

MASSACHUSETTS



A student speaks with representatives from the Retirement Planning booth at the Assabet Valley Regional Technical High School Reality Fair in Marlborough.

Statistics:

- ▶ **351,707** members have access to foreclosure prevention counseling
- ▶ **500,252** members have access to money management counseling and credit report reviews
- ▶ **24,960** members received **15,060** hours of formal and informal financial counseling
- ▶ **1,012** classroom presentations were conducted for **8,620** students
- ▶ **185** financial seminars were conducted for **3,415** adult members
- ▶ **32** Financial Literacy Fairs were conducted for **1,740** students
- ▶ CUs partner with **41** community partners and government agencies
- ▶ CUs spent an estimated **\$435,500** on financial education programs



A teacher reviews a student's budget at the CU 4 Reality™ Financial Education Fair sponsored by six credit unions in the Fitchburg area.

In the Spotlight

- ▶ **HarborOne CU** received a financial education grant from the Fireman Foundation and were awarded the 2010 Herb Wegner Memorial Award for Outstanding Program

Massachusetts credit unions have a long, proud history of providing members and consumers with the financial education tools needed to make sound decisions – from offering counseling and assistance with financial difficulties to presenting programs in the community, providing classroom education to students, and making interactive online tools available.

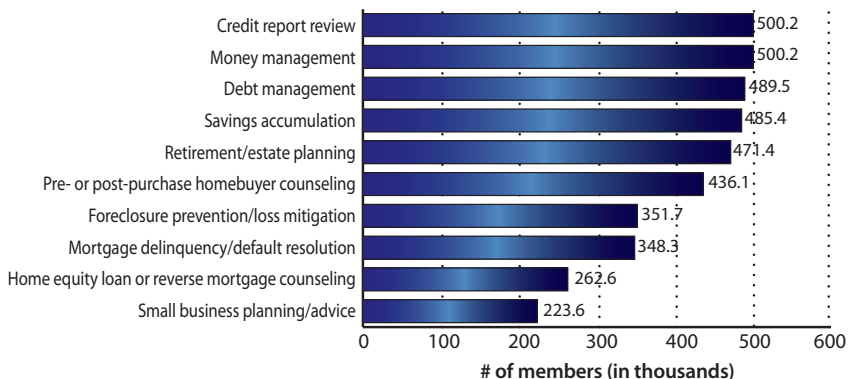
Because young members represent the future, it is fitting that credit unions take the leadership role in proactive education and information sharing to protect their interest and advance their future as young, responsible citizens. Financial literacy fairs began in Massachusetts more than ten years ago with the Credit For Life Fair developed for high school. This one day fair is an interactive model for managing money based on a student's career choice and lifestyle decisions. The concept was expanded by America's Credit Union Museum with the establishment of the CU 4 Reality™ Financial Education Program directed at middle school students. The CU 4 Reality™ program includes a comprehensive curriculum originated and taught by teachers with assistance from credit unions that culminates with the CU 4 Reality™ Fair. Taking students into the world of financial decisions lets participants see, touch, and experience budgeting and spending on their own terms in a simulated real-world setting. Through creating personal budgets and allocating dollars for food, clothing, housing, utilities, transportation expenses, and more, students can begin to shape intelligent thought processes and develop a sound appreciation for money that can be built on in future school years.

As cooperative, member-owned, financial institutions, Massachusetts credit unions remain dedicated to the financial well-being of their members and continue to pioneer financial literacy efforts that empower future generations to make informed decisions through the use of cooperative efforts to promote thrift and sensible use of credit. Currently, a group of credit union professionals are working with the Massachusetts State Treasury to advance financial literacy fairs within the Commonwealth through the creation of a Financial Literacy Fair Tool Kit. Financial education is a solid fit for the promotion of thrift and the mission of all Massachusetts credit unions.

Helping members with basic or advanced financial principals or struggles, through formal or informal financial counseling, resonates loudly in response to the economic downturn. Credit unions, together with local financial counseling agencies, can guide members on a new path to financial success through educational programs, interactive tools, informal assistance, and personalized financial counseling. This year, the number of certified financial counselors will increase as a number of Massachusetts credit union professionals participate in the FiCEP certification program.

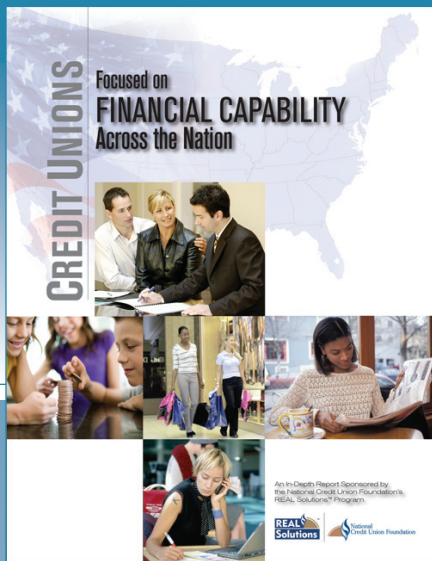
Credit Union Members With Access to Financial Counseling (by topic)

7.8% of Massachusetts consumers and 20% all Massachusetts credit union members have access to money management counseling and credit report review services through a Massachusetts credit union.



Base is Massachusetts credit unions (representing 22% of all credit union memberships in Massachusetts)
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.

