



## **Youth Savings**

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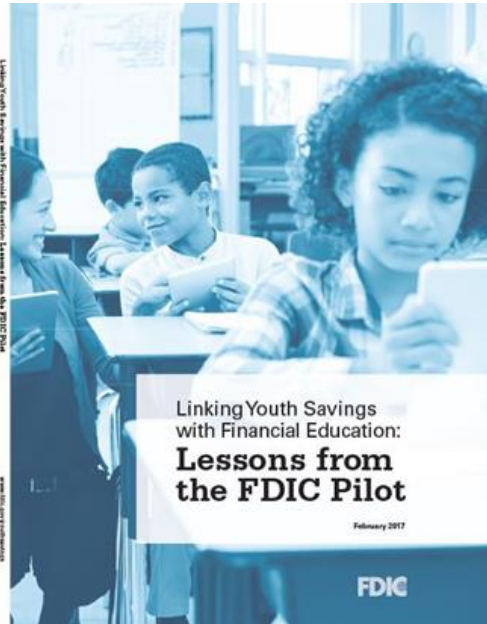


# *Goals*

- **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**



# ***FDIC Youth Savings Pilot***



- **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



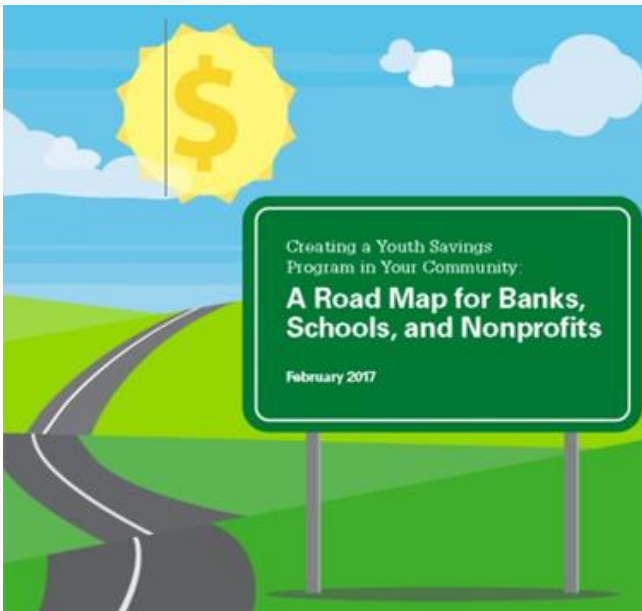
# *Pilot Participants*

- 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**



## ■ Phases:

- I. Plan
- II. Design
- III. Document Roles and Responsibilities
- IV. Implement
- V. Assess and Refine



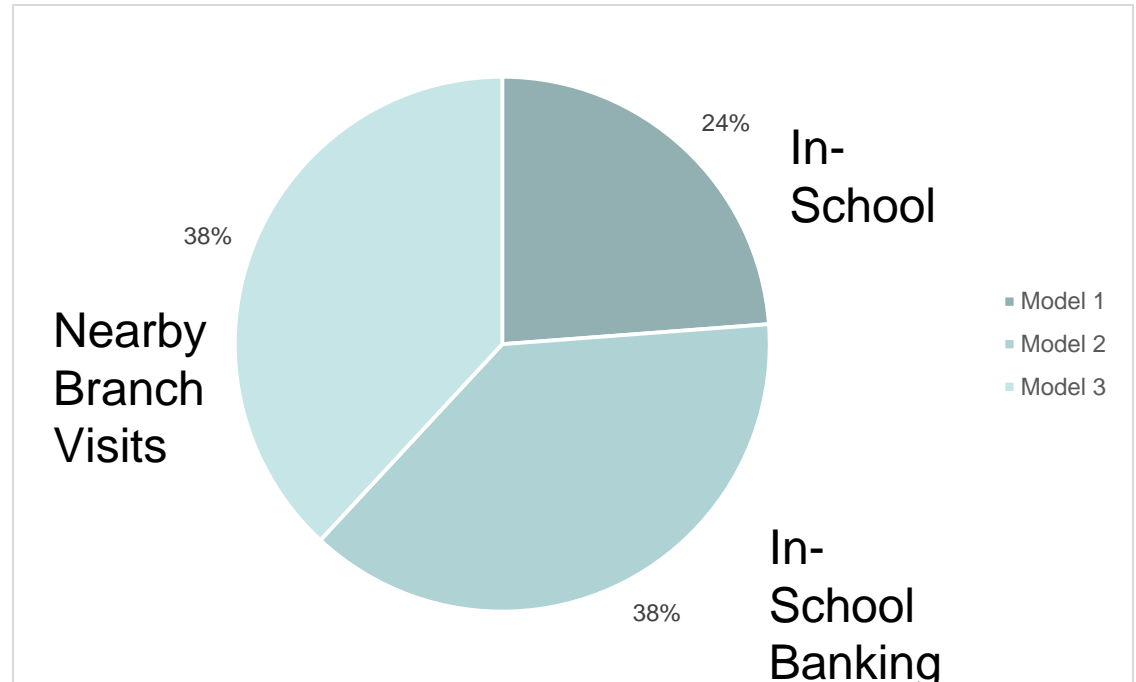
# *Phase I: Plan*

- **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**



# Phase II: Models

1. School Branches
2. In-School Banking
3. Nearby Branch Visits







# ***Youth Savings Guidance***

## ***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



# *ID Key State Rules*

- **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/>



# *Account Characteristics*

- **Ownership structures:**
  - ◆ Non-Custodial
  - ◆ Custodial (parent/guardian)
  - ◆ Custodial (school, nonprofit, or other 3<sup>rd</sup> 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



