



# Native Bank On: Addressing Native Banking Access

September 18, 2019

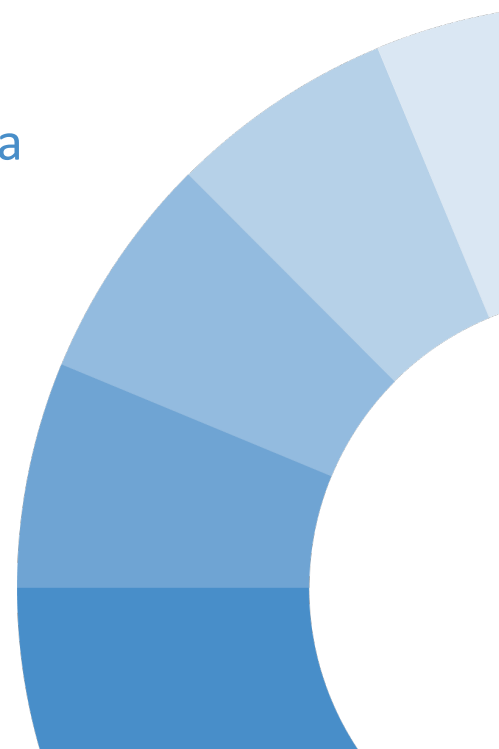




## PRESENTERS



Christy Finsel  
Executive Director, Oklahoma  
Native Assets Coalition, Inc.

