

IOWA

Iowa's credit unions employ several strategies in providing financial education to their members, as well as non-members in their communities.

Several credit unions target specific age groups, particularly at the high school level. Other credit unions in Iowa have had great success targeting a specific demographic, such as Hispanic consumers, and provide financial education that is culturally relevant and designed specifically for these consumers. Many credit unions have developed bilingual marketing materials, specifically designed to educate members on financial topics.

Many Iowa credit unions take advantage of regional or statewide financial education initiatives, such as Money Smart Week Iowa, a project of the Federal Reserve Bank of Chicago. MSW Iowa is a week-long, annual program to promote financial education to Iowans through educational events and contests for students.

Several Iowa credit unions choose to partner with local, nonprofit organizations to offer financial education. These partnerships help credit unions achieve additional community outreach and are a strong example of "people helping people."

Specific examples of Iowa credit unions providing financial education include:

University of Iowa Community Credit Union – offers a menu of financial education "lunch and learn" sessions to local businesses and schools. U of I has a portal designed specifically for students, including written and recorded information.

Greater Iowa Credit Union – strategically built relationships with Iowa State University as well as a local high school and created an offering called "Project Money." Twenty high school students compete for a scholarship based on financial education projects designed by and presented by students. The credit union sponsors a "financial literacy night" at the high school.



Ascentra Credit Union – sponsors Banzai! In local high schools in Iowa and Illinois and offers employees as "experts" in the classroom. Ascentra has one employee dedicated to financial literacy programming.

Cedar Falls Community Credit Union – has an in-school branch in a local junior high school and participates in financial education initiatives at the school.

2010 Statistics

- ▶ **945,208** Iowans belong to a credit union
- ▶ **3,490** members received informal financial advice
- ▶ **32,745** hours were spent on financial counseling of members
- ▶ **2,632** members entered into a debt management program
- ▶ **160** members established a work out option for their mortgage
- ▶ **104** Classroom presentations were conducted for **2,527** students
- ▶ **793** seminars were conducted for **9,120** adult members



Photo Credit: Dave Kettering, Dubuque Telegraph Herald

In the Spotlight

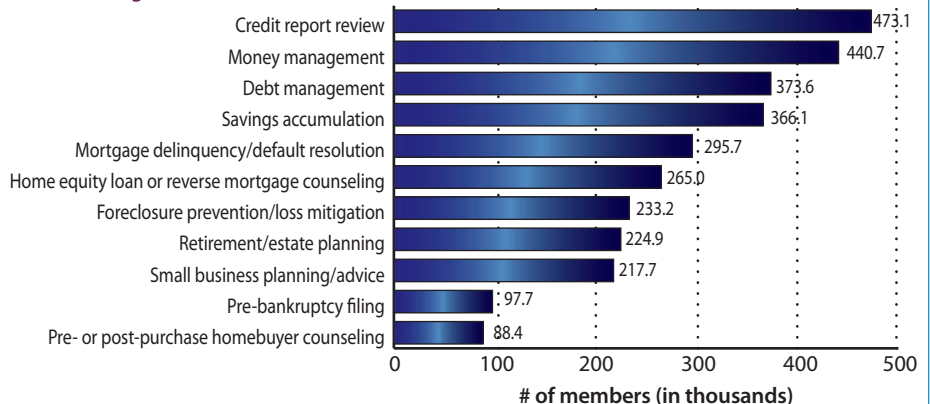
Match Savings Accounts Assist Low Income, Working Iowans

Iowa credit unions offer these accounts to help Iowans learn how to manage their money and save for a specific asset purchase. As of May 2011:

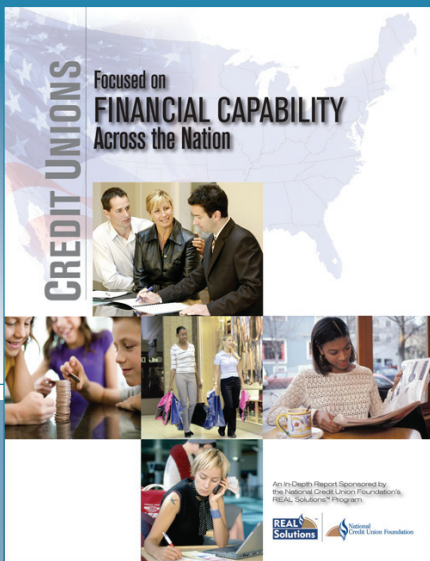
- ▶ More than 46 assets have been purchased;
- ▶ Average monthly deposit is \$130;
- ▶ More than \$170,000 has been saved by participants; and
- ▶ More than 120 families have been assisted.

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

15.5% of Iowa consumers and 50% all Iowa credit union members have access to credit report review through a Iowa credit union.



Base is Iowa credit unions (representing 50% of all credit union memberships in Iowa)
Source: 2011 Credit Union Member Financial Education Inventory published by NCUF'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.

