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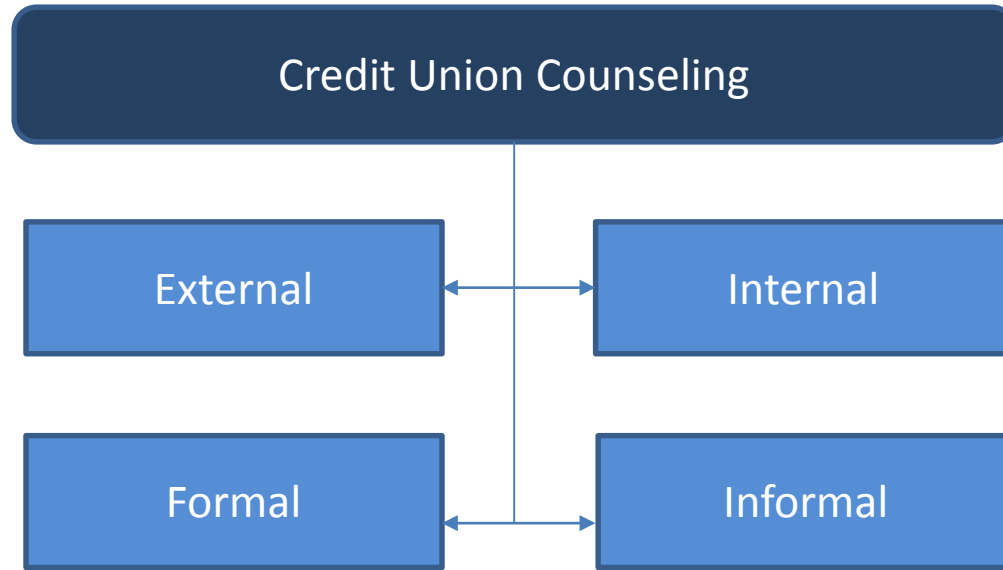
# A Closer Look at Financial Coaching Models Workshop

On the Rise Financial Center  
Guadalupe Credit Union  
New Orleans Firemen's Credit Union

Wednesday, September 13, 2017



# Financial Counseling at Credit Unions

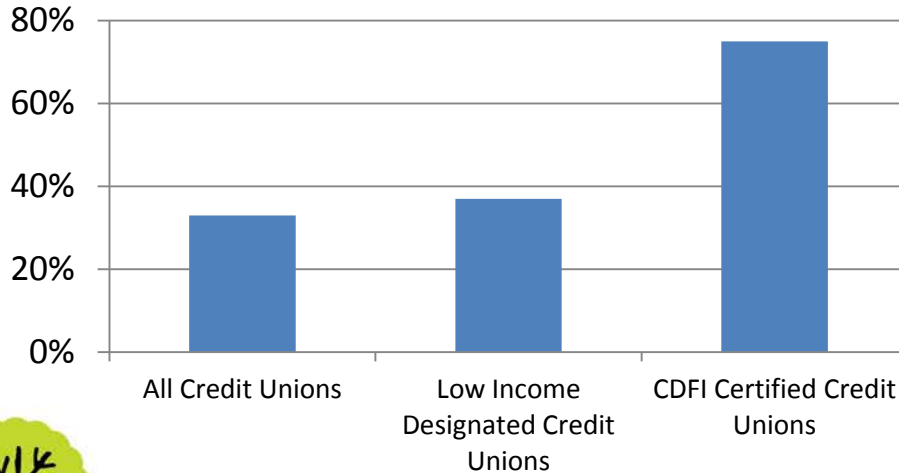


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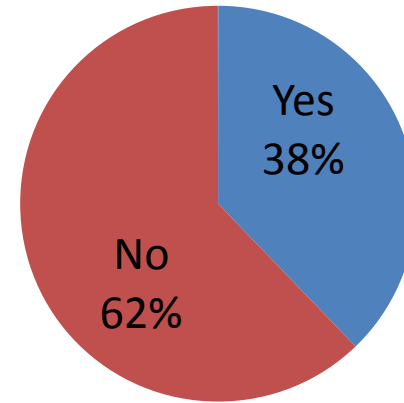


