

# NORTH CAROLINA MINORITY SUPPORT CENTER

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# OUR MISSION

- To relieve poverty, combat community deterioration and create jobs and homeownership opportunities for low and moderate income people throughout the state in conjunction with North Carolina's community development credit unions.

# Our Goal

- Create economies of scale that enable community development credit unions to efficiently provide fair, affordable access to
  - credit,
  - financial services, and
  - financial education to North Carolina's
    - low- to moderate-income residents,
    - underserved minority and rural communities

- The Support Center assists CDCU's by providing:
  - Expert technical assistance
  - Competitive capacity grants
  - Capital and deposit support
  - Value added back office service

## *Technical Assistance*

- Provide technical assistance in all areas of credit union operations, including
  - Marketing
  - Fundraising
  - Accounting
  - Strategic Planning

## *Capacity Grants*

- Grants for operating expenses or equity for expansion
- \$5 million in grants awarded to member CDCU's in last 2 years
- \$3 million budgeted to be awarded in current fiscal year

## *Capital Support Loan Fund*

- \$9 million invested in low interest deposits in member CDCU's
- \$2 million of these funds are used to collateralize credit union business and mortgage loans
- \$830,000 invested in as secondary capital to improve net worth

# Back office service

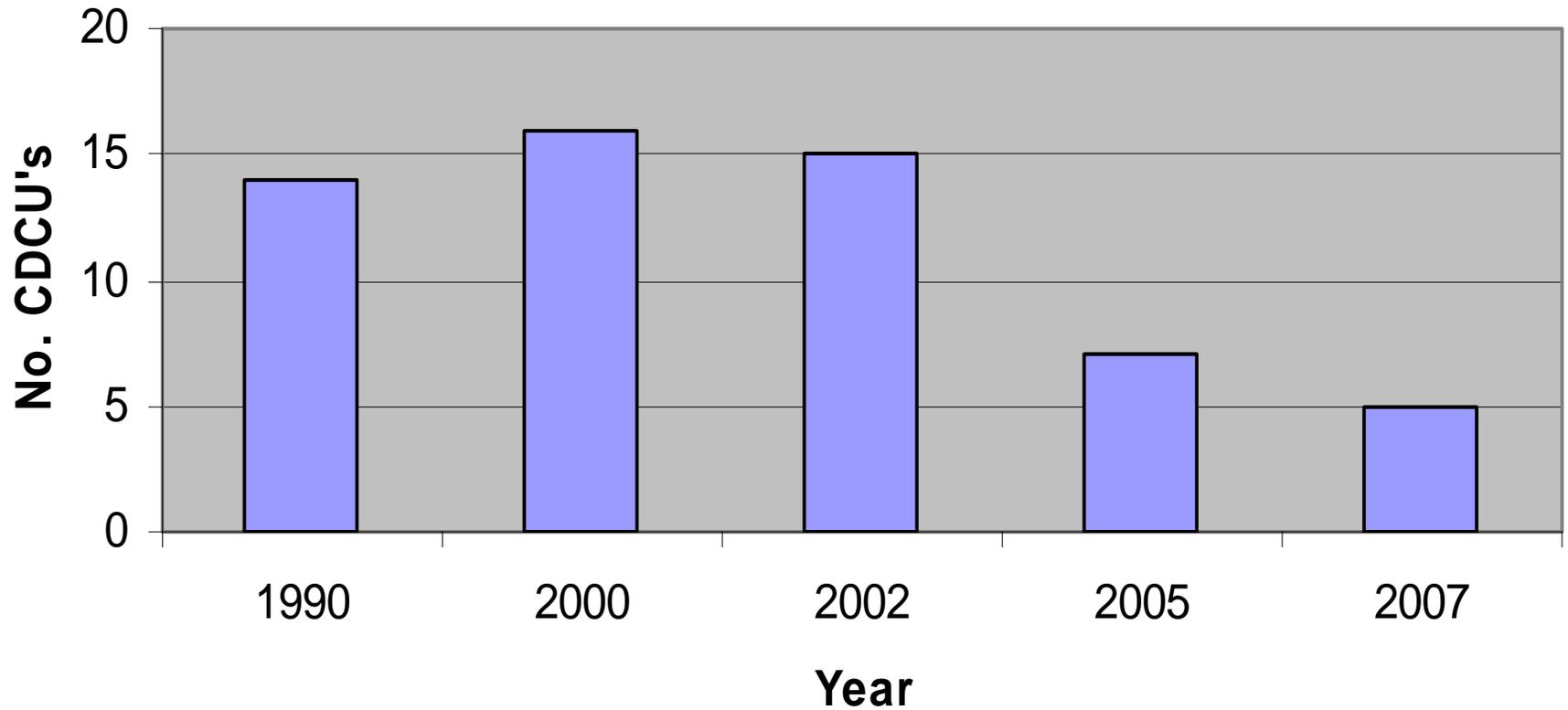
- Accounting Service Center
  - Remote Access to CU System
  - Daily monitor all general ledger transactions
  - Prepare Reconciliations, Financial statements, and ALM Reports monthly

# NORTH CAROLINA MINORITY SUPPORT CENTER

- Funded by
  - Foundations
  - Dividends earned on our Capital Support Loan Fund
  - State of North Carolina
    - Almost \$9 million in last 3 years

# *A CHANGING NETWORK*

## **CDCU's in Support Center Network**





- Infusion of \$100k in Secondary Capital to improve it's net worth
- Small operating grant
- Changed it's FOM to include anyone who joins the Support Center
- Moved it's headquarters to Durham, while keeping the original branch in it's rural community

# *Advantages of GENERATIONS CCU*

- Preservation of services to communities
- Consolidation back office operations
- Full range of financial products and services
- Local control through advisory boards

***STRENGTH THROUGH UNITY***

# Generations

Total Assets	\$20 million
Total Loans	\$15 million
Net Worth	13.26%
Branches*	9

\*7 branches are in rural underserved counties

# Generations Challenges

- Growth through merger
- Operating expense of 8%
- High Charge offs
- Dependency on grant income

# *Stronger Network*

**Support Center CDCU Network**

