unions are subject to payroll, sales and property taxes.
- ▶ Credit unions are democratically owned and controlled institutions with a "people helping people" philosophy. Each credit union member has equal ownership and one vote.
- ▶ Credit unions assist members in becoming better-educated consumers of financial services.
- ▶ Credit unions are a small but significant presence in the financial services industry. Credit unions hold approximately 6.7% of household financial assets.

Source: Credit Union National Association, Inc.

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# ACROSS THE NATION

In an effort to capture the depth and breadth of existing financial capability programs, the National Credit Union Foundation (NCUF) and its REAL Solutions™ program conducted a comprehensive national study of credit-union provided member and consumer financial education and counseling. The data derived from this study quantifies the extent to which credit unions are providing opportunities for consumers to advance their financial knowledge and decision-making skills.

The data on which this report is based was collected through an online survey of U.S. credit unions. *Credit Unions: Focused on Financial Capability Across the Nation* features an analysis of information submitted by 576 credit unions of all sizes from 45 states. These credit unions represent 8% of all U.S. credit unions, and 27% of all U.S. credit union memberships as of December 2010.

In 2010, credit unions invested millions of dollars to provide financial education and counseling programs that touched millions of lives:

- ▶ **1.6 million** consumers received financial counseling and/or advice through a credit union.
- ▶ Credit union representatives presented more than **24,000** educational sessions to over **600,000** students in classrooms across the nation.
- ▶ **111,500** student members had **\$34 million** on deposit at **1,400** in-school credit union branches that encourage savings and connect financial education with financial access.
- ▶ **1.2 million** members visited or used a credit union online educational tool, resource and/or course and generated tens of millions of page views.
- ▶ **85,000** teens and young adults participated in **1,200** experiential learning events organized or provided by credit unions. Experiential learning provides participants with a taste of the real financial world in a safe and controlled environment.
- ▶ Between **19 and 24 million** credit union members have access to education and/or counseling that deals with the five individual Financial Literacy and Education Commission (FLEC) core concept categories. Credit union financial education/counseling content is designed to develop proficiencies regarding spending, saving/investing, borrowing, protecting, and earning/income.
- ▶ Credit unions invested **\$140 million** during 2010 toward improving the financial capability of members and consumers in general. Whether it be through grants, human resources or budgeted financial resources, credit unions invest heavily in member and consumer financial education/counseling.

The National Credit Union Foundation believes that access to financial products and services should always be accompanied by educational opportunities. In particular, NCUF encourages behavior change through experiential learning and one-on-one counseling/advice. This link between education and impending opportunities to make financial decisions enables people to take action based on newly gained knowledge, resulting in more financially capable and secure consumers.

*Credit Unions: Focused on Financial Capability Across the Nation* represents one of several ongoing projects to assist credit unions with educational program development, measurement, and implementation. In the coming years, NCUF and REAL Solutions™ will continue to gather and publish data about credit union provision of financial education/counseling.

To learn more about the **National Credit Union Foundation** and REAL Solutions™, please visit [www.ncuf.coop](http://www.ncuf.coop). A copy of the full report, and individual state supplements can be found at the **REAL Solutions™ Impact Center** at [www.realsolutions.coop](http://www.realsolutions.coop).