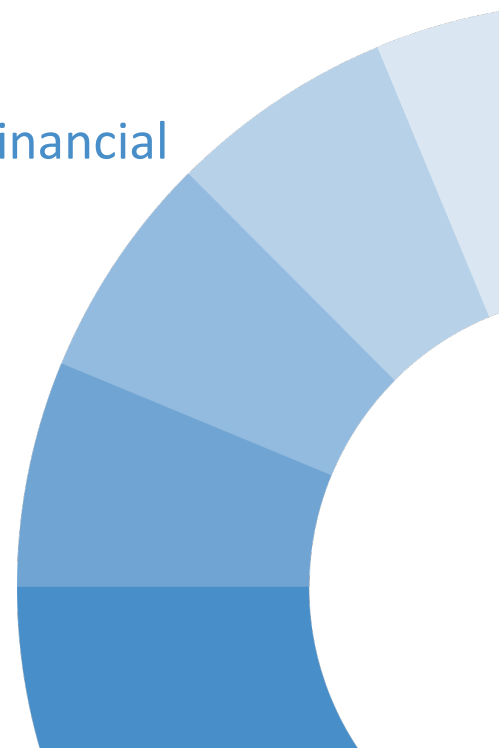




## PRESENTERS



Paige Diner  
Associate, Cities for Financial  
Empowerment Fund



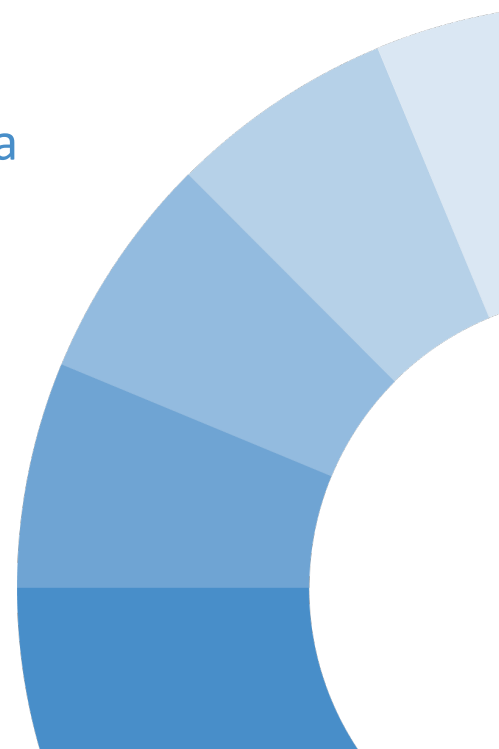


## PRESENTERS



JR Webster

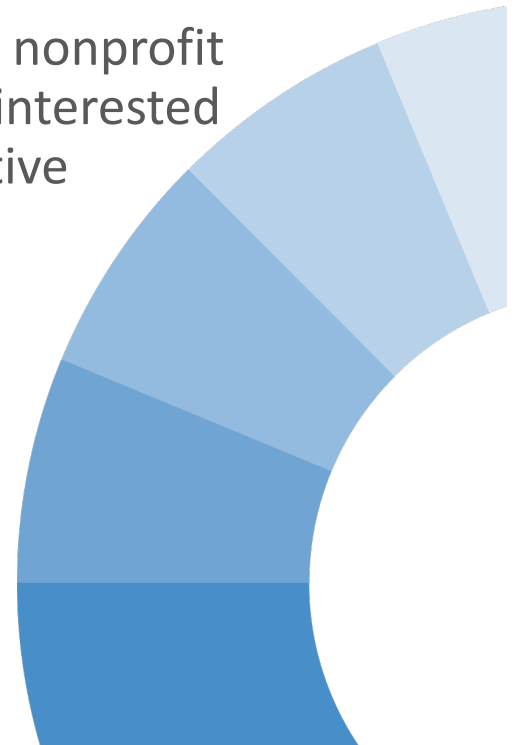
Bank On Manager, Oklahoma  
Native Assets Coalition, Inc.





## WHAT IS ONAC?

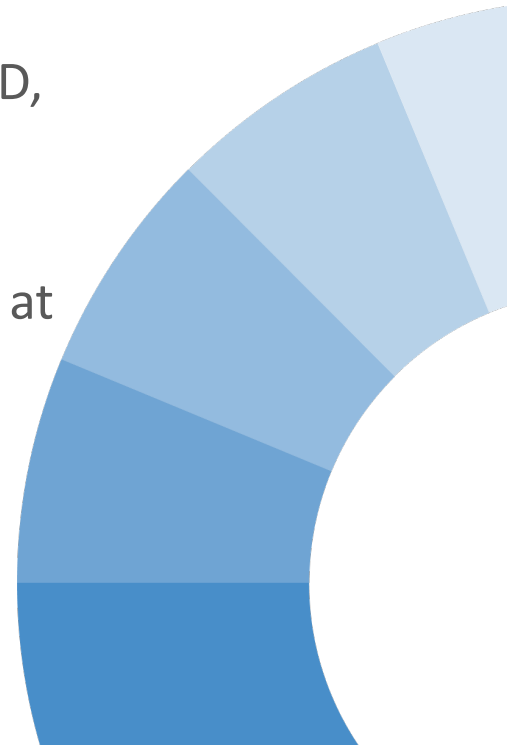
The Oklahoma Native Asset Coalition (ONAC) is a [Native-led](#) nonprofit asset building coalition that works with tribes and partners interested in establishing [asset-building](#) initiatives and programs in Native communities. ONAC serves across the United States.





## HISTORY OF ONAC

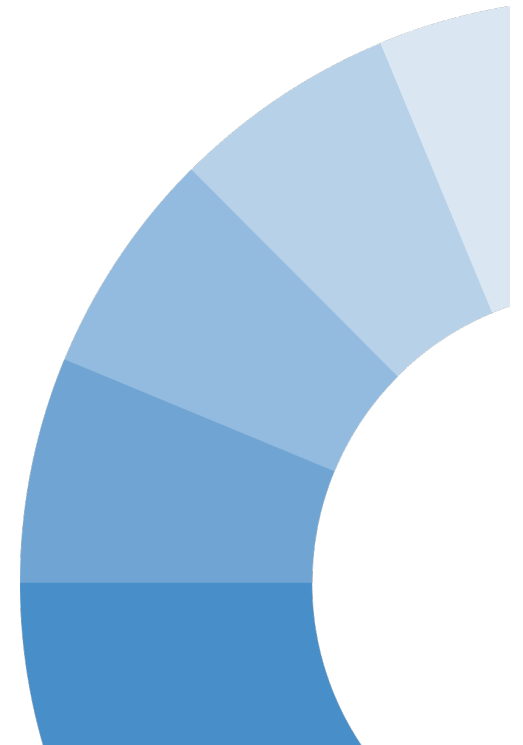
- 2001, initial meeting about the formation of a Native asset building coalition in OK (Center for Social Development, CSD, and FNDI)
- 2014, IRS approval of tax exempt status, 501(c)(3)
- 2018, ONAC Board of Directors decided ONAC would serve at a national level





