

# Credit Unions



MORE THAN 85 MILLION CONSUMERS are members of the nation's 9,750 credit unions. They are democratically owned and controlled institutions based on a "people helping people" principle. That principle extends beyond financial services, however. Credit union employees and members are active volunteers in their community. They contribute time and money to charities like the Children's Miracle Network, Habitat for Humanity and the National Child Identification Program. As businesses, credit unions also contribute thousands of jobs to the community while they improve financial education and promote homeownership. Here is a sampling of how credit unions assist their communities.

## *Caring for the Community*

### **Partnership To Serve Hispanics,**

Washington, D.C. Three Washington-area credit unions joined forces to offer better financial services to the area's large Central American population. The District Government Employees Federal Credit Union, Organization of American States Staff Federal Credit Union, and IDB-IIC Federal Credit Union have formed a service organization to provide check cashing, money transfer and other services aimed specifically at Latino immigrants. These efforts were highlighted in the *Washington Post*.

### **Maine Credit Union League,**

Westbrook, Maine. The Maine Credit Union League fights hunger in a big way. An annual fundraising drive collected \$209,000 in 2004 for hunger-oriented community programs.

## *Credit Unions' Role in New York's Economy*

Credit unions have less than two percent of the financial market in New York but directly and indirectly contribute more than \$4 billion to the state's economy, according to a study commissioned by the New York Credit Union League.

According to the study, unveiled in June, credit unions directly account for 9,000 jobs, \$305 million in taxable wages, and \$2.5 billion in gross state product. Add to those numbers the indirect economic contributions made from firms that supply products and services to credit unions and the totals rise to 30,000 jobs, \$610 million in taxable wages and \$4.5 billion in gross state product.

"With credit unions in the marketplace, consumers win, whether they're members or not," said Brian P. O'Connor, the study's author and an independent economist with the New Jersey-based Ridgewood Economic Associates. "More New Yorkers can afford to invest in homes, cars and other assets that increase their quality of life—pumping new life into a lagging economy."

**John Deere Community Credit Union**, Waterloo, Iowa. Diversity is the issue for John Deere Community Credit Union. It has awarded diversity grants since 1999 and expects to present \$25,000 in grants this year. Applicants are non-profit organizations that support diversity efforts in the community. Among last year's grantees was the James & Meryl Hearst Center for a Cinco de Mayo Celebration.

**New York City Financial Network Action Consortium**, New York, New York. The New York City Financial Network Action Consortium is a collaboration between four low-income community development credit unions, formed to help low-income New Yorkers cope with their tax forms. It also makes sure they receive all the tax benefits they are entitled to. In only its second year, the project prepared 1,500 returns and triggered \$2.5 million in Earned Income Tax Credit refunds that otherwise would have gone unclaimed. The four credit unions are Bethex Federal Credit Union, Lower East Side People's Federal Credit Union, Union Settlement Federal Credit Union and Homesteaders Federal Credit Union.

**GTE Federal Credit Union and Suncoast Schools Credit Union**, Tampa, Florida. The two credit unions pledged a dollar-for-dollar match for a National Credit Union Foundation grant to provide homeownership opportunities to first-time homebuyers. The project will foster affordable mortgage lending, homeownership counseling, small business loans and construction financing for community development projects.

**Washington State Employees Credit Union and Boeing Employees Credit Union**, Olympia, Washington. A food co-op and the two credit unions joined forces to create Thurston Union of Low Income People Credit Union, the only credit union in the state specifically serving low-income members. The credit union is housed in the food co-op's eastside store. Washington State Employees Credit Union pledged \$100,000 in deposits, while Boeing Employees Credit Union provided an ATM, along with financial and human resources help.

**Credit Union West**, Phoenix, Arizona. The credit union teamed with Habitat for Humanity to sponsor five hours of personal financial planning for eight families that qualified as Habitat for Humanity homeowners. The training, performed by a financial education non-profit, covered topics including: setting goals, creating a personal financial plan, developing a budget, the need for savings, the responsible use of credit, purchasing a vehicle and avoiding financial pitfalls. Habitat families pay for their home through "sweat equity hours" and must attend classes in home maintenance, home finance, and home ownership.

**Horizons, Sidney, Visions and GHS Federal Credit Unions**, Endicott, New York. Four area credit unions held a job fair at Visions Federal Credit Union offices for 170 employees of the local BSB Bancorp bank who lost their jobs in a merger with Partners Trust Financial Group of Utica, N.Y. A newspaper ad announcing the fair read, "Is your bank being sold? Are jobs going out of town or is your position one of 100s being eliminated? Your local community credit unions would like to help."