# Who is Offering, Tracking Counseling?

## Percentage of Credit Unions Offering Financial Counseling



## Credit Unions Tracking Results of Financial Counseling?



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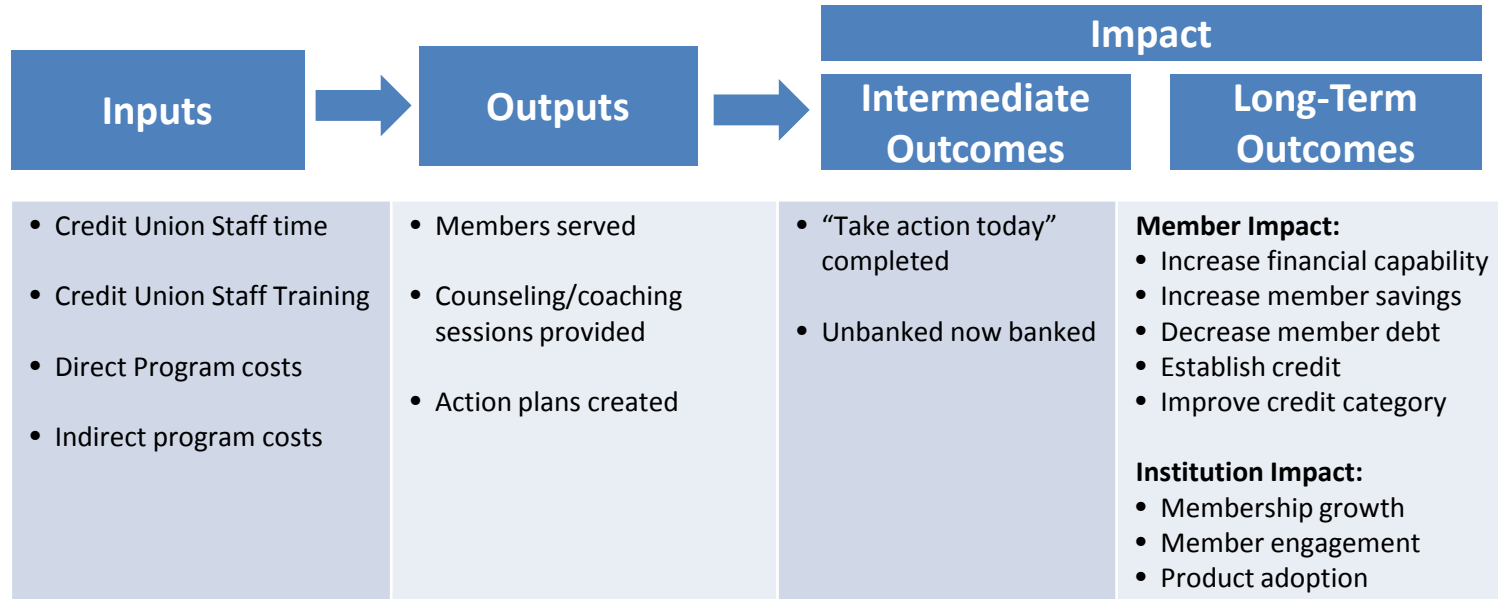
# Promoting Industry Best Practices

Together, the Federation and Neighborhood Trust deliver the Pathways to Financial Empowerment program to:

- Strengthen the credit union financial counseling field
- Combine counseling with financial products
- Track and demonstrate standard impact measures



# Snapshot of Pathways Impact Model



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# Results from 2016 Pilot

**Nearly 1,000 people served**

- 40% of clients opened new products with the credit union

**Over 1,300 counseling sessions held**

**2,800 action steps (TATs) developed**

- 60% of clients accomplished one or more action steps

Clients in counseling 3+ months with follow-up data:

- **29% Increased their savings**
- **61% Improved their credit score**
- 13% improved their credit category
- 37% had a significant reduction in debt
- 50% of “credit invisibles” established credit



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# Counseling at On the Rise Financial Center



**Sheilah Montgomery**

Lead Consultant

[smontgomery@ontherisefc.org](mailto:smontgomery@ontherisefc.org)

**On the Rise Financial Center**



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# Glimpse of On the Rise Financial Center

- The Center is an initiative of the National Federation of Community Development Credit Unions (the Federation)
- We deliver programs, products in partnership with local credit unions, 1st Choice CU, BOND Community FCU, Credit Union of Atlanta, and Peach State FCU.
- The Center is made possible through the support of Equifax, the Arthur M. Blank Foundation, and Invest Atlanta.