## ONAC'S TARGET CONSTITUENTS

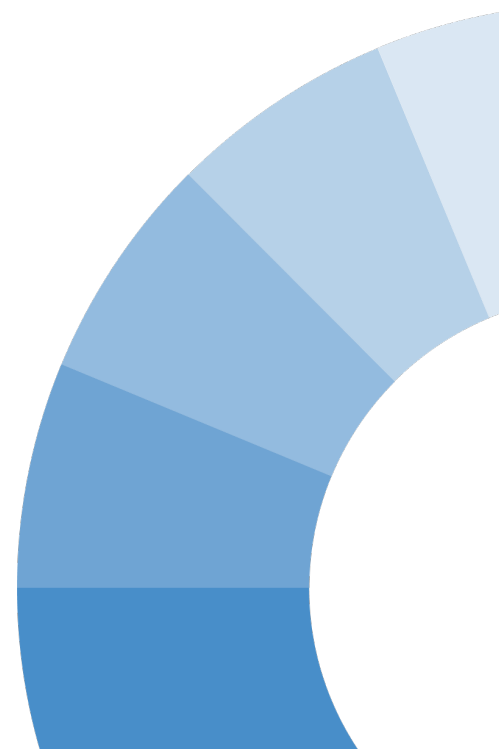
- Tribes and their citizens
- Tribal government program directors and staff
- Native-led nonprofits
- Asset-building practitioners
- Local, county, state and federal programs that serve tribes





## NATIVE ASSET BUILDING PROGRAMS

- Native financial education programs
- Voluntary Income Tax Assistance
- Credit builder programs
- Native small business resources
- Homeownership assistance programs
- Children's Savings Account programs
- Native Individual Development Account programs
- Family emergency savings accounts
- Native Bank On initiatives

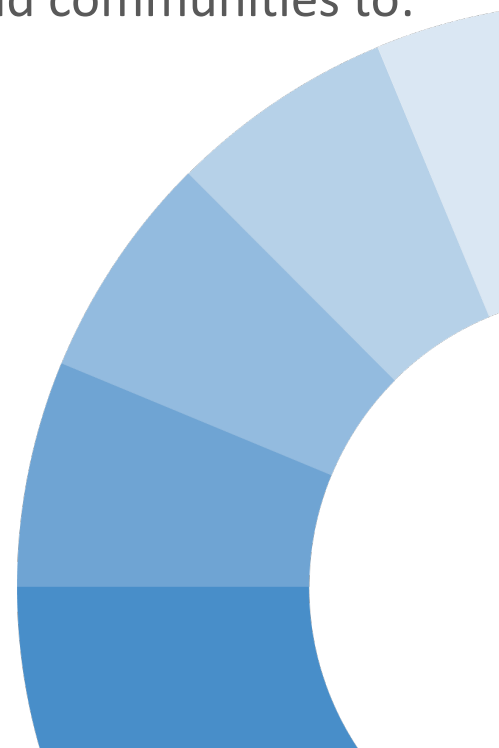






## PURPOSES OF ASSET BUILDING PROGRAMS

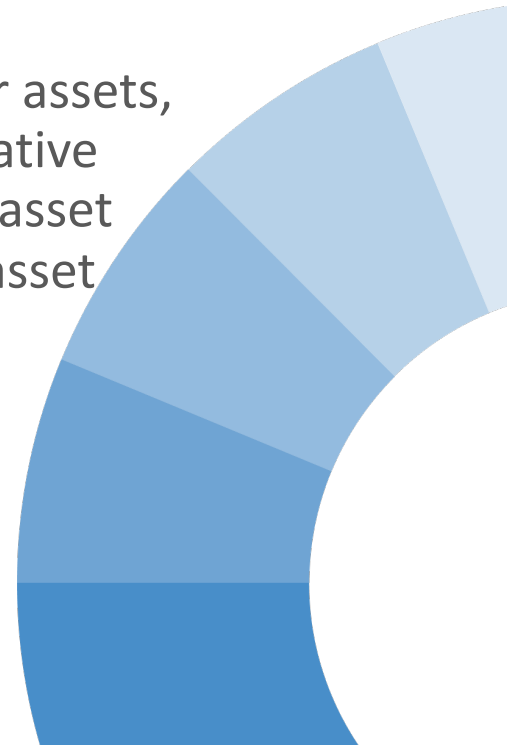
- Asset building programs can help individuals, families, and communities to:
  - Plug their leaking economies
  - Increase their **financial literacy**
  - Pass along **intergenerational assets** such as land
  - Change **savings** habits
  - Think about their **future** differently
  - Access to **safe** and **affordable** bank accounts
  - Purchase **assets** such as homes, post-secondary education, dance clothes for our tribal dances, etc.
  - Repair and build **credit**
  - Hold land in common
  - Teach tribal history, values, and language, etc.





