

# LOUISIANA



Helping members and potential members, especially youth, develop healthy financial skills to make sound decisions is a focus for many Louisiana credit unions. The following three credit unions exemplify some of those efforts.

**Lafayette Schools' Federal Credit Union** has presented over 30 classroom presentations in area elementary, middle and high schools through which it has reached 1,000 students. The primary emphasis in these presentations is to help students develop strong money management skills, says Brian Leger, Marketing Director for the credit union. "We spend a lot of time talking about needs versus wants and using credit wisely," explains Leger. The credit union has a strong partnership within the parish school system, with key contacts for each school.

In addition, the credit union has a school branch within Acadiana High School. The branch is open three days a week and high school students act as tellers. Students train during the summer prior to the school year and receive school credit for their work. "Several of these students have gone on to college and work at the credit union while in school," says Leger. "They are a great source for experienced employees." Recently the credit union established a Youth Advisory Board comprised of students from the high school. Monthly meetings are held to learn what students want from a financial institution.

**Campus Federal Credit Union** serves Louisiana State University (LSU) as its primary sponsor. As a state run institution, LSU has suffered budget cuts as part of the state's economic struggles, according to Ron Moreau, VP of Business Development & Community Relations for the credit union. As a result, faculty and staff haven't seen a pay increase for three or four years. Financial education seminars focus on budgeting, debt consolidation, and improving/establishing credit. The credit union has made 79 classroom presentations to over 2,800 students. Each presentation is tailored to the needs of the group. "The main emphasis," says Moreau, "is to build trust and to explain the credit union difference from other financial institutions. A lot of staff personnel are living paycheck-to-paycheck and there is a lack of trust in financial institutions."

The credit union also provides an on-line Money Coach resource for people who want personalized solutions in the privacy of their homes. Over 7,600 visits have been made to the on-line resource center. The site includes a financial well-being calculator so a person can measure his/her wellness scale.

**Neighbors Federal Credit Union** tries to teach financial education in a way that touches people lives. Ann Marie Erie, Community Outreach Coordinator, uses her degree in psychology and sociology to reach all age groups when teaching money skills to kids and adults. "I try to be as interactive, as possible," says Erie. "When teaching needs versus wants with pre- and early-schoolers, I hold up placards of things like a toothbrush or a puppy, and the kids give a thumbs up sign if it is a need or hold their hand over their heart if it is a want." Third to fifth graders learn the concept of credit as a promise to repay money. Students roll-play borrowing money from a friend and explore how the friends would feel about each other if the money is repaid as promised, as well as how they would feel if the money was not paid back on time as promised. "The kids begin to grasp the importance of keeping promises and the disappointment and lack of trust that comes from being deceived."

Erie has made 110 presentations to 3,300 students in all grade categories. High school students tackle budgeting based on financial situations which include eight levels of educational attainment and standard monthly expenses. Each group reports how much "extra income" they have after paying bills, including student loan payments. Students are surprised that leaving high school without a diploma results in negative cash flow even with only necessary expenses. "I try to emphasize the importance of staying in school and graduating with a high school diploma," states Erie.

The Louisiana Credit Union League applauds all of the efforts of its credit unions in extending financial education to their members. "Ours is a state still reeling from natural and economic disasters," states Connie Major, EVP for the league. "Financial education is critical to help our households re-attain paths to financial well-being."

## In the Spotlight

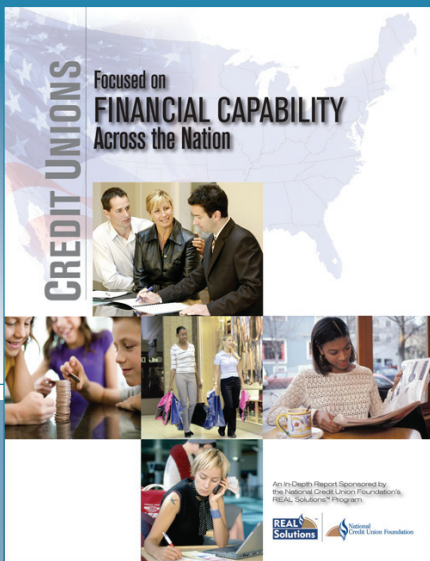
The Louisiana Credit Union League congratulates the following Desjardins Financial Education award-winners:

- ▶ Neighbors Federal Credit Union in Baton Rouge
- ▶ Pelican State Credit Union in Baton Rouge
- ▶ Greater New Orleans Federal Credit Union in Metairie



Louisiana  
Credit Union League





## 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).

