

Building Bank Support for Asset Building Initiatives

Office of the Comptroller of the Currency

U.S. Department of the Treasury

Banks as Partners in Financial Capability

- The Community Reinvestment Act (CRA) encourages banks to participate in activities that promote *community development (CD)* for LMI persons or small businesses.
- Bank support for financial capability programs may receive positive **CD** consideration under CRA.
- FinCap programs *targeted to low- and moderate-income individuals and families* may receive CRA consideration as retail banking or community development service.
- Workforce or small business FinCap programs *targeted to* LMI workers or small businesses may also receive CRA consideration.

Types of Support

- Loans
- Qualified Investments *(includes grants)*
- Services
 - Retail Banking Products
 - Community Development Services
 - Certain Bank Volunteer Activities
 - Technical Assistance Activities

Examples of CD Loans

- Loans or Investments in:
 - Financial intermediaries including:
 - Community Development Financial Institutions (CDFIs)
 - Community Development Corporations (CDCs)
 - Community Loan Funds
 - Minority & Women-Owned Financial Institutions
 - Low-Income or Community Development Credit Unions
 - Local, State or Tribal Governments
 - Low-Income Housing Tax Credits
 - New Market Tax Credits

Examples of Qualified Investments

Financial support to:

- Not-for-profit organizations serving LMI or other community development needs, such as counseling for credit and other financial literacy programs
- Enable a(n) MDI or LI CU to partner with schools or universities to offer financial literacy education to members of its local community

Examples of CD Services

- Providing credit counseling or other financial services education to promote community development to assist LMI borrowers
- Establishing school savings programs
- Developing or teaching financial education/literacy curricula for LMI individuals

Retail Banking Services

Examples of retail banking services that improve access to financial services, or decrease costs, for low- or moderate-income individuals include:

- Low-cost deposit accounts
- Individual development accounts
- Free or low-cost check cashing services
- Reasonably priced international remittance services

Individual Development Accounts

Financial institution participation in IDA programs comes in a variety of forms, including providing:

- Retail Banking Services to IDA accountholders
- Matching Dollars or Operating Funds to an IDA program
- Designing or Implementing IDA programs
- Consumer Financial Education to IDA accountholders

VITA

- Offering low-and no-cost accounts in which the tax refund may be directly deposited
- Offer grants to community organizations providing VITA services
- Donate staff resources to coordinate VITA tax preparation sites, expand outreach, and conduct financial education and literacy programs

BankOn

- Savings incentive programs targeted to low- and moderate-income individuals and families may be deemed responsive to community needs and may receive positive consideration under CRA
- For example, a bank may offer financial services, including low-cost savings and checking accounts that have a primary purpose of benefiting LMI families

Youth Programs

- Supporting Youth Employment Programs
 - Summer Jobs Connect
 - *CFE & Citi Foundation*
- Establishing School-Based Savings Programs
- Establishing School-Based Bank Branches



Work & Small Business Programs

- Direct deposit an amount of wages via payroll deduction *into bank savings accounts*
- Seminars conducted in partnership with employers or job training programs that target LMI workers
- Providing asset-building programs, financial education or technical assistance to business development centers and small business incubators

Disaster Recovery

Asset Building & Financial Resilience

Banks and other partners, supported a United Way matched savings program, that encouraged financial capability and resilience

- Displaced residents could take advantage of the programs to help them rebuild and return to hard-hit neighborhoods.
- Funds could used for homeownership, to start certain businesses or to purchase a car.



OCC Publications

Financial Capability



Community Developments
Fact Sheet
Financial Capability

Community Affairs

Financial capability incorporates financial literacy with the ability to understand and use a variety of financial products and services to meet life goals. Financial literacy refers to the knowledge and understanding of basic financial concepts, products and services, and how to use them. Financial capability refers to the ability to apply this knowledge and understanding to make informed decisions about financial products and services.

Events
Based on National Bank Promotional Initiative (NBI), January 2014
Based on the Federal Reserve Board's Financial Literacy Initiative, February 2014
Based on the FDIC's Financial Literacy Initiative, March 2014
Based on the FDIC's Financial Literacy Initiative, April 2014
Based on the FDIC's Financial Literacy Initiative, May 2014
Based on the FDIC's Financial Literacy Initiative, June 2014
Based on the FDIC's Financial Literacy Initiative, July 2014
Based on the FDIC's Financial Literacy Initiative, August 2014
Based on the FDIC's Financial Literacy Initiative, September 2014
Based on the FDIC's Financial Literacy Initiative, October 2014
Based on the FDIC's Financial Literacy Initiative, November 2014
Based on the FDIC's Financial Literacy Initiative, December 2014

Bank Savings Incentive Programs



Community Affairs

Bank Savings Incentive Programs

Bank savings incentive programs are initiatives that encourage consumers to save or increase savings through deposit accounts. Financial institutions offer these programs to help encourage consumers to save money for their future needs. These programs often include features such as automatic savings, cash bonuses, and other incentives to encourage saving.

Community Developments
Fact Sheet

Individual Development Accounts



Community Affairs

Individual Development Accounts

Individual Development Accounts (IDAs) are matched savings accounts that enable low-income individuals to save for education, home ownership, and other life goals. These accounts are often used in conjunction with community development financial institutions (CDFIs) and other financial institutions to provide financial services to underserved populations.

Community Developments
Fact Sheet

Fin Lit Update



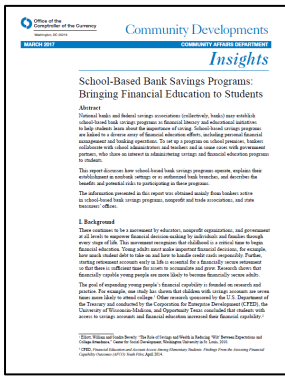
Financial Literacy Update

Community Affairs

This update provides information about recent events and initiatives related to financial literacy. It includes details about the National Financial Literacy Initiative and various community-based programs aimed at improving financial literacy among underserved populations.

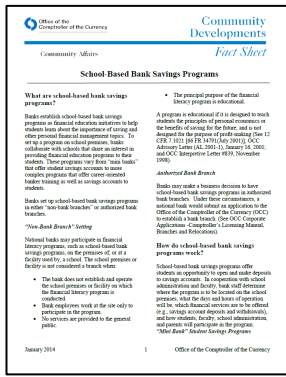
Indiv Dev Accts

School-Based Bank Savings Programs: Bringing Financial Education to Students



Community Developments
Insights
School-Based Bank Savings Programs: Bringing Financial Education to Students

Abstract
School-based bank savings programs, also known as school-based bank savings programs, are initiatives that bring financial education to students in K-12 schools. These programs often include features such as cash bonuses, automatic savings, and other incentives to encourage saving. The purpose of these programs is to help students develop good saving habits and financial literacy skills early in life.



Community Developments
Fact Sheet
School-Based Bank Savings Programs

Community Affairs

This fact sheet provides information about school-based bank savings programs. It describes the types of programs that exist, the benefits they offer to students, and the steps that schools and financial institutions can take to implement such programs. It also includes information about the regulatory requirements for these programs.

www.occ.gov/communityaffairs
“Community Affairs Publications”
“Community Affairs Resource Directory”

Lisa Mifflin
Lisa.Mifflin@occ.treas.gov
202.230.4664