## ONAC'S VISION

Native families will have multiple **opportunities** to grow their assets, through participation in integrated and **culturally-relevant** Native **asset building** programs. With this vision, ONAC, as a Native asset building coalition, works to increase the numbers of Native asset building programs.





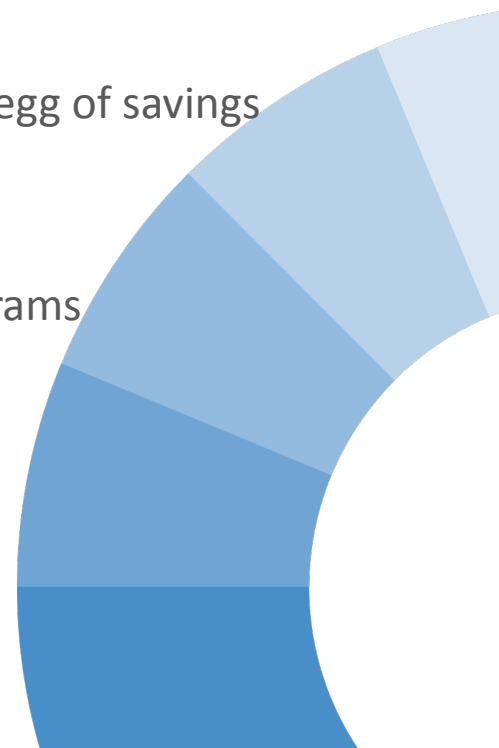
## ONAC'S FOUR PROGRAMS

### 1) Children's Savings Accounts, CSAs

- Have opened and funded 951 CSAs to date
- 529 accounts opened for **Native youth** to help them build a nest egg of savings
- ONAC has 21 tribal and Native nonprofit partners

### 2) Grants for Native asset builders

- Mini-grants and larger **grants** to fund various asset building programs
- ONAC has grant **administration** system in place
- Provide **technical assistance** to grantees
- Have funded twenty-eight grants (\$126,500 total) since 2014 to tribes and Native nonprofits in Oklahoma, Minnesota, Montana, Alaska, and North Carolina

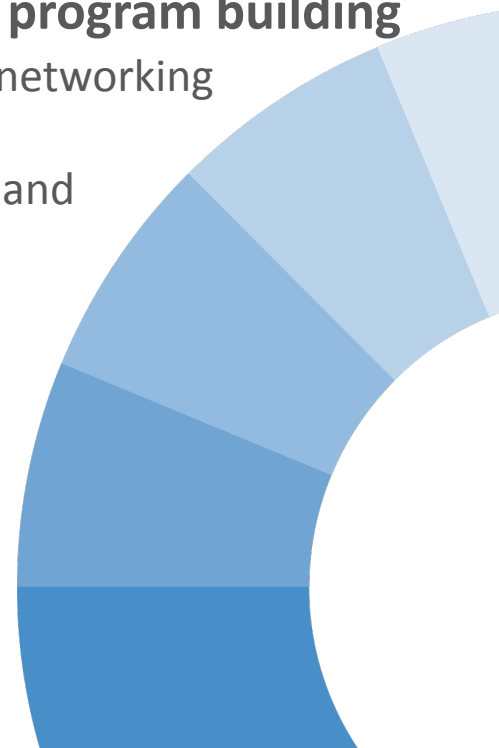




## ONAC'S FOUR PROGRAMS

### 3) Professional development for Native asset builders and program building

- Host an [annual conference](#) to share lessons learned and provide networking opportunities
- Offer free [technical assistance](#) to our constituents as they design and implement asset building programs
- Submit administrative policy guidance requests
- Lead the first [Native Bank On](#) Coalition in U.S. to provide more options for safe and affordable bank accounts to tribal citizens
- Administer the national [Native VITA/EITC](#) network to provide resources to Native VITA practitioners
- Created an [investor education](#) booklet for our CSA program





