

Specialized Consulting &
Technical Assistance Services
for Credit Unions



A Service of the Federation



CU Breakthrough™ is a service of the National Federation of Community Development Credit Unions providing fee-based consulting services to credit unions of all types to expand and improve their financial services to low-income and underserved communities.

CU Breakthrough™ draws on the collective expertise of the CDCU movement to help all credit unions expand their outreach and impact in under-served communities. Our experienced consultants can help your credit union to meet the needs of new and emerging markets within your field of membership.

CDFI Certification: An Essential Credential

What is CDFI Certification?

The Treasury Department Community Development Financial Institution (CDFI) Fund provides certification to institutions that meet specific criteria, including a primary mission of community development and a preponderance of activities in an eligible "Target Market". Credit unions that conduct more than 60% of their activities in low-income communities, among low-income people, or among a historically disadvantaged population, are strong candidates for certification.

How can this help my credit union?

CDFI Certification is required for recipients of CDFI Fund financial assistance grants of up to \$2 million, and is an increasingly valuable credential for other state and federal programs, as well. For example, the New York State CDFI Program, the 2010 Community Development Capital Initiative, and the upcoming Community Development Bond programs all require CDFI certification for participants.

What can CU Breakthrough™ do?

We can help determine your credit union's eligibility for CDFI certification, conduct statistical analysis of your target market activities, produce the required online maps and forms, and complete the required tables and narratives for your CDFI Certification application. Over the past three years, our statistical methodology for target market analysis has helped more than 100 credit unions to efficiently obtain their CDFI certification and re-certification.

Capital
Access to
CDFI Fund &
Other Capital
Programs

Growth
Increase
Resources
that Fuel
Growth

Impact
Increase
Scale,
Add Products
& Services

Leadership
Recognition
by Public &
Private Sector
Entities

CU Breakthrough services are affordably priced for credit unions of all sizes. Special discounts for Federation members.

www.cdco.coop | 39 Broadway, Suite 2140 | New York, NY 10006-3063 | 800 437 8711 x 306 | cubreakthrough@cdco.coop



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NCUA Low Income Designation: Access to Capital for Growth

What is Low Income Designation?

The National Credit Union Administration (NCUA) designates credit unions as “low income” if a majority of the people they serve earn less than 80% of the Area Median Family Income (AMFI). Low Income designation confers certain regulatory privileges, including the ability to accept non-member deposits and secondary capital (which counts as regulatory net worth), and a waiver of the cap on member business loans.

How can this help my credit union?

Low income designation increases your access to two forms of capital that are critical to growth: liquidity and net worth. Non-member deposits can provide added liquidity in periods of rapid growth in lending. Secondary capital can provide additional net worth that is needed in times of rapid growth in assets caused by a surge in new members or deposits.

What can CU Breakthrough™ do?

We can help to determine your eligibility for low income designation and guide you through the process. NCUA accepts two methodologies for determining low income eligibility: the first uses census tract data to estimate member incomes; the second requires a statistically valid survey sample of actual member incomes. Our expert consultants know both approaches, and have developed a proven methodology for conducting the income survey in the most efficient way possible and generate the evidence needed for NCUA’s designation.

Capital
Non Member
Deposits &
Secondary
Capital

Growth
Liquidity for
Lending Net
Worth for
Growth

Impact
Increased
Scale / Added
Products &
Services

Innovation
Ease Capital
Constraints
on Innovation

CU Breakthrough services are affordably priced for credit unions of all sizes. Special discounts for Federation members.