Financial Education, Youth Savings and In-School Banking

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Goals

- Provide resources that K-12 educators can use to confidently teach financial education
- Encourage parents/caregivers to engage in financial-related conversations and activities with their children and youth
- Promote hands-on financial education with an emphasis on savings
Goal: highlight promising ways to combine financial education & savings accounts for school-aged children

Two Phases – 21 participating banks

- I: 2014-15 school year (existing programs)
- II: 2015-16 school year (new or expanded programs)

Methodology

- Calls
- Surveys
Pilot Participants

- Athol Savings Bank
- Bank of Hawaii
- Beneficial Bank
- Caldwell Bank & Trust
- Capital One, NA
- Commercial Bank
- Fidelity Bank
- First Bank of Highland Park
- First Metro Bank
- International Bank of Commerce
- Montecito Bank & Trust
- Passumpsic Savings Bank
- PNC Bank, NA
- Reading Co-operative Bank
- ServisFirst Bank
- Southwest Capital Bank
- The Hastings City Bank
- The Huntington National Bank
- Treynor State Bank
- Wesbanco Bank
- Young Americans Bank
Reported Benefits Include

- Improving financial skills, knowledge and attitudes of students & families
- Fulfilling a mission
- Staff satisfaction and community goodwill
- CRA credit for LMI Schools
- Building a pipeline of future customers
- Developing account relationships with students, parents, and school staff
Development Roadmap

- **Phases:**
  1. Plan
  2. Design
  3. Document Roles and Responsibilities
  4. Implement
  5. Assess and Refine
Phase I: Plan

- Identify objectives
- Engage potential partners
  - Leverage existing relationships with teachers, administrators or school boards
  - Work with third-party intermediaries that have existing programs with/for schools
- Prepare for potential challenges
1. School Branches
2. In-School Banking
3. Nearby Branch Visits
Interagency Guidance to Encourage Financial Institutions’ Youth Savings Programs and Address Related Frequently Asked Questions (2/24/15)

- Opening accounts for minors
- Application of Consumer Protection Laws
- Customer Identification Program requirements
- CRA Consideration
- When are branch applications not required
Collaboration between FDIC and Conference of State Banking Supervisors (CSBS)

- Research to identify state-specific laws or rules pertaining to youth banking
- Examples
  - State laws pertaining to age for non-custodial deposit accounts
  - Branch application exceptions for school banking
- [https://facts.csbs.org/](https://facts.csbs.org/)
Account Characteristics

- Ownership structures:
  - Non-Custodial
  - Custodial (parent/guardian)
  - Custodial (school, nonprofit, or other 3rd party)

- Key elements:
  - Consistent with Model Safe Account Template
  - Mobile technology
Financial Education

- Delivery approaches
  - Formal instruction
  - Peer-based
  - Just-in-time information sharing

- Fun and interactive approaches

- Integration with social studies or math

- Variety of curricula, including Money Smart for Young People
Money Smart for Young People series:
- Grades Pre-K-2
- Grades 3-5
- Grades 6-8
- Grades 9-12

Components for:
- Teachers
- Students
- Parents/Caregivers

Alliance
Curriculum is segmented by grades and age appropriate lesson plans

Each is equipped with 3 guides; parent guide, teacher guide and student guide

Teacher Presentation Slides are provided for class time tools

Curriculum meets educational/academic standards
Downloadable from FDIC.gov website
Online Teacher Resource Center
Money Smart Alliance – peer to peer support
Portable – use one lesson or all
Let’s take a quick look
Youth Savings Phase III: Roles and Responsibilities

- Possible bank contributions:
  - Staff time
  - Materials
  - Marketing
  - Monetary incentives
  - Account set-up

- Partner contributions
  - Staff time
  - In-kind services (e.g., space)
  - Account matching (e.g. college savings)
Phase IV: Implement

- Prepare those who will work with the students
- Regular communication
- Involve parents
Youth Banking Network

- Launched on March 27, 2017
- Goal: help banks working to connect financial education to savings accounts for school-aged children
  - Conference calls
  - Sharing information resources
  - Give FDIC ideas for how we can customize our educational tools for youth savings
How to Join the Network

- Eligibility:
  - FDIC-insured bank partnering with school/nonprofit to enable young people to open a savings account
  - Financial education provided
- Join: youthsavings@fdic.gov
Email
youthsavings@fdic.gov

Or visit the websites:
www.fdic.gov/youthsavings
www.fdic.gov/moneysmart

Teamwork Makes The Dream Work!
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