

WINTER 2021

ADVANCING RACIAL EQUITY

CREDIT UNIONS FIGHTING
ECONOMIC, SOCIAL AND RACIAL INJUSTICE



NEW FROM INCLUSIV AND
THE AFRICAN-AMERICAN CREDIT UNION COALITION

COVID AND BLACK COMMUNITIES

This Black History Month, Inclusiv and the African-American Credit Union Coalition honor the minority designated credit unions helping Black communities fight back against racial inequity.

Existing systemic inequalities in every aspect of life—education, housing, work, health care—has led to a higher rate of COVID cases, hospitalizations, and deaths for Black people. According to the Center for Disease Control, when compared to white, non-Hispanic persons, Black people had 2.8 times the rates of death from COVID-19 as of February 2021.

People of color experience occupational segregation, economic exploitation, and employment discrimination. The “essential workers” so crucial to keeping the country operational tend to be people of color, who work in health care facilities, farms, factories, restaurants or delivery services, grocery stores, and public transportation. Essential workers have suffered disproportionately from COVID because they cannot do their jobs from home, must interact with the public - which increases the risk of infection, may be uninsured, or do not have paid sick leave or time off.

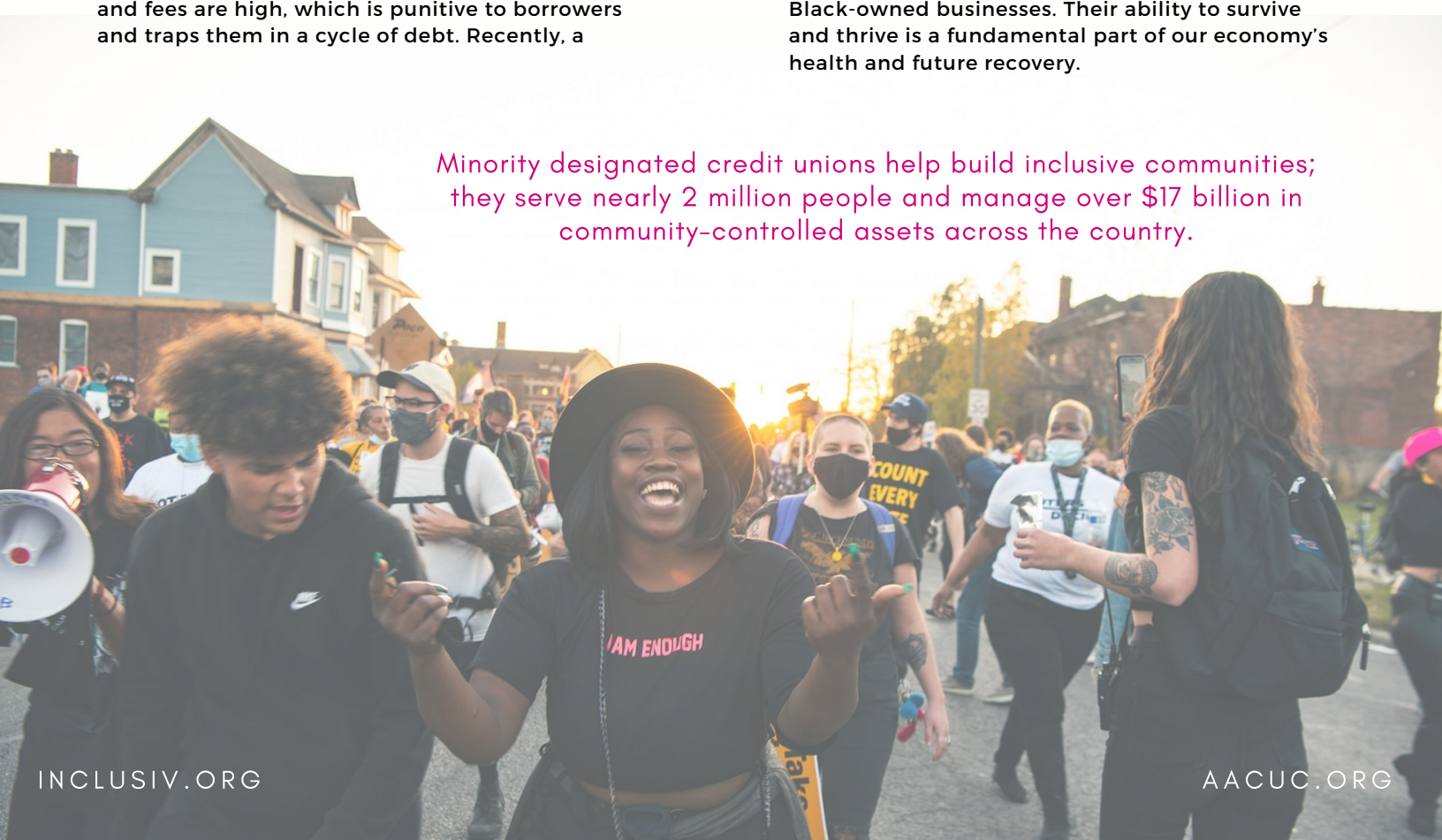
The pandemic is affecting how some Black consumers save and spend money. In an emergency, people without savings may turn to payday lenders and check cashers which are concentrated in counties with large Black populations. The interests and fees are high, which is punitive to borrowers and traps them in a cycle of debt. Recently, a

Bankrate survey showed that those hard hit by the pandemic paid four times as much on average monthly checking account fees than people who did not report as being affected by the pandemic.

As a result of the pandemic, Black-owned small businesses saw the largest decline among active small business owners. Because Black-owned businesses are highly concentrated in metropolitan areas and mainly focus on retail, restaurant, and other service industries, they were the most affected by shutdowns and social distancing. The Paycheck Protection Program, the federal government’s relief program for small businesses, was inaccessible for minority-owned businesses and left significant coverage gaps. The first round of distribution went heavily to majority white-owned businesses. In addition to having no or low financial reserves and decreased income, missing out on the first round of loans was the difference between operation and closure for many small businesses.

The COVID-19 pandemic has underscored and worsened the deep and systemic economic disparities for both communities of color and Black-owned businesses. Their ability to survive and thrive is a fundamental part of our economy’s health and future recovery.

Minority designated credit unions help build inclusive communities; they serve nearly 2 million people and manage over \$17 billion in community-controlled assets across the country.