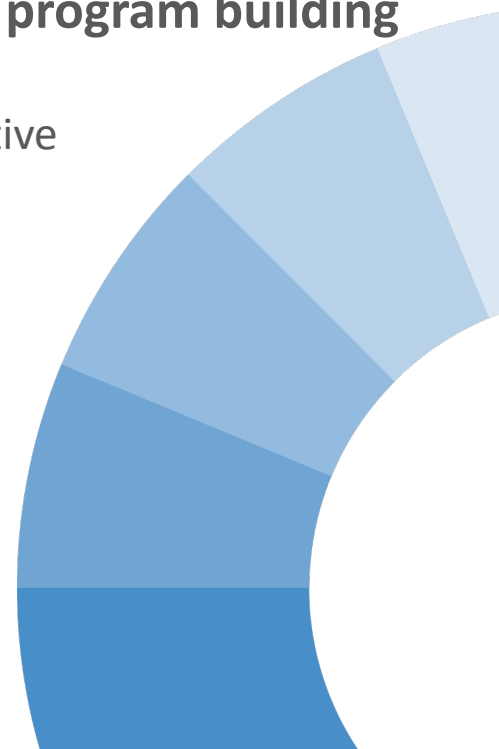
## ONAC'S FOUR PROGRAMS

### 3) Professional development for Native asset builders and program building (continued)

- Conducting Native asset building [research](#), paper on national Native Child Savings Initiatives to be published later this year
- Co-hosting Native financial education [train-the-trainers](#)
- Participate in advisory groups related to the community [tax preparation](#) field and closing the [women's wealth gap](#)

### 4) Emergency Savings Accounts, ESAs

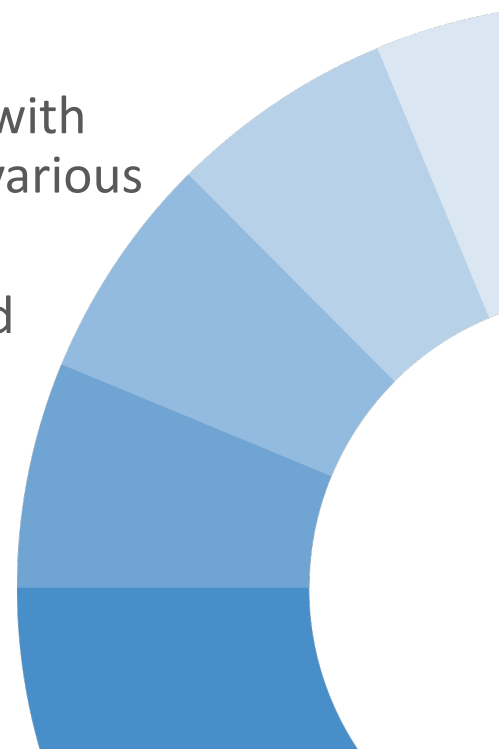
- 382 ESAs funded thus far
- Funding for 179 more accounts to be opened by 2021

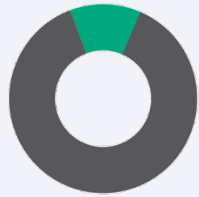




## ONAC AND BANK ON

- For past 18 years, ONAC and its constituents have worked with financial institutions on account options with **low fees** for various asset building programs.
- Bank On provides a formal mechanism to promote **safe** and **affordable** accounts.





