

# GEORGIA



## Credit Unions Offer REAL Hope for Georgians

Georgia credit unions are engaged in an aggressive outreach campaign to explore new ways to serve Georgians with middle-class aspirations. In essence, credit unions are continuing a legacy of “people helping people.” As the U.S. economy shifted at the onset of the Great Recession, credit union leaders recognized a growing need among the broader population in the Peach State—a need for not only transaction accounts and products, but for financial education at all levels. This need requires a focused approach on assisting the employed, displaced, underserved and working poor to achieve the aspirations associated with middle-class status in America.

### 2010 Statistics

- ▶ **4,830** hours given by CUs to provide financial advice to members
- ▶ **279** classroom presentations for students
- ▶ **7,346** participating students
- ▶ **196** financial seminars conducted for adults
- ▶ **3,605** participants in financial seminars for adults
- ▶ CUs partner with **26** community organizations, non-profits and government agencies
- ▶ **90%** of Georgia CUs participated in community outreach endeavors
- ▶ **\$1.2 million** was raised/donated by Georgia CUs for financial education and other community projects
- ▶ Georgia CUs educated **63,931** consumers/members at CU-sponsored events in 2010
- ▶ **73%** of all Georgia CUs held an educational event in 2010
- ▶ GA CUs held **2,131** educational events in 2010
- ▶ **60%** of GA credit unions offer basic financial literacy/education programs/tools to members of all ages
- ▶ **75%** of GA CUs provide formal financial counseling by an accredited in-house counselor or referral

### Aspirations of the Middle Class

According to a 2010 report by the U.S. Department of Commerce titled “Middle Class in America,” middle class families are defined by their aspirations more than their income. Average incomes for people who call themselves middle class are about \$55,000 per year. But, income is not the sole factor in defining oneself as middle class. The report explains that families at a wide variety of income levels aspire to middle-class status, often defined by home ownership, vehicle ownership, college education for their children, health and retirement security, and occasional family vacations.

In a 2011 survey of Georgia credit union members, 67 percent described themselves as middle class. Interestingly, 46 percent equated “middle class” not with income-related terms, but with lifestyle or aspirational terms, such as “average working family,” “just making it,” “able to live comfortably,” or “nice home, nice car, can pay bills, emergency fund.”

### Educating Georgians at Every Age

Credit unions in Georgia believe that these and other goals can be achieved most effectively with a solid foundation of financial education. From the very youngest to the senior citizens, Georgians are being served by credit unions through a range of financial literacy options offered at credit unions, at community centers, churches, local fairs and festivals, and even in schools.



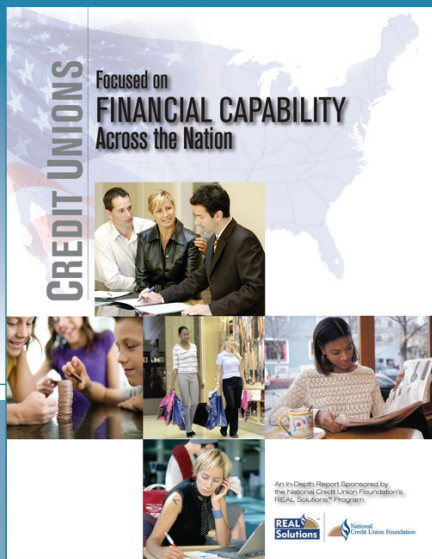
One program that has been adopted by credit unions throughout the state is the Fool-Proof Financial Literacy Program. The web-based program offers online videos, tutorials, and real-life situational instruction to help individuals of all ages learn

responsible financial behaviors. One credit union in Middle Georgia alone has presented FoolProof to over 1,700 students and adults within 14 months.

Collectively, Georgia credit unions are making a difference by providing sound financial education, ultimately helping Georgians achieve their middle-class aspirations.

### In the Spotlight

- ▶ Congratulations to DOCO Regional FCU for receiving a Desjardins Youth Financial Literacy Award
- ▶ In partnership with the Consumer Federation of America, 28 credit unions distributed over 73,000 brochures to educate members about fake check scams.



## 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).