CEO SPOTLIGHT

URLA GOMES

Episcopal Community FCU
Los Angeles, CA

Designations: LID, MDI, CDFI
Members: 1,242
Assets: \$5,603,205

In the almost 30 years since L.A. erupted after the police beating of Rodney King, many things have changed in Los Angeles and across the country—and many things remain the same. While the United States has grown in ways that include electing its first Black President and then—just recently—Vice President, systemic racism persists.

Sparked by the violence, there was a shift in L.A. toward the need for easier access for fair and regulated banking options to assist people with little or no credit. Episcopal Community Federal Credit Union (ECFCU) started serving its first members in 1992 in the city’s Echo Park area—mere minutes from where Rodney King was beaten.

“It was an emotional start,” recalls Urla Gomes, CEO of the ECFCU since its inception. “It was obvious that a lot of problems existed within the lower-income African American communities in Los Angeles—and we had to figure out how to address them.” It was crucial to Gomes and local leaders to provide financial products and services in the best interest of the people—where absolutely none had existed previously.

The credit union not only opened its doors to remedy the inaccessibility of safe, regulated, and affordable financial services—it did so with compassion. ECFCU has welcomed and embraced everyone walking through its doors—those with credit and those without, those who are homeless or

EPISCOPAL COMMUNITY FCU

have physical challenges, members of the LGBTQ+ community, and people from all ethnicities.

ECFCU has been especially important during COVID-19 and the ensuing economic downturn—where members have suffered from mounting medical bills, reduction in work hours, or loss of jobs. The credit union is essential to members in need of small emergency loans unavailable to them from larger financial institutions. ECFCU sees a learning opportunity, even for the most credit challenged.

“We provide counseling in reference to what’s going on with their credit, their lives, how they are handling their current expenses,” Gomes says. “You can’t find a bank that will do that for you. That’s one of the great and unique services of our credit union. We are always there for the individuals and their families.”

Day in and day out, ECFCU is helping their members find affordable housing, directing them to reputable car dealers, helping them complete immigration and medical forms, and simply being there to—literally—hold their hands through an illness.

“There are a lot of really special things that happen at this credit union,” explains Gomes. “Our members know they can come to us. They feel safe coming to us. They tell us what is happening in their lives, because they trust us, and we are there for them. We are a credit union for all people.”

Gomes says she believes the credit union industry can play a role in addressing the racial inequality felt by so many Americans.

“It starts with increasing credit union memberships—using statistics to find out which communities are lacking in sufficient banking options and getting branches in there to help,” she says. “We need to encourage all races to be part of credit unions—to become a more ethnically diverse community. We need to show everyone we are there to help, not harm.”

Only then, when all races are financially strong and when there are savings and credit programs available for everyone, can there be less of a racial disparity across the country, she says. Like ECFCU, “The credit union industry itself also has to show compassion toward everyone,” according to Gomes.

"I'D RATHER USE MY SHOVEL TO BUILD SOMETHING"

It is out of compassion that James Barnes came to be a member of ECFCU. As a victim of abuse most of his young life, Barnes turned to drugs and alcohol to self-medicate. After being incarcerated for a period of time in the late 90's, he knew he needed to take better care of himself and work toward building a better future.

Through his church he was advised to seek out ECFCU—which led to the discovery that improving his credit was a direct line to improving his life. The credit union helped him escape the cycle of debt he experienced with under-regulated payday lenders, and—most importantly—gave him a sense of dignity.

“When I came back home, Ms. Urla was the first person who I felt like plugged me back in again,” Barnes recalls. “The first time she gave me a loan, it brought tears to my eyes. I felt like a citizen again—it was like restoration for me.”

Always feeling music was his therapy, Barnes has taken the time to dig deeper into his artistic talents—writing three novels he hopes to turn into manuscripts and composing dozens of songs. It is with help from ECFCU that he is in the process of learning how to start his own company featuring his works of art.

Barnes says his primary tasks now are to maintain his good credit and give back to his community.

“I’d rather use my shovel to build something than to dig into a hole,” he says. “I really use my talents now. And, when I have successful sales, I want the credit union to be my home bank. I want to contribute resources back to the church—to the kids. I’m just so grateful to be a member of a credit union that has done so much for me.”



James Barnes, ECFCU Member, and
Urla Gomes, ECFCU CEO

LOWER EAST SIDE PEOPLE'S FEDERAL CREDIT UNION

New York, NY



Designations: LID, MDI, CDFI

Members: 8,005

Assets: \$68,448,825



Aissatou Barry-Fall, LESPFCU CEO

When the last bank branch closed in New York City's Lower East Side neighborhood back in the 1980s, community activists knew they could not sit idly by. To fill the void left behind, they organized Lower East Side People's Federal Credit Union (LESPFCU) in 1986. LESPFCU is driven by a vision of thriving, sustainable, and diverse communities, where all people live with dignity and are able to contribute fully to their communities and society. As part of a broader cooperative movement, LESPFCU is committed to ensuring access to affordable financial services for all people. All people. Those two words motivate the team at LESPFCU every day.

"We are always working for our underserved communities, which include a majority of immigrants and minority population," says Aissatou Barry-Fall, President and CEO of LESPFCU. "They don't just need financial services—they need quality affordable financial services. We work every day to make that a reality for everyone."

Barry-Fall's own story of immigrating and flourishing is a perfect example of the work LESPFCU is doing. Originally from Guinea in West Africa, Barry-Fall began working at LESPFCU as a teller and, over the next three decades, she worked her way up through the credit union. In the fall of 2020, she was appointed President and CEO.

"My story shows the opportunity the credit union gives to immigrant and minority people," she explains. "That's what we do every day for all of our members."

Over the years, LESPFCU has grown in presence and in reach. The credit union is proud to offer its more than 8,000 members a fully immersive financial experience that includes services such as personal and business accounts and loans, youth share accounts, immigrant services, tax preparation services, college scholarship, and financial counseling.

Because LESPFCU delivers such a comprehensive line-up of products and services to its members, it is crucial that the credit union meets regulatory standards. That's where Inclusiv comes in—specifically Andrea Lally, Inclusiv's Director of Credit Union Operations and Compliance.

On a weekly basis, Lally works with LESPFCU to ensure their products and services fit those standards, that all department operations are compliant, and that trainings are up to date. Compliance is also necessary, given how extensively LESPFCU customizes products and services in order to truly meet their members' needs. "The credit union is so embedded in the community and so needed by the community," Lally remarks. "That's why the work we are doing with them is so critical."

