Community Chartered Credit Unions

Role in Community
Created the RCU Foundation

• To give more clarity between giving back to the community and our Members.

• To make an impact in our communities through an increased level of giving.
Established

July 9, 2013
Purpose

• To create a positive impact in the lives we touch.
Focus

• Youth
• Education
• Betterment of community
Funding

• Charity Classic Run/Walk
• Interchange: Two cents per check card swipe
• Considering grants around financial literacy
  – 28 School $ense branches
Contributions

Making a Positive Impact
Eau Claire
Confluence Project

The Confluence
Coming together for the arts
Tri-Angels Playground (River Falls)
CVTC Energy Education Center
(Eau Claire)
Boys and Girls Club (Eau Claire)
Sacred Heart Hospital Foundation (Eau Claire)
Beaver Creek Reserve
Discovery Room (Fall Creek)
UW-River Falls: Falcon Center
The Foundation Process

Work Continues...
Questions

Doug Olson, Chairman
Royal Credit Union
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Establishing and Executing a Credit Union & Non-Profit Affiliate Structure: Hope Credit Union and Hope Enterprise Corporation

Alan Branson
Hope Credit Union / Hope Enterprise Corporation
September 23, 2015
Mission

• Strengthen communities, build assets and improve lives in economically distressed areas in the Mid South by providing access to affordable, high-quality financial products and related services.

• Leverage private, public and philanthropic resources to tackle development hurdles facing low-income communities that cannot be addressed by any one sector by itself.
Quick History

- 1994 - Enterprise Corporation of the Delta started as 501(c)3 loan fund
- 1995 – Hope Credit Union started as church-based community credit union
- 2002 – ECD becomes sponsor of HOPE. Staff is merged. Separate Boards.
- 2004 – New Markets Tax Credit Capitalization / Secondary Capital
- 2005 - Katrina
- 2008-2010 – Hope Credit Union merges three more credit unions.
- 2011 – Brand is unified. ECD becomes Hope Enterprise Corporation.
- 2012-now – Bank Deserts / Expansion
Structure

• Hope Credit Union
  – CDFI, LICU, and CDCU designations
  – Retail, Mortgage and Commercial Lines of Business

• Hope Enterprise Corporation
  – 501(c)3 – CDFI and NWO designations
  – Small Business and Affordable Housing Lending/Development
  – NMTC and LIHTC
  – Project Management / Program Intermediary
  – Hope Policy Institute
Structure (2)

- HEC is sponsor of HCU
- HEC - multiple subsidiaries
  - Capital formation
  - Programs
- One staff
  - Employees of HEC
  - Titles carry across organizations
  - Time allocated based on activity
- Two boards – little overlap
Why?

• Capital
  – Attract various types – grant, loan, equity, deposits
  – Ability to leverage grant / equity / secondary capital
  – Networks, resources, tools

• Mission
  – Strengthen Communities, Build Assets, Improve Lives
  – Primarily lead with financial products / services
  – Ability to work with organizations and individuals
# Roles / Examples

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Challenges / Opportunities

• Challenges
  – Members
  – Brand confusion
  – Mission Confusion – Board, Staff, Funders
  – Examiners / Regulations / Compliance
  – Merger-specific

• Opportunities
  – Impact
  – Growth
Lessons Learned

- Structure
  - Board Relationships
  - Management Capacity
- Examiners
  - Keep them close
  - Define boundaries
- Compliance / Operations Investments
  - Quality Control
  - Emphasis on “How”
- Retail Sales / Service Culture
• Alan Branson
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