

KENTUCKY



Park Community Saving Families and their respective coaches



"With the changes I have made with Park's help my security blanket is now my savings account,"

—Terena Eversole, winner of Park Community FCU's "Saving Families Challenge."



One of Class Act's student branch

Kentucky credit unions are reaching out to their communities to enhance the financial skills and well-being of youth and families throughout the commonwealth. The following two credit unions exemplify these efforts.

Class Act Federal Credit Union offers a full operational branch in Louisville's Doss High School. The branch is open five afternoons a week for students, school staff, and faculty within the Jefferson County Public School System. It is operated by 12 student tellers and member service representatives.

The student employees must complete a six-week long summer internship at the credit union's main branch, states Mary Jackey, Community Relations Administrator for the credit union. The program is referred to as the Class Act Academy of Business and Finance and students must compete for a position in the academy. "It's very competitive," says Jackey. "Students must have a GPA of at least 2.5 and go through an interview process that involves a five-member panel of school and credit union administrators. They must have completed their freshman year, have no disciplinary issues, and obtain letters of recommendation from their teachers."

The result is a group of exemplary students that are able to operate independently, once trained. The training includes not only operational procedures, but also business etiquette and how to work with members with different skill levels. "We hold mock sessions where students have to manage difficult members or situations," explains Jackey. "We try to prepare them for a real life work experience." In return, students receive course credit for their work.

Park Community Federal Credit Union is beginning its third "Saving Families Challenge," where four families compete to significantly improve their financial situation over a 12-month period. Families are assigned personal coaches to help them create a budget, set financial goals and determine the best way to reduce debt. The family that has the biggest financial transformation receives \$5,000.

The winner for 2011 was Terena Eversole, a single parent who reduced her debt by over \$20,000 in one year. "Terena definitely learned some life-long lessons and skills through the Saving Families Challenge," states Carolyn Russ, VP marketing & Business Development for the credit union. Participants have to keep blogs of their efforts, successes and set-backs. In September, Terena wrote: "It has almost been a year since I last used a credit card and I still can't believe it. I depended on credit cards so much that I remember stressing about having to stop using them at the beginning of the contest. I didn't want to give them up because they were my security blanket. With the changes I have made with Park's help my security blanket is now my savings account."

As a group, the participants:

- ▶ Reduced their debt a total of almost \$50,000;
- ▶ Increased their net worth over \$79,000;
- ▶ Increased their credit scores a total of 210 points.

Credit union members are encouraged to follow the families' accomplishments and to cheer them on to success.

What are Terena's plans for her \$5,000? "Her plans are to spend \$200 on herself and apply the remaining amount to her second mortgage," says Russ. "She wants to refinance her first mortgage and is working to improve her credit score to take advantage of a low interest rate."

"These two credit unions illustrate the great work our credit unions are doing to help Kentucky consumers achieve greater financial prosperity over time," states Wendell Lyons, President of the Kentucky Credit Union League. "Class Act FCU is reaching out to students to give them needed financial skills at an early age. Park Community's Saving Families Challenge is an example of how to help adults change current financial behaviors into healthy asset-building behaviors."