COVID-19 and the economic shutdown hit New York City hard. The virus spread through the city, hospitals were overwhelmed, tourism came to a halt, and many businesses closed their doors for the last time. The impact of these unprecedented

LOWER EAST SIDE PEOPLE'S FEDERAL CREDIT UNION

and uncertain times was especially heavy for some members of LESPFCU—many of whom were already living paycheck to paycheck or relying on their small businesses operating daily to make a living.

LESPFCU leadership knew immediately that no matter what the global pandemic threw their way, they had to be available to their members. In the early days, the credit union made the decision to open its branches three days a week and use its branches as call centers the other two days. This arrangement helped ensure that anyone calling for assistance would reach a real person at the other end of the line when the credit union is closed.

When the first round of the Paycheck Protection Program (PPP) loans became available, LESPFCU worked quickly to meet those needs. The credit union helped secure 47 PPP loans for a total of \$1.4 million in the first round and—so far—20 in the second round, for a total of \$2 million.

“We did what we needed to do for our people,” explains Barry-Fall. “They rely on us for so much. We fought for them every day and we keep fighting for them.”

Thankfully, among other grants, the credit union received a \$30,000 grant from Inclusiv to support emergency loans and \$25,000 for loan payment forgiveness—services in great demand throughout the pandemic.

"A SAVING GRACE"

LESPFCU member Mark Unthank has been with the credit union since 2010, after a few discouraging encounters with big banks.

“They would just continuously push their credit cards and other products,” Unthank explains. “It became too frustrating. I was just a number to them—not an actual person or business. But at LESPFCU, the personal touch has been important. They have a lot of members, but when I go in, they recognize me. When I call, I can actually talk to someone. That’s invaluable for a small business.”

The small business he refers to is CoolNerd Media, which provides a variety of digital media services and is a certified minority business entity for New York State, New York City, and the Port Authority of New York & New Jersey.

Prior to the pandemic, CoolNerd Media’s main income source was based around events of all sizes—primarily providing media technicians and sales for event venues. When the economy shut down due to COVID-19, events were canceled and venues closed. Unthank suddenly found himself without a consistent income stream.

Thankfully, before the onset of the pandemic, CoolNerd Media had begun bidding for government contracts to create and program digital signage and media engagement for public libraries, transportation, and other areas. Unthank says he was lucky he could pivot his business’ focus so quickly, but these jobs required purchasing equipment in advance. He had to source those funds and, fortunately, that’s when LESPFCU came through with a PPP loan.

“It was a saving grace because the money I had in savings was only going to get me so far for so long,” Unthank recalls. He is grateful to LESPFCU’s dedicated customer service team for helping him work through the PPP paperwork, as well as the loan forgiveness process. “Without the credit union, I would not have weathered 2020 well. That has been the key to my business surviving.”



Mark Unthank, LESPFCU Member

"Without the credit union, I would not have weathered 2020 well. That has been the key to my business surviving."



INCLUSIV RESILIENCE GRANT FUND

Resilience Fund grantee credit unions provide critical financial services to over 200,000 credit union members in communities of color

In 2020, Inclusiv launched the Inclusiv Resilience Grant Fund to support credit unions serving communities of color that are disproportionately affected by the COVID-19 pandemic and marginalized because of race, ethnicity, or immigration status. The Fund is giving minority-designated credit unions an opportunity to expand the scope and reach of their financial programs and services for the benefit of the people and communities they serve. Grantees are listed below.

The Resilience Grant Fund is made possible by the Annie E. Casey Foundation, Bank of America, Capital One Financial Corporation, Citi, JPMorgan Chase, PNC Bank, and Prudential Financial.

- AL NRS Community Development FCU, Birmingham
Sixth Avenue Baptist FCU, Birmingham
Demopolis FCU, Demopolis
FOGCE FCU, Eutaw
Council FCU, Normal
Phenix Pride FCU, Phenix City
- CA Episcopal Community FCU, Los Angeles
Northeast Community FCU, San Francisco
- CO NuVista FCU, Montrose
- FL Florida A&M University FCU, Tallahassee
- GA Credit Union of Atlanta, Atlanta
- IL Berean CU, Chicago
Bethel AME Church FCU, Chicago
Chicago Avenue Garage FCU, Chicago
Chicago Municipal Employees FCU, Chicago
Fellowship Baptist Church CU, Chicago
Israel Methcomm FCU, Chicago
Park Manor Christian Church CU, Chicago
Pilgrim Baptist CU, Chicago
Shiloh Englewood FCU, Chicago
South Side Community FCU, Chicago
St. Helena Parish Credit Union, Chicago
St. Mark United Methodist Church CU, Chicago
Unified Homeowners of Illinois FCU, Chicago
- IN Financial Health FCU, Indianapolis
Mt. Zion Indianapolis FCU, Indianapolis
Union Baptist Church FCU, Fort Wayne
- LA AME Church FCU, Baton Rouge
WBRT FCU, Port Allen
- MI Bethel Baptist Church East FCU, Detroit
One Detroit Credit Union, Detroit
- MO Guadalupe Centers, Kansas City
- MS Citizens Choice FCU, Natchez
- NY New Covenant Dominion FCU, Bronx
Urban Upbound FCU, Long Island City
Greater Centennial FCU, Mt. Vernon
- OH Faith Community United FCU, Cleveland
Greater Cleveland Community CU, Cleveland
Nueva Esperanza Community CU, Toledo
Toledo Urban FCU, Toledo
- SC Edisto FCU, Orangeburg
- SD Sisseton-Wahpeton FCU, Agency Village
Lakota FCU, Kyle
- TX Star of Texas CU, Austin
- DC DCFCU, Washington, DC
Government Printing Office FCU, Washington, DC
- PR Cooperativa de Ahorro y Crédito de Aguas Buenas, Aguas Buenas
CrediCoop San Blas, Coamo
Cooperativa de Ahorro y Crédito La Comerieña, Comerio
Cooperativa de Ahorro y Crédito de Florida, Florida
Cooperativa de Ahorro y Crédito Jesús Obrero, Guaynabo
Cooperativa de Ahorro y Crédito, Guaynabo
Cooperativa de Ahorro y Crédito de Lajas, Lajas
Cooperativa de Ahorro y Crédito de Mayagüez, Mayagüez
Cooperativa de Ahorro y Crédito San Miguel, Naranjito
Cooperativa de Ahorro y Crédito de la Asociación de Maestros de PR, San Juan
Cooperativa de Ahorro y Crédito Familiar Progresista, San Juan
TUCCOOP, San Juan
Cooperativa de Ahorro y Crédito de Santa Isabel, Santa Isabel

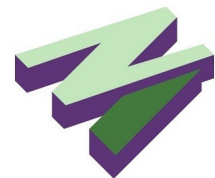
MT. ZION CREDIT UNION

Indianapolis, IN

Designations: LID, MDI, CDFI

Members: 278

Assets: \$645,079



**MOUNT
ZION**
INDIANAPOLIS
FEDERAL CREDIT UNION
TM

In 1963, when the Mt. Zion Baptist Church in Indianapolis, Indiana, sought a charter to start a credit union, the progressive Reverend R. T. Andrews's motto was to serve the community from cradle to grave.

