

Good Neighbors, Good Business

Credit unions don't just help members financially, they also give back to the larger communities they serve.

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Credit unions, it seems, are having a moment. According to the Credit Union National Association, loans have increased 10.2 percent – the most since 2005 – and membership grew 3.6 percent in 2014. That may not sound like much, but it's the biggest jump in members that the industry has seen in 20 years.

As credit unions continue to grow in popularity, these not-for-profit, member-owned financial cooperatives are having a bigger impact on the communities they serve. Giving back is a major priority. Not only do credit unions give members a cost-effective alternative to banks and mortgage companies, but they are also heavily involved in charitable, educational and outreach activities in their communities.

Mike Mercer, president and CEO of the Georgia Credit Union Affiliates and winner of the 2015 Herb Wegner Memorial Award for Lifetime Achievement from the National Credit Union Foundation, believes members respect and value a credit union's involvement in community activities. "Members like to see organizations that are cause-oriented and appreciate their credit union getting involved and improving their lives," he says. "Credit unions are not trying to harvest profits – they are in existence to help you do what you are doing. We are not trying to generate return and deliver it to third-party shareholders; we are trying to help people."

In fact, credit unions in the U.S. were originally founded as a convenience to help employees of government agencies and other organizations, giving them a place to do their banking without leaving the workplace. According to Mercer, as the population grew and corporations expanded, credit unions established branch offices where people live and shop.

Today, Georgia's 134 credit unions serve 2 million members through 450 offices spread across the state. In a 2014 survey, 83 percent partnered with community-based non-profits, raising or donating \$1.68 million for charitable initiatives.

Community Involvement

Helping people is an idea woven into the fabric of Georgia's credit unions. One of the state's largest, Georgia's Own Credit Union, contributed more than 3,600 volunteer hours to various local and national causes last year. To further solidify its commitment to community involvement, it recently sanctioned a volunteer time-off policy for employees to serve their community during the workday. Georgia's Own opened its doors with 6 employees in 1934 and \$160 in assets; today they have 180,000 members and \$1.7 billion in assets.

"Our goal is improved personal financial health and stronger communities, but this goal cannot be achieved through financial products alone," says Dave Preter, president and CEO of Georgia's Own. "It must be complemented by a sincere investment – in time, dollars and other resources – in the communities we serve. Bettering communities through our philanthropic goals and initiatives is a natural extension of our structure."

Founded in 1963 to serve Federal Aviation Administration employees, The Southern Credit Union has grown to serve more than 400 employer groups, from Chick-fil-A and NCR to the National Weather Service. The credit union aims to establish more than a simple financial relationship with its members – it encourages its members to reach out to address needs in the communities it serves, including Newnan, Jonesboro, Fayetteville, Griffin, LaGrange, McDonough and Peachtree City.

The credit union has helped raise more than \$60,000 through its Cancer Wellness Walk, and that's just the start of its giving. In 2014, The Southern Credit Union sponsored the Coweta Chamber Golf Tournament; Fayette County Relay for Life; the Henry County Chamber Belles, Bulls and Bucks event; and Taste Of Newnan.

"We do a lot with our select employer groups," says Michael Lear, SCU's chief marketing officer. "Besides company picnics and golf outings, we've helped raise money for scholarships and donated supplies to Henry County school students who couldn't afford them. When the schools call, we answer the phone."

Peach State Federal Credit Union also supports schools in a big way. In 1961, Peach State opened its doors as Gwinnett Teachers Federal Credit Union and now allocates about \$125,000 a year in donations to scholarship funds and education foundations in DeKalb, Gwinnett, Jackson, Barrow, Walton, Oconee and Clark counties. Of its 400-plus employer groups and the 35,000 households Peach State serves, schools and PTAs comprise a large portion of its membership.

"We hold fast to our heritage of serving the education community," says President and CEO Marshall Boutwell. "We plow 10 to 15 percent of our earnings back into our communities. I would say we are the exception rather than the rule. We want to build a reputation in the community and also make a difference, not only for our members, but also by improving the quality of life for everyone. Our members are very supportive of it."

Peach State also raises about \$20,000 for the American Cancer Society's Relay for Life and about \$50,000 a year for food banks, boys and girls clubs and other nonprofits, including the Aurora Theater in Gwinnett County.

"It's rewarding for me personally and is one more way for credit unions and those who care about people rather than profits to involve ourselves in things that benefit us all," Boutwell says. He views it as a "virtuous circle," as many of the recipients of their donations are also members. "We raise our profile in the community, and our membership sees that and appreciates what we do."

Doing Good

Rome-based Coosa Valley Credit Union, with 60 employees in five branches, has about 25,000 members across 10 counties and assets of \$170 million. "Giving back is the right thing to do and is a very good marketing effort as well," says Robert Smyth, assistant vice president of marketing/business development. "It gives us the opportunity to do things for the community, and then they want to do business with you. On the business side, it's as good as a billboard."

Some of the good Coosa Valley does in the community includes six years as a title sponsor of the annual Northwest Georgia Women's Expo in Bartow County. They are also involved in the American Flag project, held in July, when any civic or church organization within a 10-county area is invited to bring in worn or torn flags for replacement. In 2014, Coosa Valley replaced more than 40 flags in one month. Coosa Valley is also active in Toys for Tots, health fairs and raising money for the Red Cross.