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## BANKING ACCESS MATTERS

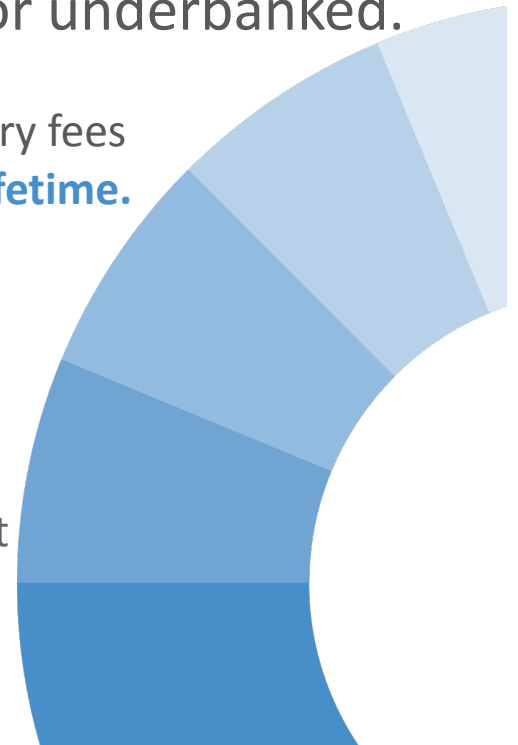
63 million adults – **25% of US households** – are un- or underbanked.

The average unbanked person spends 5% of net income on unnecessary fees for alternative financial services. This can amount to **\$40,000 over a lifetime.**

Unbanked financial counseling clients were:

- **half as likely** to increase savings
- **over a third less likely** to establish a new credit score.

Unbanked clients who **became banked during counseling** were almost **8 times more likely** to increase their savings relative to those who never became banked.





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# THE NATIONAL BANK ON MOVEMENT

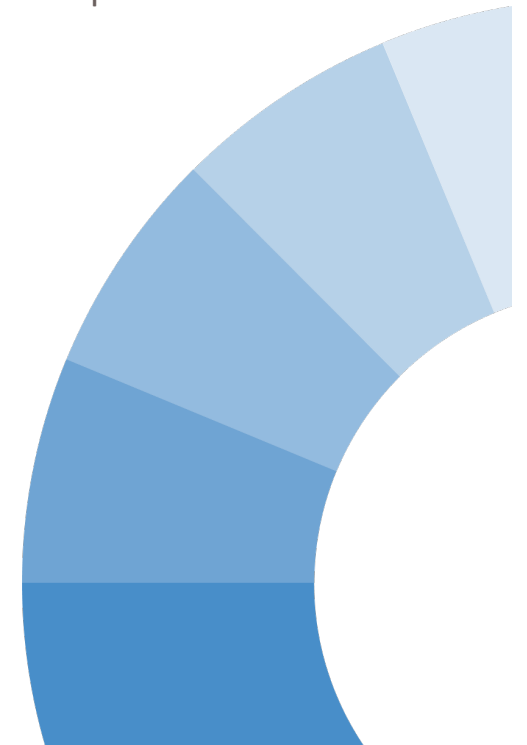
The goal of Bank On is to ensure that everyone has access to safe and affordable financial products and services.

Bank On  
Certified  
Accounts

Local  
Coalitions

Access  
Programs

Research and  
Policy







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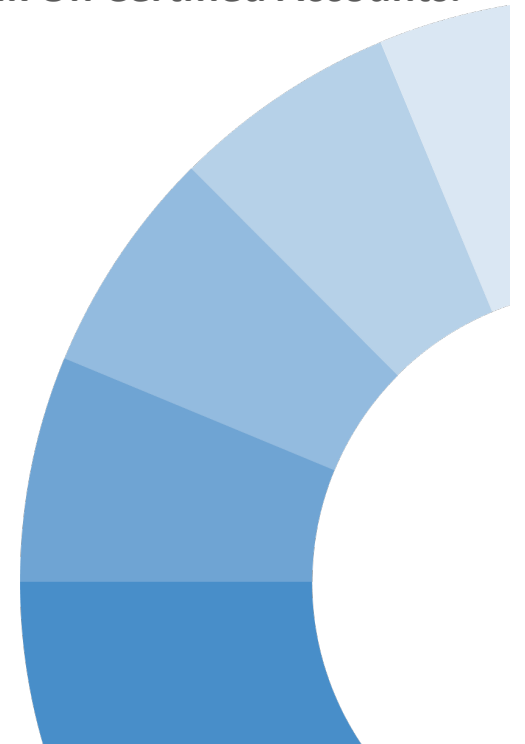
## BANK ON COALITIONS

Across the country, Bank On coalitions are connecting consumers to Bank On Certified Accounts.