At the time, Mt. Zion was one of the largest minority churches in the city, but members were experiencing redlining due to race. Therefore, the establishment of the Mt. Zion Indianapolis Federal Credit Union provided its members—of all income levels—with the opportunity to accumulate savings, to use their own money for life decisions, and to develop credit.

Doris Doggett, who is the chair of the Board of Directors, says that the Mt. Zion Credit Union continues the work of shepherding people through their path of economic success by offering an array of financial services, including loans and financial literacy education; as well, they have recently partnered with Mass Mutual to provide investment and insurance opportunities. The membership of the credit union is still largely minority; however, the membership is much smaller. The pandemic thwarted expansion plans. Yet, the credit union still stands as the last resort in financial services for the community, which has seen several other banks move out of the area.

During the pandemic, Mt. Zion Credit Union received a grant from Inclusiv that protected its assets from loan losses due to reductions in wages, reductions in



Mt. Zion Baptist Church in 1961

hours, and unemployment of members. The funds helped the credit union and the members to stay alive, Doggett says.

Also, the credit union acted as a Paycheck Protection Program (PPP) lender. Doggett had a contact at the Small Business Administration that she was able to reach out to, thereby keeping on top of the application process. Mt. Zion Credit Union worked

"People are naturally averse to a bad situation and don't know that help is there. But once the member gets a chance to talk to someone personally, they understand. They didn't know help was available. Now they know: credit unions are able to help."

- Doris Doggett, Mt. Zion Board Chair

MT. ZION CREDIT UNION

hard to learn the SBA's processes and to master this unfamiliar platform. The special time granted by the SBA to CDFIs and MDIs to process applications was invaluable to small organizations, such as the credit union.

During the first round, the credit union made seven loans of almost \$100,000, ranging from just under \$1,000 to \$32,000, and all to Black-owned businesses. They navigated these small businesses through the steps—some of them do not have

accounting departments, so the credit union staff had to spend additional time verifying and reviewing the applications. When seen with the fact that there are only seven members of the Board and one employee—the manager—at Mt. Zion Credit Union, that volume of work is a sheer undertaking. The credit union is participating in the second round of PPP lending.

"MT. ZION CREDIT UNION HAS BEEN A BLESSING."

Kurt Moore has been a credit union member for six years. His business, K-Love's Auto Detailing, serves about forty auto dealerships in the Indianapolis area. Mt. Zion Credit Union helped him not only with the down payment on the purchase of K-Love's building but also proved to be instrumental for Mr. Moore during the pandemic.

When COVID devastated small businesses and livelihoods in the country, Mr. Moore needed funds to keep his business running and his employees paid. When his PPP application was in limbo at a larger bank, he sought help from the Mt. Zion Credit Union and received much needed funds within days.

"Mt. Zion Credit Union has been a blessing," he says. "They've been there for me as a small credit union, and their services are equal to, if not better, than big banks." As an ex-felon and now a successful small business owner, Kurt hires local young people and people who were formerly incarcerated. K-Love's Auto Detailing not only helped his regular employees get back to work but also provided jobs for other people who may not be able to find work. "It's a loop," Kurt says. "We need credit unions to serve our community as a whole. They help me, I help another, that person helps one more person. We're all uplifted."



K-Love's Auto Detailing, Indianapolis, IN

TOLEDO URBAN FCU

Toledo, OH

Designations: LID, MDI, CDFI

Members: 4,484

Assets: \$10,128,006



**Toledo Urban
Federal Credit Union**

In 1992, local incidences of violence in Toledo, Ohio brought faith leaders and city government together for healing. The Toledo Urban Federal Credit Union emerged as one example of a solution to change the community. Its success caught everyone by surprise—the line was blocks-long in the first weeks, and the credit union was, at one time, the fastest growing in the United States.

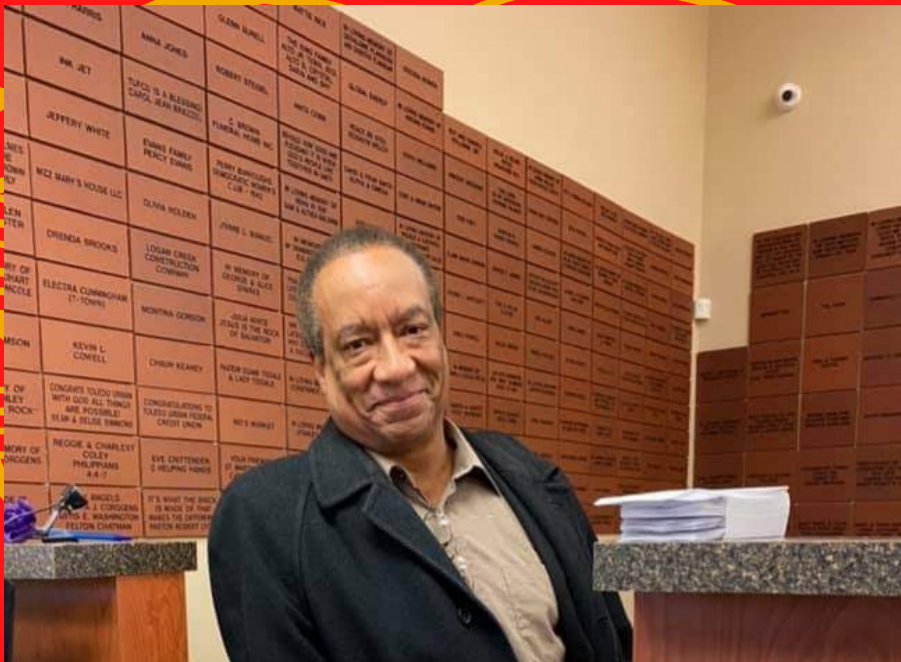
Toledo Urban serves the oldest community in Toledo, Ohio, where the members were predominantly Black and either walked in or came by bike. It is literally and figuratively a cornerstone of the community. The corner building sits at the intersection of Detroit and Dorr and is easily accessible to people from downtown, the nearby University of Toledo, and major highways that cut through the city. “The community sees us as the hub,” Suzette Cowell, the CEO, said. “Whenever there are any issues in the area, families will end up at the credit union. They’re not always looking for loans but will ask us for guidance.”

