

HAWAII



Kaumakani FCU loan officer Jodi Farias taking a deposit from a student at Eleele Elementary school. Kaumakani FCU participates in the Kids Savings Project program.

2010 Statistics

- ▶ **2,878** CU members and **3,000** non-members received **2,600** hours of financial counseling
- ▶ **16,060** members received **12,110** hours of informal financial advice
- ▶ **432** members entered into a debt management program
- ▶ **242** members established a mortgage work out option
- ▶ **3,405** students participated in one of **168** classroom presentations
- ▶ **2,520** adults attended one of **112** financial seminars
- ▶ CUs partner with **29** schools, community groups and government agencies to provide financial education
- ▶ **9** CUs spent **\$218,000** (excluding staff time) on financial education and counseling programs



Hawaii First FCU staff assisting a member in their Community Resource Center.

The Hawaii credit union movement is firmly rooted in island values of ohana (family), laulima (working together), and lokahi (harmony within the group). Hawaii credit unions serve members spanning across the islands from Kauai to the Big Island. Programs range from offering one-on-one financial counseling services, to providing assistance, to helping local schools educate children on the basics of financial wellness. Many Hawaii credit unions use multiple resources to reach their members such as providing interactive online tools, offering financial counseling courses, and working with community organizations to form partnerships for addressing specialized needs of credit union members and the community at large.

Four Hawaii credit unions were recently award grants from the U.S. Treasury Department's Community Development Financial Institutions (CDFI) Fund. Over \$1.7 million in grants from the CDFI Fund went to credit unions with a primary mission of serving native communities increase their lending services and financial products as well as to build internal capacity to serve target markets.

Hawaii credit unions currently service 636 students who have accounts at student branches. With the help of credit union mentors, 87 students have worked in one of the student branches gaining knowledge to work in various positions to include tellers, managers, and marketing specialists. Some students have taken training courses to help assist in Volunteer Income Tax Assistance sites during the tax season.

In 2008, an assistant professor at University of Hawaii, Dr. Michael Cheang, began a pilot program called Kids Savings Project. He formed partnerships with Hawaii credit unions and local schools to help establish a program to start a pattern of saving among the kids. As of June 2011, over 1,100 children have saved over \$115,000 through the partnership of nine credit unions and eighteen public elementary schools throughout the State of Hawaii.

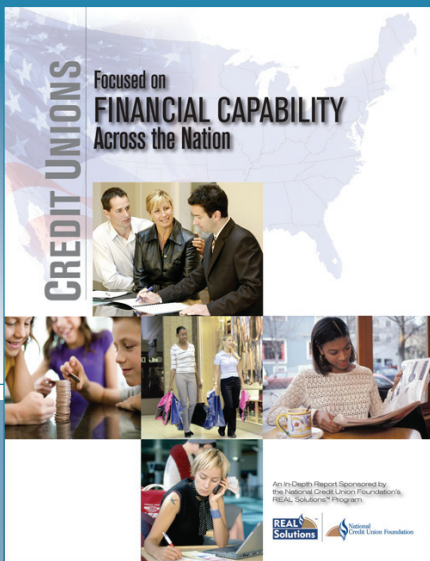
Hawaii credit unions continue to strengthen and grow in areas to reach those that want financial education to improve their lives. Through partnership with local and national agencies, credit unions continue to assist families learn and gain knowledge to make better informed decisions about their finances.

Credit Union Members With Access to Financial Counseling (by topic)

25% of Hawaii consumers and 38% all Hawaii credit union members have access to foreclosure prevention and pre and post purchase homebuyers counseling services through a Hawaii credit union.



Base is Hawaii credit unions (representing 47% of all credit union memberships in Hawaii)
Source: 2011 Credit Union Member Financial Education Inventory published by NCUA's REAL Solutions™ Program



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. A copy of the full report, and individual state supplements can be found at the **REAL Solutions™ Impact Center** at www.realsolutions.coop.

