


NCOFCU Payments Update

The logo for CULIANCE features a light blue, semi-transparent arch that frames the word "CULIANCE" in a bold, sans-serif font. The arch is positioned above the text, and the entire logo is centered within a light gray rectangular area.


CULIANCE

Goal

To empower our credit unions to make informed, sound decisions regarding their card program.




Durbin Amendment (Dodd-Frank)

- Multiple networks
 - Merchant control
 - Visa response
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Maximizing Income

- Top of wallet?
- Top of everything DiGiTaL
- ACH bill pay: conversion to DEBIT
- Eliminating non-performing networks

ATMs

- Surcharge-free access
 - Interchange on the rise
 - Own them? Dump Them!
 - ATM Rebating...
- 

ATM Rebating – Costly Marketing

- **Assume a CU has 2,000 active debit cards**
- Each card performs 2.1 ATM trans per month
- $2k \times 2.1 = 4,200$ monthly ATM withdrawals
- Assume 30% of these ATM trans are on-us (-1,260) so, remove the on-us volume ($4,200 - 1,260 = 2,940$)
- The industry average ATM surcharge is \$2.90
- $2,940 \text{ ATM trans} \times \$2.90 \text{ surcharge} = \$8,526$ costs
- \$8,526 per month in ATM refunds to members
- Over \$100k annually to subsidize the rebate program

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P-2-P Solutions

- Pocket 2 Pocket
 - Person to Person
 - Peer to Peer
 - Zelle
 - PayPal
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Credit Card Delinquencies

- Employment up / income stagnant
- Household spending & debt on rise
- Near pre-meltdown (*The Big Short*)
- Credit Card delinquency on rise:
 - Q2 2016: 2.20%
 - Q2 2017: 2.47%

Source: www.Lowcard.com

Bitcoin

- Blockchain – universal ledger
 - Bitcoin – App from Blockchain store
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Fraud



Thank you!