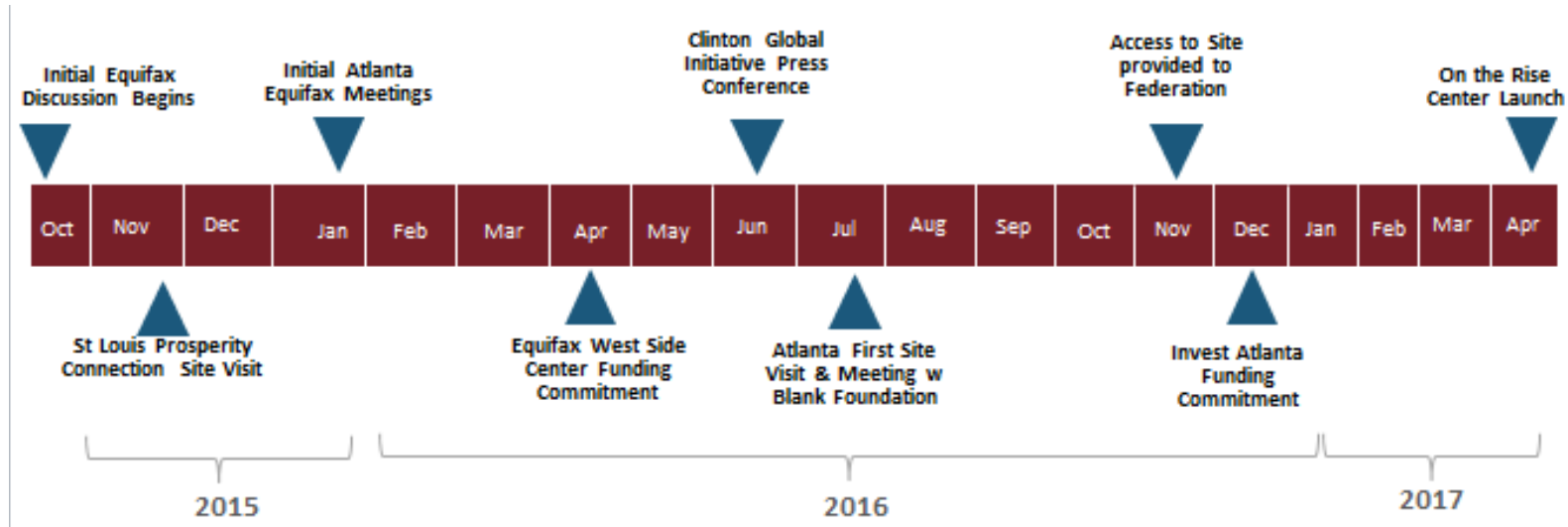


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# The Center in the Making



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# Staffing Model for Service Delivery

- Center Director – leads Center activities
- Lead Consultant – informs strategic initiatives
- CDCU Coaches – deliver individualized coaching
- Office Coordinator – supports administrative duties



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# Success to Date at the Center

- Held 4 homebuyer **workshops** and Financial Awareness Stability Training (FAST) **classes** for Westside residents
- Provided individualized coaching to **10 families and business owners**, leading to new CDCU accounts and financial products
- Team lead in **Westside Economic Inclusion Collaborative (WEIC)** to support financial well-being, small business/entrepreneurship, and economic development
- Engaged in numerous community meetings and presentations to promote financial education and credit union products



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# Counseling at Guadalupe Credit Union



**Diane Sandoval**

Financial Empowerment & Outreach Manager

[dsandoval@guadalupecu.org](mailto:dsandoval@guadalupecu.org)

**Guadalupe Credit Union**



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# Glimpse of Guadalupe Credit Union

- \$160 million in assets
- 19,630 members
- 6 Branches (*3 Santa Fe, 3 in Northern NM*)
- CDFI designated
- Juntos Avanzamos Designation
- 12 Development Educators on staff



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# Financial Coaching Model

- Manager, 2 financial coaches, 3 outreach coordinators which also coach.
- Rural communities, multicultural, reaching the underserved
- Helps grow membership, presence in our communities, identified trends and needs
- Helps manage risk (loan portfolio)
- Builds loyal long-term relationships with members
- Develop community partnerships
- Referrals from internal and external sources



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# Benefits and Results

- Educates members, families and in group settings, including staff
- Helps bring down delinquencies, charge-offs, bankruptcies, foreclosures, repossessions, etc.
- Helps members plan for goals and life events, not only crisis mode
- Allows frontline staff to facilitate daily needs more efficiently
- Developed loan programs, identified trends, works toward solutions with management
- Educated staff on issues that members are facing to help with solutions and empathy
- Outreach expansion, homebuyers classes, Reality Fairs, etc. Seen as a trustworthy resource in the community



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# Counseling at New Orleans Firemen's Federal Credit Union



**Shasta Leininger, CUDE**  
Chief Development Officer  
[shastal@noffcu.org](mailto:shastal@noffcu.org)

**New Orleans Firemen's Federal Credit Union**



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NEW ORLEANS  
**FIREMEN'S FEDERAL**  
CREDIT UNION





# Glimpse of New Orleans Firemen's FCU

- \$162 million in assets
- 9 branches
- 26,500 members
- Located in Southwest LA and MS



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# Financial Counseling Model

- In Branch Model
- One full-time counselor
  - *Branch manager 15 years, Loan underwriter*
- One part time counselor
  - *Regional branch manager*
- Certified Credit Union Financial Counselors



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CREDIT UNION



# Referral Sources

- Declined loans
- Collections
- Branch referrals
- Employees
- External marketing campaigns
- *Referrals emailed to counselors and we follow up within 24 hours*



# Noteworthy Outcomes

- 119 member clients
- 29% reduction in debt
- 68% of take action items (TATs) were achieved
- Total loans originated \$333,629\* in 12-month period

\*Nov 1, 2015 - Oct 31, 2016



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