

KEYSTONE

Extra

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Protecting Members For Better or Worse, In Sickness and in Health

As credit unions seek out new opportunities to serve their members and help them protect their financial security, wedding insurance plans could be the right service to strengthen relationships with young couples. You don't need to walk down the aisle with them, but if you get them firmly planted as members, you'll serve them through life's challenges — for better or worse, in sickness and in health.

Planning the perfect wedding is a major investment. The average cost of a wedding is more than \$25,000. In today's economy, young couples are looking for new and creative ways to save for their wedding and keep expenses under budget.

Along with purchasing the dress, scheduling a caterer, and planning a honeymoon, many couples today are considering wedding insurance to protect their investment and keep their special day worry-free.

Consider what would happen:

- If the reception venue goes out of business a few weeks before the wedding and the deposit cannot be refunded.
- If the bride or groom is unexpectedly called up to active duty, or has military service leave revoked, forcing a postponement of the wedding.
- If the wedding destination is in the path of a hurricane.

Recognizing that the big day comes with a mighty financial commitment, Members 1st FCU's Insurance Services recently announced the launch of an insurance policy covering weddings. The

insurance is offered through Travelers, and provides coverage, with no deductible, for a variety of unfortunate occurrences associated with a wedding event.

The credit union promoted the new service on its Facebook page last month, in hopes of attracting clients ahead of the busy wedding season. Its message said, "A lot of time and money goes into planning your wedding and we want to ensure that the wedding stays within your budget even if the unexpected happens."

The Wedding Protector Plan can cover various situations, such as a lost or damaged dress or tuxedo; lost or damaged wedding rings; lost deposits if a vendor goes out of business or declares bankruptcy; severe weather that forces a postponement of the wedding; ruined photos; military call to duty; sudden illness that causes postponement of wedding; and other occurrences.

The top wedding claims and problems typically include damage to wedding attire, mishaps with photography, cancellation due to illness or bereavement, and no-shows by contracted vendors.



Convention Countdown

Get In Tune at 2011 Annual Convention

New Days, New Schedule, Familiar Location

Credit union professionals and volunteers from across Pennsylvania are invited to the Association's **77th Annual Convention & Exposition**, May 11-13, at The **HERSHEY** Lodge in Hershey. Attend the Convention and gather the latest information you need to stay "in 2n" (in tune) with your members.

This year's event will be held on new days — Wednesday through Friday — with a new schedule and some new activities, as well as the traditional favorites. One thing's for certain: there will be plenty to do and much to learn throughout the three-day event.

Here are some highlights:

Wednesday

- Convention registration opens at 8:30 a.m.
- Special Pre-Convention Session (compliance)
- The opening General Session will begin at 1:00 p.m., with a keynote presentation by Mark Sievwright of Fiserv, Inc.
- Trade Show opens at 2:30 p.m. with a Block Party Welcome Reception; CEO Reception at 4:15 p.m.
- Wines & Wheels PAC Fundraiser at the Antique Auto Museum at Hershey, 6:00 p.m. (Tickets required)

Thursday

- General Session at 8:45 a.m. with Doug Nielsen
- Education Sessions, morning and afternoon
- 35th Credit Union Youth Ambassador Contest & Credit Union Awards Presentation, 7:30 p.m., followed by Ice Cream Social

Friday

- Pennsylvania Credit Union Foundation Breakfast (Tickets required)
- Education Sessions (morning)
- Spouse/Guest Tour (Tickets required)
- Annual Business Meeting, 1:30 p.m.
- Gala Banquet & Entertainment, begins with reception at 5:30 p.m. (Tickets required)

There's so much more at the 2011 Annual Convention. Look for the convention brochure in your mail or check out the details under the Education tab at www.pcua.coop.



30th Student Branch Opens in PA

Cornerstone FCU, based in Carlisle, recently opened a student-run branch at Big Spring High School. This branch will allow students, family, faculty, and staff to learn more about personal finance and take advantage of the services offered by the credit union.

The branch became the 30th credit union student-run branch to open in Pennsylvania.

Cutting the ribbon to officially open the branch were Steve Smith, High School Principal and Paul Graham, Vice President of Cornerstone FCU's Board of Directors.

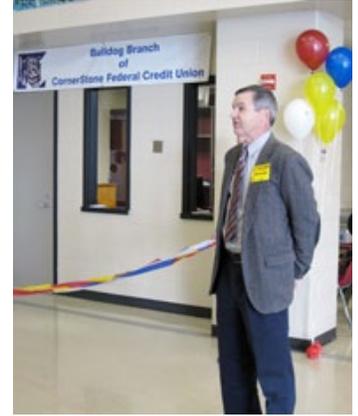
In addition to opening remarks by Dave Keffer, Cornerstone FCU CEO, and Smith, Jim McCormack, President of the Pennsylvania Credit Union Association had a few words to say as well. Also in attendance were the Superintendent; representatives from the school board; Newville Mayor Becky Barrick; and Dave Hockenberry, Board Member of Cornerstone FCU. Highlights of the opening were shown on the local FOX affiliate.

Students, faculty, and staff were able to conduct financial transactions immediately following the formalities. A prize wheel was available for all students to spin, having a chance to win various items, as well as cash.

Keffer said "Cornerstone is very excited about this partnership in financial literacy education and looks forward to the opportunity to prepare students for a lifetime of healthy financial well-being."

The Bulldog Branch will be open three days a week. The Small Operations Business Class is responsible for marketing the branch and four of the students have been hired as student tellers.

To celebrate its partnership with the school, Cornerstone made four \$250 donations to the charities of the Freshman, Sophomore, Junior, and Senior classes.