During the COVID-19 pandemic, Toledo Urban did not close its doors. They remained open and worked

with the local Small Business Development Center and the city’s Chamber of Commerce. From funds provided by Inclusiv and other organizations, they helped members who could not make loan payments because their livelihoods or circumstances were affected by the pandemic. As well, they guided members to access resources to get help.

“When the first stimulus checks were sent, the community was unaware of what to do. They did not trust the money—that it was theirs, to keep. The members who deposited the checks in the credit union caused us to grow in only a matter of months. Then, the second stimulus checks were mailed and cashed, and you saw that the money from the first check was also being spent. But people still had the same issues with buying groceries, medicine, paying mortgage and rent,” says Cowell.

However, due to Toledo Urban’s services, its members were able to best maximize their money and navigate either their personal or professional lives during the pandemic.



Fletcher Word, Board President, Toledo Urban



**Bishops Tisdale, Culp, and Cook
breaking ground for new building**

TOLEDO URBAN FCU

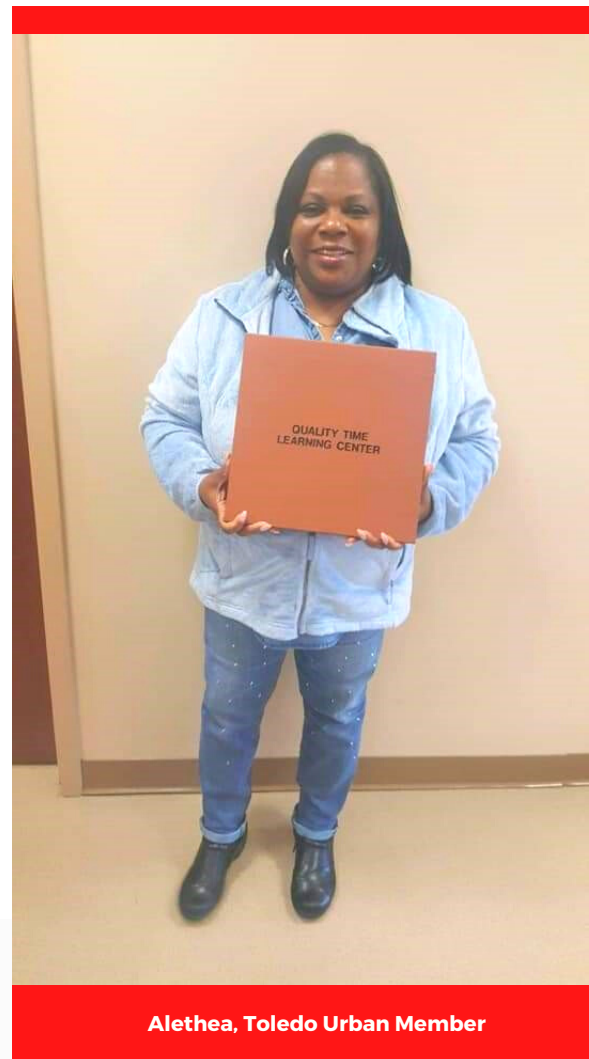
Alethea, a Black small-business owner, has received continued assistance from Toledo Urban over the last twenty years. She called both the credit union and its staff a “godsend” and her “backbone” through their work to help her overcome her struggles with financial hardship.

“I’m right down the street from them, and I know the door’s always open,” she says. “The credit union helped me out with my back taxes. Now I’m free from back taxes, and that is such a relief, such a blessing.” During the pandemic, Alethea has received loans that kept her business up and running.

Cowell notes that, when she first started, she was told by a long-time community resident that “when the community takes you in and believes that you belong to them, that’s when you’ll see a difference.”

That has been what Toledo Urban does: It provides inclusive services, is active in the community, and gives people hope. There is hope that when someone arrives, the doors will be open; hope that when someone asks for help, help will be given. Ms. Cowell believes that if more communities had institutions that were willing to help, “our society would be a lot different.”

The buy-in from Toledo residents, including the construction of the new building, doubled Toledo Urban’s membership. The continuation of the credit union’s important work—providing an array of financial services, being active and conducting financial education seminars and workshops—has changed the dynamics of the community.



Alethea, Toledo Urban Member

"When the first stimulus checks were sent, the community was unaware of what to do. They did not trust the money—that it was theirs, to keep."

– Suzette Cowell, CEO, Toledo Urban FCU



AFRICAN-AMERICAN CREDIT UNION COALITION

Snellville, GA

Strengthening the Credit Union Community, Committed to Change

Few organizations have been as committed to the fight for racial equity as the African-American Credit Union Coalition (AACUC). A nonprofit organization of African American professionals and volunteers in the credit union industry, AACUC was created with the intent to strengthen the global credit union community—and it is making great strides.

AACUC jumped from having only five state leagues as members last year, to now having 26 leagues across the United States. Membership includes over 800 individual credit unions, 20 of which have over \$1 billion in assets. AACUC also now has four regional chapters and its first three full-time staff members who started with the organization just this year.

Commitment to Change

A new initiative for the organization, AACUC launched Commitment to Change: Credit Unions Unite Against Racism initiative in response to the murder of George Floyd. The initiative focuses on unification, education, conversations, and investments that will move the credit union movement into a future where diversity, equity and inclusion can thrive.

As part of the initiative, AACUC hosts an ongoing series of virtual conversations with topics including the impact of police brutality, fears of being profiled, experiencing micro-aggressions, and the reality of trauma that can occur because of oppression.

Another element of the initiative is the launch of the Diversity Equity and Inclusion Leadership Academy for Financial Professionals. To further illuminate DEI among credit unions, AACUC's interactive program invites in-depth exploration of diversity, equity, inclusion, and the nuances of racism.

