



Engaging The Next Generation Through Teen Accounts



Transcend Credit Union



Our Speaker



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Union

About Transcend Credit Union

ACCOUNTS LOANS CONNECT LEARN

- Louisville, KY
- Approx. \$540M in assets
- Over 48,00 members
- 69 FTEs
- 6 branches

Serving our Members since 1934

Transcend Credit Union (formerly Kentucky Telco Credit Union) has played an important role in the financial well-being of our members since 1934. Our first members were Southern Bell Telephone & Telegraph Company (later BellSouth, AT&T) employees, and we are proud of our heritage serving telecom employees, businesses, and individuals. However, the name, product, and service changes of the “Telephone Company” through the years required the Credit Union to diversify its membership in order to remain financially strong.

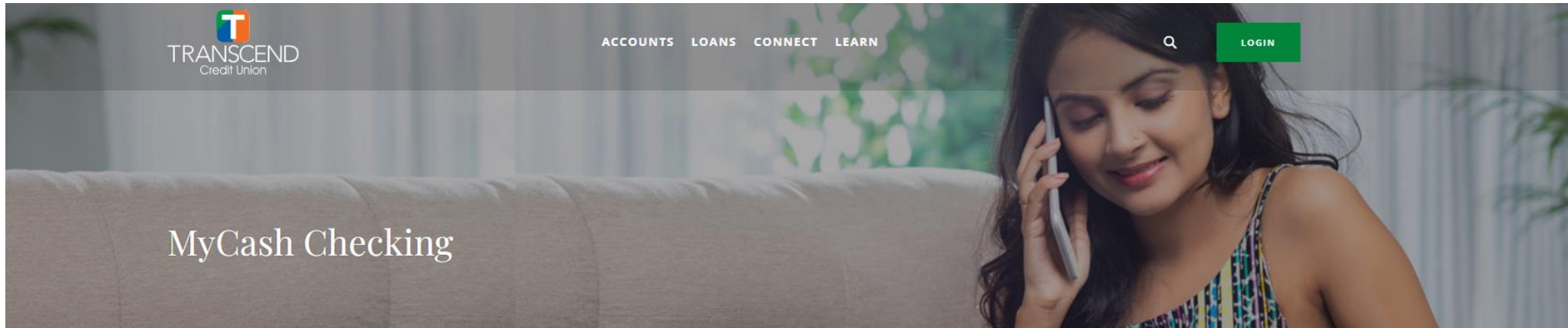
The state charter conversion in December 2015 opened the door for the Credit Union to serve the Louisville, Lexington, and Owensboro communities. Membership is open to anyone who works, lives, worships, or attends school in the following counties: Anderson, Bourbon, Boyle, Bullitt, Clark, Daviess, Estill, Fayette, Franklin, Garrard, Harrison, Henry, Jefferson, Jessamine, Lincoln, Madison, Mercer, Nicholas, Oldham, Powell, Scott, Shelby, Spencer, Trimble, and Woodford in Kentucky.

For almost 90 years, we have committed to helping our members reach their financial goals with quality products, affordable rates, and the unbeatable personal service that members deserve. The Credit Union’s financial condition remains outstanding – as documented by our Annual Report and five-star rating from BauerFinancial, Inc., the financial institution rating organization.

The Challenge/Opportunity

- Many credit unions are facing a pivotal challenge: **how to attract younger members.**
- Fewer than two years ago, Transcend's **average member age was in the 50s and trending upward.** These members typically need fewer services.
- Most of our older members *already have credit cards, can pay cash for autos, and are downsizing* rather than upgrading their homes. **To maintain loan growth, we needed to bring in younger members.**
- At the time, our team was fielding growing **requests from parents interested in accounts for their teens,** a *demographic that is underserved* by most financial institutions in the Louisville and Lexington areas.

The Solution: Accounts Designed for Teens that Also Engage their Parents



Together, we can make your teen money-smart

The teenage years are a time for gaining new skills, greater independence, and more responsibility. Transcend MyCash Checking is a checking account for teens that helps them take big steps toward all of their savings goals. As parents keep a watchful eye, teens learn about money management, get their own debit cards and digital banking access, and begin growing into financially responsible adults.

- 100% match on the first \$100 deposited
- Account available to teens ages 13 to 17
- Teen receives debit card in their name
- Up to 10 foreign ATM fees (Transcend fee) waived per statement cycle (\$2.50 each, maximum of \$25)
- Free unlimited access at all Transcend Credit Union ATMs
- No monthly service fees
- Teen gets access to Online and Mobile Banking
- Parent or guardian is a joint owner of the account
- Parent can view financial transactions and link their account to the teen's account



[APPLY ONLINE](#)

How it Works – Catering to Teens and Parents

- One key factor in the success of Transcend’s teen membership initiative was **uncovering what teens and their parents actually want** from a checking account. Focus groups with both generations helped us identify must-have features.
- **The teens wanted access to the account from their phones and the ability to use a debit card.** Parents wanted the ability to monitor their teen’s account.
- **So, we built an account that offers a mobile banking app, ATM fee reimbursements, and a debit card for teens.**
- **For parents, the account gives them to ability to monitor the account, transfer funds, and set daily spending limits.**
- Another key feature in the teen account is **overdraft avoidance.** If an accountholder doesn’t have sufficient funds for a purchase, the transaction is simply declined.