Cornerstone FCU CEO Dave Keffer thanked the school district for its support of the credit union's new student branch.



A Solution to Proposed Caps on Interchange Fees

Many credit unions are taking stock of how to move forward in the new regulatory and economic environment. In addition to the anticipated costs of implementing new regulations and uncertainty over the final outcome of financial legislation, there are concerns about the effects of low interest rates, depressed loan volumes, and the potential loss of interchange fee revenue.

Recent reports indicate that as a result of the *Dodd-Frank Wall Street Reform and Consumer Protection Act*, the Federal Reserve is proposing rules that would lower interchange fees on debit card transactions to 12 cents per transaction. And while the proposal will not apply to credit unions with assets under \$10 billion, many speculate that the cap will be implemented system-wide with merchants steering consumers to cards with lower fees, costing the credit union community a significant amount of fee income.

When you take a step back and look at the realities facing the industry today, it appears that there is an all-out assault on income. For that reason, it is imperative to implement proven revenue-producing products to stay viable. And while media coverage suggests that financial institutions will most likely end free checking or introduce any number of new service charges, now is not the time to increase or initiate new fees that don't provide value for your members.

Opportunity in Prepaid Reloadable Debit Cards

Like it or not, we're living in a plastic world, where vending machines, public transportation, and nearly all merchants are accepting debit cards for everyday purchases. While not all members qualify for a debit card, a prepaid reloadable debit card may be the answer to meeting this member's needs.

A reloadable, prepaid debit card acts just as a standard debit card would when making purchases – signature or PIN, and anywhere Visa is accepted. The funds are preloaded to the account so they can only spend what is on the card. This gives you the option of putting plastic into the hands of those who would otherwise not be eligible for a credit union debit card.

Why add another card product to our portfolio? One word ... opportunity!

Reloadable prepaid debit cards have been catching the attention of underserved markets for years. In addition to the familiar faces in the prepaid market, like Wal-Mart's MoneyCard and Green Dot, new Teen Card

A Compliant Overdraft Program Can Give Your Revenue a Healthy Boost

By implementing a guaranteed 100 percent compliant overdraft program, you can increase your non-interest income from 50 to 300 percent, while providing a value-added service to informed members should they ever make a mistake on their account or experience a financial emergency.

An effective overdraft solution, designed to supplement your product offerings, should include features that improve your processes, not add to the workload of an already stretched staff, including:

- A complete, non-discriminatory Reg E opt-in strategy;
- A simple, straightforward system to monitor overdraft accounts;
- Employee training on how to present the program to members;
- Assistance with all compliance issues, policies and procedures;
- A structured process for communicating with program users that ensures transparency and keeps charge-offs to a minimum;
- 100 percent core processor compatibility; and
- A performance-based fee structure.

Moving forward in a year of uncertainty regarding restrictions on fees for financial services, make sure you offer products that will provide the most benefit for your credit union and your members. Contact your Association Account Executive or Ken Kuzma (*ken.kuzma@jmfa.com*) for more information.

entrants include popular transaction vehicles, such as PayPal. The attractive offers and savvy marketing techniques from these programs are seeing results – success in pulling the purchase/transaction relationships out of traditional financial institutions and into the prepaid market.



Limited Time Offer

If you've considered a Prepaid Reloadable Debit Program, whether it's time to meet the underserved and teen markets, or to replace current paper travel check programs (there's also a Travel Card program), the Association can help get you there. From February 1 through March 31, the standard \$500 implementation fee for our endorsed partner program with the Illinois Credit Union League will be waived.

To find out more about these programs, contact Chantel Hassinger by e-mail, *chantel.hassinger@pcua.coop*, or call her at 800-932-0661, ext. 5263.



Eric Chase (center), CEO of Guthrie FCU, poses with members of the Power Team, holding the Proclamation of Power Team Week, as declared by the Mayor of Sayre. The Power Team is the No. 1 requested school assembly program in the nation, and Guthrie FCU brought the program to Sayre as a way to give back to the community. Approximately 11 percent of the credit union's membership is 18 years of age or younger. Fifteen assemblies were held over a two-day span, reaching 6,100 kids in school, to deliver the Power Team's inspiration + motivation tactics (feats of strength) equals academic and personal achievement.



Visionary FCU recently honored Frank Bongiorno on his retirement and for 50 years of volunteer service on the Board of Directors. Board members presented him with an inscribed clock and Visa gift card. Frank celebrated his 90th birthday last year and decided to retire from the Board.



Belco Community Credit Union has teamed up with one of its Valued Business Partners to sponsor the first Sunday of every month as First Sundae: Belco Sunday. On the first Sunday of every month, Belco will donate \$1.00 to a local charity/organization for every Belco Sundae purchased.



Hershey FCU employees present a \$6,000 check to Ron Hill, Corporate Relations Director for the American Cancer Society. The donation was a result of several fundraising events held during 2010 as part of the HFCU Cares program, a way for employees to give back to the community. The funds will benefit the Southcentral Pennsylvania Division (Harrisburg) of the American Cancer Society.

If you want your credit union events to be published, please send your photos and news to highway@pcua.coop.

Events Calendar

February

21
Presidents Day
Federal Reserve Bank
Holiday

27-March 3
CUNA Governmental Affairs
Conference
Washington, D.C.

March

17
NCUA Credit Union
Workshop
Philadelphia

23
CEO Leadership Workshop
Harrisburg

24
CEO Leadership Workshop
Pittsburgh

May

11-13
Annual Convention & Expo
Hershey

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News stories and photographs are welcome. Submit information for publication to janet.johnson@pcua.coop.



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