## Money Smart for Young People series:

- ◆ Grades Pre-K-2
- ◆ Grades 3-5
- ◆ Grades 6-8
- ◆ Grades 9-12



for Grades 9-12

## Components for:

- ◆ Teachers
- ◆ Students
- ◆ Parents/Caregivers


## Teacher

## Presentation Slides

for use with Educator Guide

**FDIC Money Smart** 863011  
www.fdic.gov/moneysmart

ENGLISH	Financial Education Program Learn More! Get a Certificate for Adults
中文 CHINESE	一週理財教育計畫 課程由理財達人講解 Multi-Instructor Led (Multi-lingual)
Kreyòl Ayisyen HAITIAN-CREOLE	Yon Program Edikasyon Finansye Program Enriched a by pou Adult yo
हिन्दी HINDI	एक वित्तीय शिक्षा कार्यक्रम असाईन हो कर शिक्षण हो सकेगा वरदा साहस
Limcoob HMONG	Th Tooj Kee Pab Kaws Txog Nyiaj Txog Kaw Qhia rau-Caw Txog Lax rau Nhoj Rau-Caw Qhia
한국어 KOREAN	금융 교육 프로그램 성인 대상 금융 교육 프로그램
Русский RUSSIAN	Программа финансового образования Программа для взрослых с сертификатом об образовании
Español SPANISH	Un Programa de Educación Financiera Programa para adultos guiado por un instructor
Tiếng Việt VIETNAMESE	Chương Trình Giáo Dục Tài Chính Chương Trình Giáo Dục Tài Chính dành cho Người Lớn



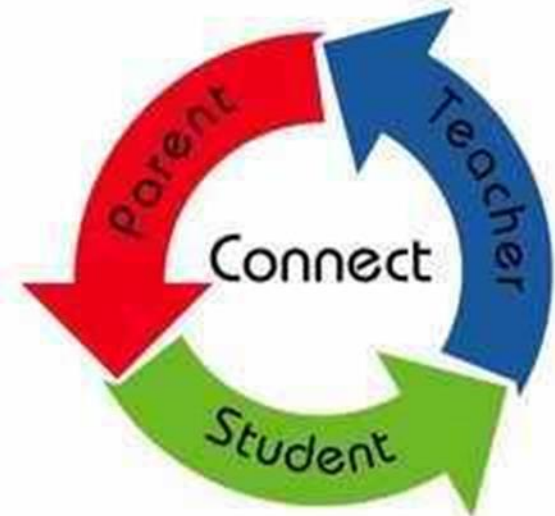
## Alliance



# *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)

- **Prepare those who will work with the students**
- **Regular communication**
- **Involve parents**





# ***Youth Banking Network***

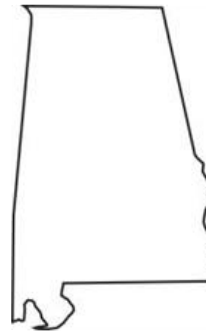
- **Launched on March 27, 2017**
- **Goal: help banks working to connect financial education to savings accounts for school-aged children**
  - ◆ Conference calls
  - ◆ Sharing information resources
  - ◆ Give FDIC ideas for how we can customize our educational tools for youth savings





# *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](mailto:youthsavings@fdic.gov)**



**Alana Parker,  
Education and  
Training Director,  
Community  
Reinvestment Act  
Officer,  
First Metro Bank**

*Muscle Shoals, AL*

**Muscle Shoals, Alabama**  
**Eight locations, Two Operations Centers**  
**Two Student-Operated School Banks**  
**130 Employees**  
**Three-County Assessment Area in Northwest Alabama**



**Financial Literacy  
Outreach Program**  
 Began in 2007  
 Teach Children to Save Day – 4<sup>th</sup>  
 grade  
 CHOICES Program – 8<sup>th</sup> grade  
 Get Smart About Credit Day – 11<sup>th</sup>  
 & 12<sup>th</sup> grade  
 Student-Operated Falcon Branch  
 and Trojan Branch  
 Between 5,000 and 7,000 Students  
 Annually

## The School Branches How it works...

### To Open an Account

1. Student Teller completes CIP form and has Student sign the form.
2. CIP form sent to CSR at designated FMB location
3. CIP procedures completed by the CSR, if all requirements are met, then the account is created
4. Signature card and disclosures returned to school branch
5. Student signs signature card, receives disclosures, and makes initial deposit



**Student Teller Training**

### The Student Savings Account

- Does not require a joint owner for those 15 or older
- \$1 minimum opening deposit
- \$1 minimum balance
- ATM card, mobile banking, online banking, telephone banking, etc. included



# CONTACT AND RESOURCE INFORMATION

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## Websites:

[www.fdic.gov/youthsavings](http://www.fdic.gov/youthsavings)

[www.economicinclusion.gov](http://www.economicinclusion.gov)

[www.fdic.gov/moneysmart](http://www.fdic.gov/moneysmart)

## Email:

[youthsavings@fdic.gov](mailto:youthsavings@fdic.gov)