Raising the Visibility of Black Leaders

AACUC takes its leadership role in the Black credit union community to heart by recognizing community leaders who embody AACUC's mission. The organization annually grants the Peter Crear Lifetime Achievement Award and Chairman's Awards, as well as inducts honorees into the African American Hall of Fame. Each honor is a step toward raising the visibility of Black credit union leaders instrumental in making changes in their communities and beyond.

A Flourishing Future

It's no secret that Renée Sattiewhite, President and CEO, is the engine that powers AACUC's volunteer corps. Sattiewhite will be the first person, however, to credit AACUC's past and future successes to the many individuals and groups offering support throughout the years.

"We are proud of our work toward strengthening the credit union community and helping eliminate racial disparity in our areas," Sattiewhite says. "And while there's still a lot to do, we are thrilled to have the support we need to make a solid impact on the future of credit unions across the country and around the globe."

SEATTLE CREDIT UNION

Seattle, WA

Designations: LID, CDFI

Members: 51,904

Assets: \$896,430,392

SEATTLE

CREDIT UNION

Richard Romero remembers hauling groceries for blocks as a child with his mother because his immigrant family did not own a car. When they finally purchased a used Volkswagen, a new world opened up: a far easier grocery transport, of course, but also travel and job opportunities.

Today, as CEO and President of Seattle Credit Union and Inclusiv's Board Chair, Richard understands firsthand the impact an affordable loan has to a low-income family. This insight informs Seattle Credit Union's role as a leader in serving communities of color and the underserved, offering products such as low down payment loans, ITIN loans, and citizenship loans. As a financial institution with a social mission, the Seattle Credit Union has been especially integral during the COVID-19 pandemic.

When the pandemic's disproportionate damaging effects on communities of color immediately became apparent, Seattle Credit Union was prepared with the resources and relationships to spring into action. One of these longstanding relationships is with Tabor 100, an association of African American business advocates and entrepreneurs committed to economic and social equity in Greater Seattle. Through this partnership, a pipeline was developed for Black businesses in

need of assistance to receive access to emergency capital and other services with the credit union. When emergency government programs such as PPP proved to be least accessible to small Black-owned businesses, Seattle Credit Union became a lifeline.

"We started with the reinvention of the credit union, from a now fully diversified Board to the management team and throughout the organization, to have representation of the people we want to serve," says Richard.

Richard stresses that loans need to be realistic to a person's circumstances for them to succeed and thrive. A minimum wage worker may not be approved for a \$50,000 new car loan. However, a loan for a secondhand car, perhaps \$10,000, would enable this person to get to school, work, and appointments.

"The credit union industry must get out of the mindset that 'low income equals high risk,'" Richard says. "For example, the ITIN is one of the best performing portfolios we have. We must get our industry to focus on these areas if the impact to society justifies it. If one's program is set up correctly, we can fulfill what credit unions truly can be—people serving people."



Seattle CU at the Black Male Academic Achievement Conference

COUNCILL FEDERAL CREDIT UNION

Huntsville, AL

Designations: LID, MDI

Members: 547

Assets: \$2,899,315



Councill FCU Annual Conference, 2017

“Being a member has empowered me, taught me how to budget, and to become conscientious of my savings. It has really meant a lot.”

- Ms. Jacquette
Member, Councill FCU

Councill Federal Credit Union views education as a top priority, according to Rufus Gilmore, manager of the credit union located in Huntsville, Alabama.

“Without education, our people won’t get to use their own money effectively,” says Gilmore, who has been working with the credit union in a variety of capacities since 1976. “Above everything else, we need to educate them on how to save so that they can develop wealth.”

Education is not only at the heart of Councill’s work. It has been ingrained in the foundation of the credit union since it was established in 1954. Located on the campus of Alabama A&M University, Councill Federal Credit Union serves university faculty and staff—with most of its members coming from the maintenance department and secretarial staff.

The credit union was started by the administration of what was then Alabama A&M College to meet the

needs of its primarily African American employees who were unable to access loans from traditional banks, and who continue to face these challenges today.

Because of its connection with Alabama A&M—a historically black college—95% of Councill’s members are African American, many of whom have never received effective education on financial health.

“Black people tend to not talk about money,” Gilmore explains. “In most black homes, investments, stocks, savings—that’s just not a discussion. Most of the time they are just trying to make it to the next pay day.”

The team at Councill FCU understands that, but their goal is to change it. “I’ve always taken it to heart that we need to talk to our people about the financial world,” says Gilmore. “They may not be able to save a million dollars, but they’ll do better if they budget and spend money wisely. That’s what drives me.”

COUNCILL FCU

To that end, the credit union continuously creates opportunities to talk to the community about money, interest rates, and credit scores. This includes an understanding of the cycle of debt that can happen when an individual gets tied up with payday lending shops, which thrive on almost every corner in the area.

"People get trapped—some have two payday loans going at the same time and they don't understand

that they are just throwing their money away," Gilmore explains. A safe and fair alternative to payday loans is Council's short-term loan. Members can only take out one short-term loan at a time, with interest capped at 28% as directed by the federal government. "If they need to borrow again, they can do that," Gilmore says. "But it shows them that the loan can be paid out—that there is an end to the cycle."

"BEING A MEMBER HAS EMPOWERED ME."

For over 30 years Ms. Sadie has been an employee of Alabama A&M, and a member of Council for almost as long. When, almost three decades ago, her late brother recommended that she join the credit union, Ms. Sadie brushed off the idea.

"At the time I was right out of school and was working in the university cafeteria and I didn't have much money," recalls Ms. Sadie, who now has a position in the library. "He told me to open a savings account—even if it only has five dollars in it, it's a start."

Ms. Sadie continued to put a little money in at a time and as it grew, so did her confidence that she could save. "I knew the credit union was a safe place to keep my money and that if I ever needed it, or needed any help, I could find it there," she explains. Council also approved a loan for Ms. Sadie's first car. She felt a sense of security knowing it was a safe loan and a good financial decision.

In turn, it is important to Ms. Sadie that she gives back to the credit union that has done so much for her. She has served on the supervisory committee and is always quick to recommend to people that they become a member of Council. Even if they only start with five dollars, just like her late brother advised her. When she retires—which she hopes to do in the next year or two—Ms. Sadie says she is keeping her money where it belongs: at Council Federal Credit Union.

Similar to Ms. Sadie's experiences, Ms. Jacqueline is also a longtime employee of the university and currently working in the library. She first joined Council because she liked the idea of supporting a credit union associated with a historically black college.