## *Committed to Children*

Credit unions recognized the negative impact on the American economy due to the lack of financial education in our nation's schools. CUNA established a partnership with the National Endowment for Financial Education in support of youth financial education in high schools. Today, as the direct result of CUNA, league and credit union involvement, the NEFE program has reached hundreds of thousands of students in nearly 1,000 high schools. Credit unions also joined forces with the Jump\$tart Coalition for Financial Literacy to fund and operate financial education programs for America's children. CUNA's National Youth Involvement Board is another link to youth education resources and ideas that encourage excitement for financial literacy.

**Children's Miracle Network's Credit Unions for Kids** is the charity of choice for America's credit union movement. Through an extensive and diverse nationwide effort of America's credit unions, Credit Unions for Kids raises funds through community activities to benefit 170 Children's Miracle Network affiliated children's hospitals serving 14 million kids. Profits from the annual Credit Union Cherry Blossom 10-Mile Run support children's hospitals through the Children's Miracle Network.

CUNA, leagues and credit unions are partners with the **National Child Identification Program**, the largest child identification effort ever conducted. Since 1997, more than 14 million ID kits have been distributed. The inkless fingerprint kits allow parents to take and store a child's fingerprints in their own home. The FBI, has called the National Child Identification Program's I.D. kits "an unprecedented addition to our current programs and a wonderful benefit to all communities throughout the nation." Credit unions make the kits available to their 85 million members. The partnership is a natural extension of the credit union movement's dedication to community involvement.

**Bank-at-School Programs.** A growing number of credit unions now have branches in schools. Among them:

**Teachers Federal Credit Union** in Farmingville, New York, which is expanding from one to three area high schools. To date, about 600 students have opened accounts.

**Tower Credit Union** in Wausau, Wisconsin, which will open a branch in Wausau West High School this fall for students and faculty. The branch, an outgrowth of the school's long-standing relationship with the credit union, will be run by students and managed by credit union employees.

**State Department Federal Credit Union** in Alexandria, Va., which sponsors a student-run branch in an elementary school. So far, nearly 350 students at Jefferson-Houston School for Arts and Academics have opened accounts. Volunteers from the credit union also teach financial literacy to the school's first and second graders.

**Desert Schools Federal Credit Union**, Phoenix, Arizona. When a February 2004 fire caused extensive damage to a local elementary school, Desert Schools Federal Credit Union donated \$2,500 in textbooks, library books and school supplies to the rebuilding effort.

**Syracuse Fire Department Federal Credit Union**, Syracuse, N.Y. For the past five years the Syracuse Fire Department Federal Credit Union has held a kids carnival that attracts approximately 250 youngsters. Attendees ride ponies, play games and learn fire prevention first hand. The event is free but the credit union collected donations for the burn unit at the local hospital.

**Charlotte Metro Credit Union**, Charlotte, North Carolina. Charlotte Metro Credit Union donated \$13,000 to Victory Junction Gang Camp, a summer camp for handicapped children. The credit union pledged \$10 for the camp for every checking account opened in the fall of 2003. Funds were also raised with raffles, bake sales, and other events.

**Commonwealth Credit Union**, Frankfort, Kentucky. The credit union does a fundraiser for school children whose families cannot afford school supplies. It encourages members to purchase supplies and drop them in bright yellow boxes set up in its branch lobbies and at Wal-Mart. The items are delivered to the local board of education for redistribution to those in need.

**Pennsylvania State Employees Credit Union**, Harrisburg, Pennsylvania. More than 70 employees of Pennsylvania State Employees Credit Union and their family and friends helped run a street fair to benefit the Pennsylvania Court Appointed Special Advocate for Children. The credit union also sponsored a celebrity 3.5K road race. The two events raised \$10,000 for the charity.

**Idahy Federal Credit Union**, Boise, Idaho. Since 1999, the credit union has provided stuffed teddy bears for Idaho State Police to carry in their cruisers. Troopers use the bears when they encounter a child in distress. The program has expanded to include the Ada County Paramedics, and the Boise and Garden City police.

**Star USA Federal Credit Union**, Charleston, West Virginia. Star USA Federal Credit Union hosted a Project Kid Care Photo ID event to provide parents with personal safety IDs in case their child ever is missing. The project was developed nationally by Polaroid Corporation and The National Center for Missing and Exploited Children.

**Professional Federal Credit Union**, Fort Wayne, Indiana. Professional Federal Credit Union made a \$24,000 donation to Riley Hospital for Children in Indianapolis. The contribution was collected during the month-long statewide Credit Union for Kids campaign.