

VERMONT



With the onset of the 2008 economic crisis, the Association of Vermont Credit Unions (AVCU) went to work to help its credit unions respond to their members' financial struggles. The Association's Social Responsibility Committee approved using Vermont's share of Community Investment Fund dividends to bring CUNA's Financial Counselor Certification Program (FiCEP) to member credit unions in the state. One full set of the eight-module program was purchased for each enrolled credit union at no cost to the credit union. In addition, AVCU hired Ken King, a trainer for CUNA's FiCEP schools, to develop a curriculum for each module, to facilitate bi-weekly conference calls and to provide a one day seminar with the student group to give them the face-to-face skills they need to work more effectively with members.



A total of 32 students from 18 of AVCU's member credit unions enrolled in the initiative. Several credit unions recognized the benefits of bringing FiCEP to Vermont and enrolled more than one student at their own cost. Eighty percent of the students completed FiCEP in 2010, passed their exams, and achieved their Certified Credit Union Financial Counselor designation. Recertification is required every three years and AVCU is developing plans to assist students with that process.

It was the innovative work of John Cote, Director of Information Services at AVCU to transform FiCEP from a CUNA school or self-study program to a more economical and user-friendly learning process. Today, the concept developed by AVCU has become a national initiative for the National Credit Union Foundation.

In late 2009, AVCU created a full-time financial literacy instructor position through a two-year grant from the U.S. Small Business Administration. Colin Ryan is the creator and project manager of **Economy of Me**, which combines humor with money management skills. Economy of Me (www.economyofme.com) has become the financial literacy program of Vermont's credit unions, offering assembly and classroom presentations in high schools all over the state. The mission of the program is to get teens to care about and understand their personal finances, so they grow up to be more responsible, successful and happy adults.

Ryan's goal is to get students laughing so they start paying attention to his message, which he summarizes as: "Your ability to manage your money directly affects your ability to have the life you want; your inability to manage your money will keep you from that happiness." Students have responded very positively to his presentations. Over 6,000 students have heard Ryan's message at 105 presentations.

An example of a Vermont credit union that demonstrates its commitment to financial education is New England Federal Credit Union. It offers financial information in multiple mediums such as written articles, online seminars, videos, podcasts and interactive calculators so that it can appeal to all learning preferences. Young adults who complete the credit union's RightTrack online financial seminar series can open checking accounts and obtain Visa debit and credit cards. NEFCU averages 1,400 visitors a month to its financial education resources online, according to Susan Zahn, Business Development Manager for the credit union.

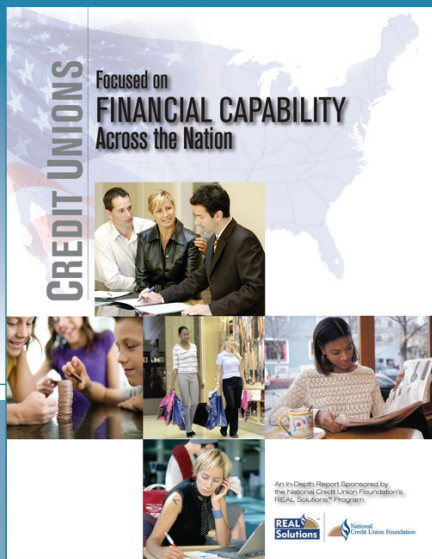


In addition, the credit union runs 65 to 70 seminars each year, reaching 1,400 people, through its Member Education Center and offers classes at some of its local colleges.

In the Spotlight:

AVCU is thankful to Ken Picard of Seven Days, Vermont's second largest weekly newspaper, for its feature, "Funny with Money," (<http://www.7dvt.com/2011colin-ryan>) which brought statewide awareness to AVCU's financial literacy efforts.

As a result of AVCU's FiCEP model: "We are on target to successfully train over 200 certified credit union financial counselors. Credit unions in the program are reporting that demand for financial counseling and education is increasing dramatically and they are quickly finding members eager to take advantage of these trained counselors and educators," reports Mark Lynch, Field Coach overseeing NCUF's FiCEP national initiative.



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.

For more information, contact:
 Lois Kitsch, CUDE & National Program Director
 National Credit Union Foundation
 5710 Mineral Point Road
 Madison, WI 53705
 Phone: 407.616.2409
lkitsch@ncuf.coop

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.