"I've always had money at other places," Ms. Jacqueline explains. "But having money at an HBCU credit union means even more—it makes me feel proud."

Ms. Jacqueline says that she likes having savings tucked away at Council because it gives her a safe feeling, and because it is also "out of sight, out of mind" to avoid temptation. Being a member of Council has been a lifesaver—according to Ms. Jacqueline—when she has run into unexpected medical, home and car expenses. "Being a member has empowered me, taught me how to budget, and to become conscientious of my savings. It has really meant a lot."

Gilmore is pleased with how receptive members are to the credit union's efforts and is optimistic that the Council and Alabama A&M community has a promising future. But he says there is still a lot more that Council can accomplish.

"In order for our people to get ahead—to increase their lifestyle—they need to know how to use their money effectively," Gilmore explains. "They understand what we are teaching, but nobody has ever talked to them about this before. We need to keep letting them know that they can improve their lives by increasing their credit."

One way the credit union intends to continue spreading its mission and financial education efforts is by developing a website. Council recently received a \$12,500 Resilience Fund grant from Inclusiv. Part of that award will go toward the creation of a website to increase awareness of the credit union's services and to become more easily accessible.

Council also plans to use the award money for emergency loans to alleviate financial issues due to the global pandemic, as well as fee waivers, payment forbearance, and—of course—more financial education and counseling.

"It would be hard to pick just one way Inclusiv has helped us," Gilmore says. "As a small credit union, we just don't have the resources to do the things larger credit unions can do in their communities. Inclusiv helps us get there."

PROSPERITY CONNECTION

St. Louis, MO



Robert Nelson, Financial Coach, Prosperity Connection



Robert Nelson has been a Prosperity Connection financial coach since 2016. Prior to becoming a coach, he worked as a Member Service Representative at the St. Louis Community Credit Union, Prosperity Connection's founding partner. Throughout this time, his passion for financial wellness has translated into amazing results for the clients he serves. Whether assisting prospective home buyers navigate financing options, working with a young adult in establishing credit, or helping a married couple make a plan to pay down debt, he has a knack for helping others find a pathway to success.

"I started meeting with Brittany in January of 2020. She informed me that her goals were to increase her credit score, increase her savings, and move out of her mom's house," shares Robert. After pulling Brittany's credit report, he noted that her score was 510 and realized that a combination of student loans, outstanding collection items, and occasional late payments were negatively impacting her credit.

Robert worked with Brittany to create a plan to increase her credit score, starting by sending debt validation letters to creditors. As a result, several erroneous collectors and debts were removed from her credit report, which allowed Brittany to focus on establishing a reasonable repayment plan with her

student loan provider and eventually request an adjusted monthly payment based on her income. Up to this point, Brittany's financial plan was in full motion; then, the COVID-19 crisis hit.

"Because of COVID, we were unable to meet," says Robert. Despite the lapse in their direct contact, Brittany stuck to her plan and made huge strides toward getting her finances on track for success. In January of 2021, Robert was able to reconnect with Brittany. Upon pulling her credit report, he found that her score had increased by 133 points—to 643. At Robert's suggestion and with his assistance, Brittany also refinanced her automobile loan with St. Louis Community Credit Union to reduce her interest rate (25.41% APR) and payment (\$468 per month) to 6.48% APR for monthly payments of \$360. Over the life of her loan, Brittany's enhanced credit score and lower automobile financing will save her \$6,000.

"Brittany's story shows that a little guidance and effort can truly help someone achieve their financial goals. We plan to tighten up her budget now that she is living on her own and start her savings journey to prepare her for homeownership. I am extremely proud of Brittany and her hard work. I have no doubt in my mind she will go far in her financial walk. This is just the beginning," says Robert.

PAUL QUINN FEDERAL CREDIT UNION

Queens, NY

Designations: LID, MDI

Members: 158

Assets: \$328,276



Paul Quinn FCU Team Members

Paul Quinn Federal Credit Union board members and volunteers have a passion for helping the unbanked and underbanked people in their community.

Paul Quinn Federal Credit Union board members and volunteers have a passion and energy for helping the unbanked-and-underbanked people in their community. They also have an energy for pushing forward and expanding their reach.

Paul Quinn was born out of the desire to further racial equity in the community and it continues to be at the forefront of its mission and strategic plan moving forward. The credit union was founded—over 40 years ago—to provide opportunities for financial independence in the African American community where previously none existed. While Paul Quinn continues this mission every day with its current members, they have a deep interest in doing more. The desire to improve the lives of individuals and families throughout the community is why expanding membership is at the top of Paul Quinn's to-do list.

Affiliated with Macedonia African Methodist Episcopal Church in Flushing, New York, Paul Quinn has a predominantly African American membership. The Paul Quinn team is small-in-size but eager to expand their work to help congregants at their sister churches who may be experiencing unmet financial needs or challenges.

“Over the last several years I have tried to push the credit union to start thinking outside the box,” explains Reverend Dr. Richard McEachern. “Our vision now is to do things we haven't been able to do in the past. We want to be very inclusive, very strategic. We want to meet the needs of the whole community—not only the people we serve today.”

PAUL QUINN FCU

Paul Quinn was hit hard during COVID-19. Members of its leadership team were hospitalized, they had no remote working capabilities in place, and they lost access to their computer system because their office was closed.

Inclusiv gave the credit union the green light to use an existing \$5,000 strategic growth grant to purchase supplies and pay for technology enhancements to establish a remote office. Paul Quinn also applied and received a \$10,000 COVID-19 Emergency Fund grant from the National Credit Union Administration (NCUA) to cover expenses and financial losses related to the pandemic.

Knowing their members were facing uncertainty and needed access to funds, Paul Quinn went above and beyond in order to help their members make payments and pay bills in a timely manner.

Pegi Brown, manager for Paul Quinn, explains that members use the credit union to stash extra money for emergencies, holidays, vacations, and to save for their children and grandchildren's college education. "Our members are not customers or clients—it is a much more personal relationship. Our members are like family," says Brown.

The credit union's passionate and energetic environment is so contagious that you can also feel it when speaking with their members. Buddy Williams, a musician with a long career playing and performing throughout New York City and around the world, is extremely enthusiastic when talking about his experience with Paul Quinn.

"I have money in banks, but I'm old-school and I appreciate the old-school, mom-and-pop feel of the credit union," Williams explains. "You walk in, they know you, they have time for you. They care about what's going on, your family—they are eager to help."