“My CEO is a wonderful guy who believes in creating a better community,” Smyth says. “When we invest with them, they want to invest with us.”

The CEO’s dedication filters through the ranks of employees and into the membership in a way that transcends its role as a financial institution. Like one rainy night last year, when a Coosa Valley member who regularly rode his bike to deposit his monthly paycheck came in on foot because his bike was broken. Another member’s husband offered to fix the bike for him. Neighbors helping neighbors. It’s a way of life for credit unions.

At Columbus-based Kinetic Credit Union, founded in 1956 as The Infantry Center (TIC) Federal Credit Union by 50 civilian employees at Fort Benning, employees are asked to devote 20 hours a month to volunteer activities, which can be during the workday. In 2014, employees donated a total of 4,000 hours of their time.

They have filled backpacks with food and clothing to give to struggling families, planted about 50 trees in Columbus’ Shirley Winston Park, sorted donated shoes, rebuilt bicycles for local agencies, run relays at midnight to support the blind, served swanky dinners at the Green Island Country Club to raise money for the Children’s Miracle Network at the Medical Center in Columbus and more. Each year, an employee committee decides how they will help. While individual participation is encouraged, group activities tend to be more popular.

Kinetic’s passion for giving is nurtured by Columbus native Janet Davis, president and CEO since 1991. “Community service is ingrained in our team,” she says. “I correlate that with credit union service, and we hire people who know how important it is to give of themselves and to the community.”

Through its Community Outreach Foundation, LGE Community Credit Union sponsors an annual corporate golf outing; 100 percent of proceeds go directly to identified charities. LGE, which opened in 1951 at Lockheed and has since expanded to eight branch offices with a main office in Marietta, raised \$56,000, plus matching dollars from its board, in 2014. In December, its inaugural 12 Days of Giving campaign culminated with \$15,000 each for SafePath Children’s Advocacy Center, Calvary Children’s Home, MUST Ministries, Warehouse of Hope, Next Step Ministries and North Fulton Community Charities.

LGE boasts more than 100,000 individual members in Cobb, Paulding, Cherokee and Fulton counties and assets of \$850 million.

“We are the community,” says President and CEO Chris Leggett. “Many people are uncomfortable confronting those less fortunate than us. We bring some of these needs to the forefront. It is truly an inspiring event, for example, when we have some of the folks we have helped at our celebration breakfast once a year. We foster goodwill in the community that can benefit us all.”

Founded in 1959, Albany-based DOCO Credit Union serves more than 42,000 members in 22 counties in mostly rural areas. DOCO has focused much of its efforts on area schools – coordinating and leading seminars on financial basics – because it was originally established to serve the school system.

Since its founding, “we have blossomed tremendously, with manufacturing companies and hospitals as members,” says Becky Belcher, director of marketing. Still, DOCO remembers its roots and continues to focus on education, such as a pilot program where DOCO staff speak to more than 900 senior students in Albany’s four high schools, giving each of them the book *Money Rules* by Jean Chatzky, financial editor for the *Today* show.

“We feel if we get to them early and teach them financial literacy at an early age, they will not get into trouble in the real world,” Belcher says. “When they graduate they will be overwhelmed with credit card solicitations, and this can keep them from getting on the wrong path. The principals are very excited about it.”

While DOCO’s roots may be in education, according to Belcher, every year DOCO’s community involvement increases. DOCO has held dress-down days to raise money for the Children’s Miracle Network. In fact, credit unions nationwide are the third largest fundraisers – behind Walmart and Costco – for the Children’s Miracle Network. This year DOCO is planning a “Memories and a Mustang” fundraising raffle for the cause. Branch managers and other office personnel also often participate in book fairs and read to area students, and DOCO’s members can participate in a “skip-a-pay” fund where they can skip a loan payment during November, December and January and donate it to charity.

Personal Interest

Credit union employees and members are often personally involved with the organizations they help. “It really touches your heartstrings when you see grandparents, moms and dads who are influenced by the Alzheimer’s Association Alzheimer’s Walk,” says Belcher.

“The main thing is, we can strengthen our communities,” she adds. “If they know we are trying to help them and we are doing our best to give back, they know they can come to us when they have a need. Plus, the boost in morale and the feeling of accomplishment you get from being able to volunteer is priceless.”

In our computer-driven society, where an account number stands out as your unique identifier, it is similarly priceless that at many of DOCO’s branches they know members’ names when they walk in. “We take pride in that,” says Belcher. “We use a lot of the latest technologies but are still a hometown credit union.”

Even without community involvement, people are attracted to credit union benefits such as low fees, better dividends and competitive interest rates on loans. Many credit unions offer loans or access to a car-buying service to help members acquire a quality vehicle at an affordable price. Credit unions are also open to working with members to help them through a crisis or unexpected circumstances.

Yet the role of credit unions is often misunderstood. “Most surveys show that credit unions are still a great unknown in society at large,” LGE’s Leggett says. “Most people are still customers of banks. But once they find out about us, where there is a whole cooperative value system that is embraced by the new generation x’ers, y’ers and millennials, they see they will benefit in a big way.”

“We don’t have investors, so we don’t have to keep those folks happy with high stock prices and dividends,” Boutwell says. “Our new tagline, Helping People Afford Life, distills it down to its essence. We focus on delivering fair products and fair deals while also being responsible corporate citizens.”