

CUNA
COMMUNITY
CREDIT UNION
CONFERENCE + THE
FEDERATION
2016 ANNUAL CONFERENCE



DGEFCU

★ DC's Credit Union ★

www.dgefcu.org ★ 877-784-5551

Banking DC's Youth: Marion Barry's Summer Youth Employment Program

Presented by Carla Decker





The Business Proposition

Since 2010, DGEFCU has banked the young **adult** participants of SYEP with safe and affordable accounts.

- ❑ Alignment with a mission of financial inclusion
- ❑ Support for DC Govt's programs; Bank-on-DC
- ❑ Diversifying our membership base; cultivating the next generation of Credit Union members

Youth Account Features

New
in
2016!

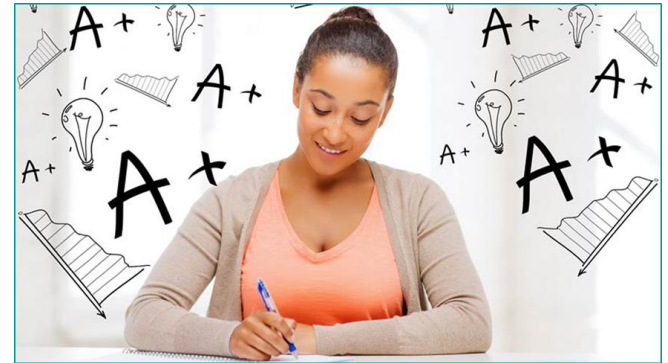
<i>MBSYEP Participants 18 – 24 Years Old (or Custodial Accounts for Minors)</i>	<i>MBSYEP Participants Under 18 Years Old (Non-Custodial Accounts)</i>
A checking and savings account	Two savings accounts (one for transactions, one for pure savings)
Checking account with Debit Card (no Overdraft privileges)	ATM card linked to transactional savings account
Free withdrawals at over 150 ATMs in DC	Free withdrawals at over 150 ATMs in DC
No monthly or usage fees	No monthly or usage fees
Online enrollment and submission of IDs Auto enrollment to suite of e-services, including e-statements, remote deposit capture and text messaging. CU App available for Apple and Android devices.	Online application; DGEFCU follow-up to collect signatures, IDs Optional enrollment to e-services. CU App on Apple & Android. ALL Non-ACH Payroll Deposits performed over the counter.
Super Saver chance to win \$1,000 at end of Summer	Super Saver chance to win \$1,000 at end of Summer

Helping DC's Youth make good financial decisions from the start!



Non-Custodial in 2016

- Customized account with risk mitigation features:
 - Two forms of ID & signed acct agreement
 - Transactional savings linked to ATM card
 - Daily transaction limitations, no ODs
 - Over the counter deposits only
 - Custodial account option available
- Board & Staff buy-in
- Challenges:
 - UCC and contractual considerations
 - Minors and Online transactions
 - Know Your Customer



2016 Results

- 1,014 youth accounts opened (817 Non-Custodial)
- 888 received ACH payroll, i.e. 90% usage rate
- Average Account holder was 16 years old
- Total portfolio balance at end of MBSYEP = \$65,139
 - 35% of \$\$\$ in savings; 65% in transactional accounts
 - Average Savings Balance = \$30
 - Average Transactional Account Balance = \$50



At the end of October; 871 accounts remain open with an average balance of \$60.



Lessons Learned & Next Steps!

- It takes a Village!
- NOT just a summer program – year round efforts required
- Over 10,000 youth participate in the SYEP – more FIs needed to increase scale