During this challenging time, Williams was juggling the need to pay for medical expenses resulting from fighting stage three colon cancer, addressing a large unexpected electrical issue in his family's older brownstone home, and repairing damage to expensive electronic equipment. And then COVID hit.

He tried getting a loan through his regular bank, but he was told he would need a co-signer to help cover these expenses. Williams was not originally optimistic about getting a loan at Paul Quinn, but the credit union was optimistic about Williams.

Williams had the money he needed within 48 hours. "The big banks aren't going to do that for you," he says. As a musician, his financial situation fluctuates depending on pay-outs for jobs. As soon as he had a pay-out come through, Williams paid off his loan at Paul Quinn ahead of schedule. But he says he will always continue to do business with Paul Quinn.

"The folks at Paul Quinn have a passion for helping you can't find anywhere else," he says. "These smaller credit unions are more essential now than ever."

Paul Quinn's passion and energy are not only contagious—they are just what the credit union needs to propel into a new year and a bright future. With the establishment of a strategic planning committee, the credit union is excited about what lies ahead. Next steps include establishing partnerships with five other churches to expand its field of membership and its impact. This work to help their sister churches is important because "as they grow, we grow, and the community grows," explains Brown.

While to date the credit union's efforts have primarily targeted its adult population, Paul Quinn emphatically believes that to truly improve the community, initiatives need to be made to engage, educate, and prepare youth for their financial futures.

The credit union aims to be in a place where they can offer student loans and tie that into educating young people about credit, finances, and budgeting. "We believe if we can reach them when they are very young and start them off strong financially, that when they progress in age and stature, they—and the community—will be in a better financial position," Brown says.

Reflecting on the 40 years since its establishment, the Paul Quinn team is proud of its work and the difference it is making in the lives of so many. But given their energy and passion, they are not content to stop there.

"Although much financial progress has been made over the years, the need still exists today," Brown explains. "Our community as a whole still has such a great need for accessible financial services. That is why there is still so much work for us to do."

Paul Quinn FCU is a part of the Inclusiv/Black Communities initiative supported by Citi.

HOPE FEDERAL CREDIT UNION

Jackson, MS

Designations: LID, MDI, CDFI

Members: 35,618

Assets: \$361,290,564



Bill Bynum, CEO, Hope FCU

Hope Federal Credit Union's story is not only an inspiring account for Black History Month, its success in attracting partners and funds for its work can be the motivation any credit union needs to help its community achieve racial equity.

Located in Jackson, Mississippi, Hope Federal Credit Union (HOPE) was organized in 1995 by the members of Anderson United Methodist Church as the state's only church-sponsored credit union. As part of its commitment to increase the number of people and places it serves, HOPE has seen significant growth since its inception—adding branches and expanding the delivery of products and services. Through mergers with other credit unions and—after a long tradition of collaboration—receiving primary sponsorship from Enterprise Corporation of the Delta, HOPE now serves many economically distressed areas across multiple states in the Deep South.

An original HOPE organizer back in 1995, Bill Bynum serves as CEO of the credit union. He has helped HOPE to generate more than \$2.9 billion in financing, benefitting more than 1.7 million people in some of the nation's most impoverished regions.

In June 2020, Netflix announced a \$10 million investment in HOPE through the credit union's Transformational Deposit program. The investment was one of the company's first as part of a broader \$100 million initiative to build economic opportunity in Black communities. It was of particular significance given that for every dollar in net worth held by white households with children, Black households with children hold only 1 cent.

Through Transformational Deposits, HOPE imports funds into low-wealth communities to make business, mortgage and consumer loans and provide other financial services that build assets and foster economic mobility. Over the next two years, HOPE estimates the Netflix deposit will support financing to more than 2,500 entrepreneurs, home buyers and consumers of color.

"Left unchecked, America's unsustainable racial wealth gap will get even wider," says Bynum. "On a per capita basis, financial institutions owned or led by people of color are the most effective way to fuel economic mobility and prosperity for people and places from which wealth has been extracted for generations. If other companies followed Netflix's example, hundreds of billions could be invested toward closing debilitating opportunity gaps that create division and limits America's immense potential."

And the credit union—sticking to its overarching theme—is hopeful that other companies will do just that. Since the announcement from Netflix, HOPE has been approached by other companies across the country interested in similar investments and partnerships.

But they don't rely on hope alone; the credit union puts in the energy, resources and skills needed to accomplish their important mission, and they are excited about where they are going. One thing is for sure, as the saying goes: Once you choose hope, anything is possible. Stay tuned for more from HOPE.



Founded in 1999, the African-American Credit Union Coalition (AACUC) was created to increase the strength of the global credit union community. The AACUC works to expand interest in and increase the number of minorities in the credit union movement and to support programs that benefit African-American credit union professionals, volunteers, and credit unions. We advocate for legislations that advance our members' interests, offer mentoring and technical assistance to member credit unions, and provide educational and networking opportunities with colleagues from across the country. We also have internship opportunities and scholarships for juniors and seniors enrolled in historically Black colleges and universities (HBCUs) and develop credit union leaders by offering scholarships for professional development.

African-American Credit Union Coalition

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At Inclusiv, we believe that true financial inclusion and empowerment is a fundamental right. We dedicate ourselves to closing the gaps and removing barriers to financial opportunities for people living in distressed and underserved communities. Inclusiv is a certified CDFI intermediary that transforms local progress into lasting national change. We provide capital, make connections, build capacity, develop innovative products and services and advocate for our member community development credit unions (CDCUs). Inclusiv members serve over ten million residents of low-income urban, rural and reservation-based communities across the US and hold over \$112 billion in community-controlled assets. Founded in 1974, Inclusiv is headquartered in New York, NY, with offices in Madison, WI and Atlanta, GA. For more information about Inclusiv visit us at Inclusiv.org and connect with us on Facebook, LinkedIn and Twitter.

Inclusiv was instrumental in establishing the CDFI Fund in 1994, is a permanent member of the national CDFI Coalition and is the CDFI and community finance authority for the credit union industry. Our member CDCUs represent over 10 million members in low-income communities across the US, representing the majority of all CDFI-certified credit unions. Today, CDFI certification is an essential credential for credit unions with a focus on financial inclusion. Inclusiv is the credit union industry's best resource for learning more about certification and technical and financial assistance grants.

Inclusiv

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