Financial Education And In-Branch Engagement

- We didn't just launch a teen account and leave it at that – we also **built a comprehensive educational experience along with it.**
- Although parents can open the accounts online, **we always recommend bringing their teens in when opening the account.**
- There, our team **reviews budgeting and ensures the young member understands what it means to have sufficient funds to cover transactions.**
- The team discusses *how to use an ATM*, **how to safely use digital payment methods, such as ApplePay and Venmo**, and, if they have a job, **the importance of direct deposit.**
- We also cover topics such as **proper use of the debit card and how to safely maintain it**, such as where to keep it and not sharing it with their friends and **take the time to log them on to mobile banking and navigate the site.**
- We believe **every moment with a teen member can be a teachable moment.**

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Teaming Up with Local Schools

GO BACK TO School
WITH EXTRA CASH!

OPEN A **MYCASH CHECKING** OR **YOUTH SAVINGS** ACCOUNT

- For teens 13-17 years old
- FREE SmartCash VISA® Debit Card
- No monthly fees¹
- Online & Mobile Banking

- For ages 0-17 years old
- FREE SmartCash VISA® Debit Card

AND WE'LL MATCH THE FIRST **\$200** DEPOSITED!²

SmartCash
TRANSCEND Credit Union
DEBIT VISA

Teaming Up with Local Schools

Open a MyCash Checking or Youth Savings Account and we'll MATCH THE FIRST \$200 DEPOSITED!²



A Transcend MyCash Checking or Youth Savings account is the perfect way for your teen to learn valuable money skills through real world experience.

- Teen receives debit card in their name
- Parent/Guardian is a joint owner on the account
 - Able to view transactions and link parent account to youth account
- Up to 10 foreign ATM fees waived per statement cycle (\$2.50 each, max of \$25)¹
- Online & Mobile Banking
- Teaches financial responsibility

Call (502) 459-3000 or visit our website to open an account online today!

MyCash Checking Account: *APY = Annual Percentage Yield. The Transcend MyCash Checking Account does not earn dividends. No opening or minimum balance required. ²Deposits made within the first 30 days matched up to \$200. Matched funds will be deposited the same day deposits are made and will be deposited to the MyCash Checking Account. Only one bonus incentive per teen. Must be a new MyCash Checking Account; only the first will qualify. Matched amount may be taxable as interest income and reported on IRS Form 1099-INT. Consult your tax advisor. ¹Fees from the ATM owner/network still apply. All terms and conditions are subject to change without notice. Membership eligibility required.

Youth Savings Account refers to Elevate Eagle Savings Account or MyCash Savings Acct: *APY = Annual Percentage Yield. APY accurate as of 7/1/2024. This is a variable rate account. Dividend rates may change after the account is opened. No minimum deposit is required to open a Youth Savings Account. Balances up to \$1,000.00 for the first 12 months after account opening earn a 5.00% APY. Balances over \$1,000 and balances after the first 12 months from account opening will receive the applicable tier Regular Savings rate. Regular Savings APYs as of 7/1/2024: \$0 - \$14,999.99 is .20%, \$15,000 - \$49,999.99 is .23%, \$50,000 or more is .25%. ²Deposits made within the first 30 days matched up to \$200. Matched funds will be deposited the same day deposits are made to the new Youth Savings Account. One account per minor. Bonus may be taxable as interest income and reported on IRS Form 1099-INT. Consult your tax advisor. All terms and conditions are subject to change without notice. Membership eligibility is required.

Federally Insured by NCUA

Community Outreach & Referrals

- We work with local high schools to provide workshops on personal finance, mock job interviews, and hire students for summer jobs at the credit union.
- This deep community engagement reinforces our commitment to financial literacy and fosters goodwill among educators and students alike.
- Importantly, it has positioned us as not just a financial institution but a trusted partner in the community that helps teens gain essential financial skills that will serve them throughout their lives.
- We have also run campaigns encouraging teens and parents to refer their friends in exchange for gift cards to popular coffee shops, gaming stores, and the like.
- These promotions, coupled with ongoing community outreach and strong social media engagement, help keep our teen account top of mind. Instagram has proven particularly effective in reaching teens with promotions and financial education articles, whereas Facebook has worked well for engaging parents.

Results to Date & Future Plans

- The teen accounts launched in March 2023.
- As of August 2024, **530 teen accountholders** held a total balance of **\$460,557**, averaging approximately \$864 per account. Additionally, the accounts generate nearly **3,000 debit card transactions every month**.
- Although these accounts might not significantly impact our overall liquidity, the steady inflow does add value. **Anytime we can get cheap deposits, that's a win for us.**
- These accounts have also helped **lower our credit union's average member age to approximately 47.**
- Looking ahead, we are planning **how to maintain and grow these relationships** as teen members move into adulthood.
- By offering **first-time credit cards, car loans, and other products tailored to young adults**, we hope to be the first choice for these members when they reach new financial milestones.

Q&A Discussion Period

THANK YOU FOR WATCHING



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