

# OHIO

## Driven by Philosophy

Credit unions in Ohio believe providing financial education to the communities they serve is a crucial component of the *People Helping People* philosophy that drives the Credit Union Movement. Due to the difficult economic climate, credit unions are stepping up their efforts as leaders in providing financial education by teaching students how to become budget-conscious consumers and savers.

## Creating Smart, Savvy Consumers

Providing individuals with the financial education needed to become savvy consumers creates a win-win situation for the member, the community, and local businesses. Teaching personal financial responsibility rates high on credit unions' list of business priorities because financially-savvy consumers are more likely to make sound decisions, positively impacting the local economy.

Ohio's credit unions utilize an array of tools to engage their members and communities, such as:

- ▶ classroom presentations;
- ▶ financial literacy workshops and seminars;
- ▶ financial reality fairs;
- ▶ free online tools for educators, parents, and students;
- ▶ one-on-one financial counseling;
- ▶ student-run credit unions; and
- ▶ youth summer camps.



## Teaching Sound Financial Habits

Credit unions in Ohio continue to develop and strengthen two hands-on financial education opportunities for students: financial reality fairs and student-run credit unions. Both tools help students bridge the gap between textbook lessons and real-life experiences, making the learning process more effective.

**Financial reality fairs** allow students to experience the highs and lows of a monthly spending plan by addressing real-life scenarios. Students use assigned incomes to pay for housing, transportation, medical bills and/or insurance, student loan debt, family obligations, and other matters that accompany financial independence. To make the experience more realistic, credit scores are used to approve or deny loans and determine interest rates.



**Student-run credit unions** provide students with an opportunity to expand upon the information they receive in the classroom. Credit union employees train students to run the student branch, including operational duties such as accepting membership applications, creating marketing materials, processing deposits, developing youth product/services, and conducting peer-to-peer financial education. Students selected to work at a student-run credit union, whether through a class or cooperative education experience, learn about the credit union philosophy while gaining valuable employment skills.

Financial reality fairs and student-run credit unions provide students with a better understanding of the core financial skills needed to be a smarter consumer: budgeting, savings, and wise credit usage.



## 2010 Statistics

- ▶ 1,132,473 members have access to credit report reviews
- ▶ 1,072,807 members have access to money management counseling
- ▶ 37,059 members received 33,318 hours of informal financial counseling
- ▶ 44,193 students participated in 1 of 1,682 classroom presentations
- ▶ 7,287 adult members participated in 1 of 471 seminars/workshops
- ▶ 14,293 students participated in 1 of 319 reality fairs

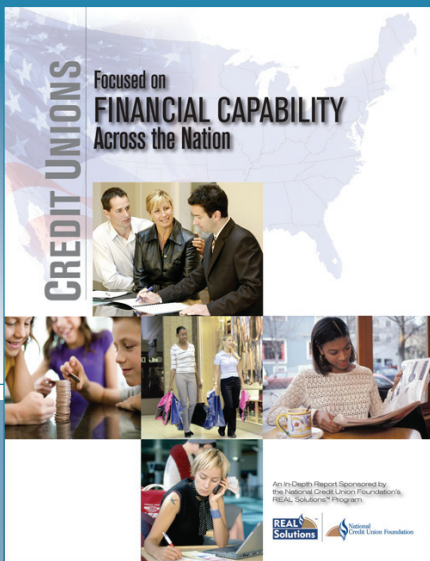
Statistics and information are gleaned from the 2011 Credit Union Member Financial Education Inventory. Responding credit unions represent 1,270,908 (47%) of the 2,684,326 credit union members in Ohio. Credit unions who responded vary in membership size from 128 to 198,742 members.

## In the Spotlight

The Ohio Credit Union League congratulates 2010-2011 state Desjardins Youth Financial Education Award winners:

- ▶ Classic Federal Credit Union in Amelia
- ▶ Day Air Credit Union in Kettering
- ▶ Fiberglas Federal Credit Union in Newark
- ▶ Harvest Federal Credit Union in Heath
- ▶ Unity Catholic Federal Credit Union in Cleveland





## 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).

