



CASE STUDY

CORE FEDERAL CREDIT UNION: THREE BRANCHES SERVING MEMBERS IN 44 STATES VIA ALLPOINT'S SURCHARGE-FREE NETWORK

Originally formed as East Syracuse Teachers Association (ESTA) Employees Federal Credit Union in late 1959, CORE Federal Credit Union (CORE) serves the employees and members of approximately 160 schools, churches, community organizations, small businesses, and local governments in Central New York State.

Starting out 57 years ago with total assets of \$310.13 and 30 share accounts, the credit union has grown to \$105 million in assets and over 10,000 members. Since its original field of membership was school based, CORE has always had a particular focus on financial education and is recognized as having one of the country's top student financial literacy programs. In fact, it received the prestigious Desjardin Award for youth financial literacy programs from the Credit Union National Association five years in a row beginning in 2011.

Though youth financial literacy is one of the hallmarks of the credit union industry, CORE has leveraged its financial literacy efforts and the latest sophisticated self-service banking tools to boost retention. An important tool in its toolbox has been the credit union's 11-year partnership with Allpoint Network that gives CORE members access to 55,000 ATMs.

The result? "We're a small \$100 million credit union with three offices in Central New York State, but we have members spread throughout 44 of the 50 United States," said Bill Sweeney, CEO of CORE FCU.

Good Habits Formed at Youth Make All the Difference

Aristotle is credited with making the statement above, and CORE was able to educate students on how to manage their money and build a nationwide footprint by following his advice. More specifically, CORE starts so many of its relationships when members are young and gives them tools for financial success throughout their lives. This also makes the need to nurture existing relationships - even those at a great physical distance from CORE branches - a non-issue.

CORE FCU

Assets:
\$105.04 million

Location:
Central NY State

Membership:
Across 44 US States

ACHIEVEMENTS

Leveled the competitive playing field

74% student retention rate

Regarded as a trusted financial advisor for students

CUNA Desjardin Award Winner for Youth Financial Literacy programs from 2010 to 2015



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In 2005 CORE was the first credit union in the Syracuse, New York area to open a student-run branch in a high school. It now has three high school-based programs in the communities it serves, and has advised many other credit union/school partnerships on how to establish their own programs as well.

CORE researched other student-run credit union operations, but added a unique twist. “We basically handed the students the keys to the bus,” Sweeney said. “We told them there was a framework, but it was their program and challenged them to educate their peers because they know better what other students will listen to and what they won’t. We encouraged them to coach and mentor other students and be that pebble that sends ripples of financial literacy throughout the pond.”

“Rather than use these student-run credit unions as just a breeding ground for teaching personal financial skills, we actually turn the students into educators themselves and challenge them to not only take things away from the program that helps them personally, but also to give back to their peers and to the community,” Sweeney explained.

The students who run the school-based credit union receive coaching from CORE staff members on teaching financial literacy and how to be peer-to-peer mentors. These students also administer a bank-at-school program for elementary grades, serving as mentors and role models for younger students on the importance of establishing good savings habits early in life.



Financial Literacy 2.0

CORE FCU is not just resting on its Desjardin Awards laurels. Two years ago it expanded the financial literacy program by adding training for high school students who want to be volunteer tax preparers in the community.

“Every year we seem to add a new wrinkle or twist to the program. It keeps us young and makes us grey all at the same time,” Sweeney quipped.

The financial literacy program also tends to keep the students invested in the credit union and its mission. Sweeney said 74 percent of the students who have gone through the program since its inception kept their credit union membership at least five years after leaving the area.



Nearly 15 students have held summer jobs with CORE and two of CORE’s current full-time staffers came through the student credit union program. One of those staffers was a student supervisor for the student-run credit union, worked at CORE during summers while in college, took a full-time job with CORE after school, and now oversees the school-based credit union she supervised when in high school.

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How Allpoint Aids Retention

“What Allpoint does is to help extend our geographic reach for our students who have come through our financial literacy program,” Sweeney said. “We have become their trusted financial advisor. When they graduate and go to school in Florida, Arizona, California or Pennsylvania, they like to stay connected to their credit union.”

CORE’s adoption of self-service banking gives student members a way to stay connected. The self-service model is delivered through a cutting edge suite of electronic services including online banking, mobile banking and remote deposit capture.

Added to that is what Sweeney said is “the largest no-surcharge ATM coverage of any financial institution in Central New York. It’s bigger than Chase, bigger than Bank of America, Key Bank, M&T – you name it. Our strategy is that we are offering our student members the same convenient access to their accounts and their funds as they had when living in the Central New York area.”

CORE joined Allpoint because the network provides members with access to surcharge-free ATMs nationwide. So for the CORE member living away from New York, staying with the credit union means a branch is only as far away as the member’s computer or Smartphone, and cash access is at the grocery store or pharmacy down the street, instead of hundreds or thousands of miles away.

As a nationwide ATM network in popular retail locations, Allpoint has also helped CORE be more competitive. “It certainly helps level the playing field by giving us a larger reach than money-centered, nationwide banks,” Sweeney commented.



About Allpoint

Allpoint Network is the largest surcharge-free ATM network with more than 55,000 ATMs in leading national and regional merchant locations across the United States, Canada, Mexico, United Kingdom and Australia. Allpoint provides greater access, convenience and savings to customers of financial institutions while providing institutions the tools to compete more effectively for customers. For more information or to find the nearest Allpoint surcharge-free ATM, please visit www.AllpointNetwork.com, like us on Facebook and follow @Allpoint on Twitter. Allpoint Network is a wholly-owned subsidiary of Cardtronics, Inc. (NASDAQ: CATM).

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