Coalitions are locally-led partnerships between:

- **public officials;**
- **city, state, tribal, and other government agencies;**
- **financial institutions; and**
- **community-based organizations**

that work together to help improve the financial stability of un- and underbanked individuals and families in their communities.





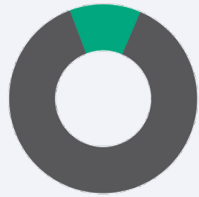
# BANK ON NATIONAL ACCOUNT STANDARDS

The CFE Fund's Bank On National Account Standards provide local programs with a benchmark for account partnerships with financial institutions.

Accounts certified as meeting the Bank On National Account Standards are:

- Safe** No overdraft, non-sufficient funds, or dormancy fees
- Affordable** Monthly fees of \$5 or less with a low minimum opening deposit
- Functional** Pay bills, make deposits and withdrawals, and transfer money





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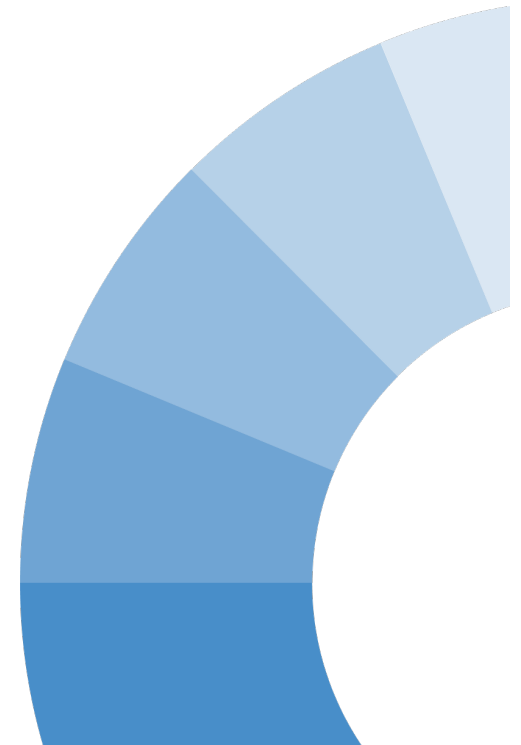
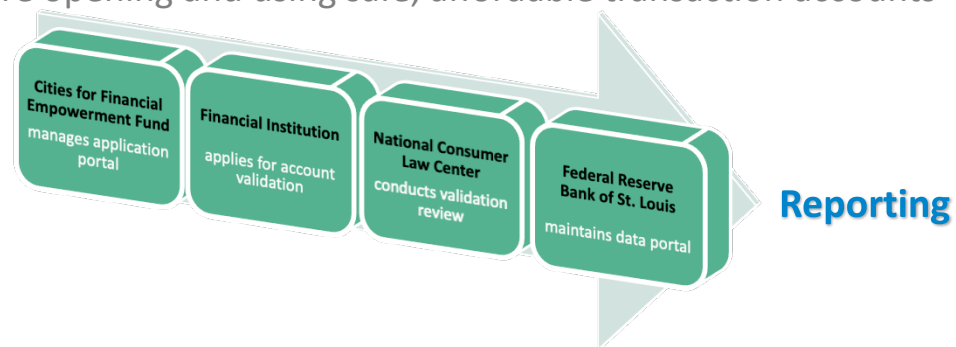
## BANK ON NATIONAL DATA COLLECTION

In partnership with Federal Reserve Bank of St. Louis, four institutions with certified accounts in 2017 (Chase, Bank of America, U.S. Bank, & Wells Fargo) reported on:

- Account Opening
- Account Usage and Consistency
- Online Access

Gives Bank On partners the ability to quantify:

- The impact of Bank On nationally and locally
- How consumers are opening and using safe, affordable transaction accounts





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## BANK ON ACCOUNT DATA PILOT FINDINGS

**1.3 million**  
accounts currently open and active

**3 million**

Bank On  
certified  
accounts  
opened to  
date

nearly  
**600,000**  
accounts newly  
opened

**72%**

of accounts opened  
were opened by  
customers new to the  
financial institution

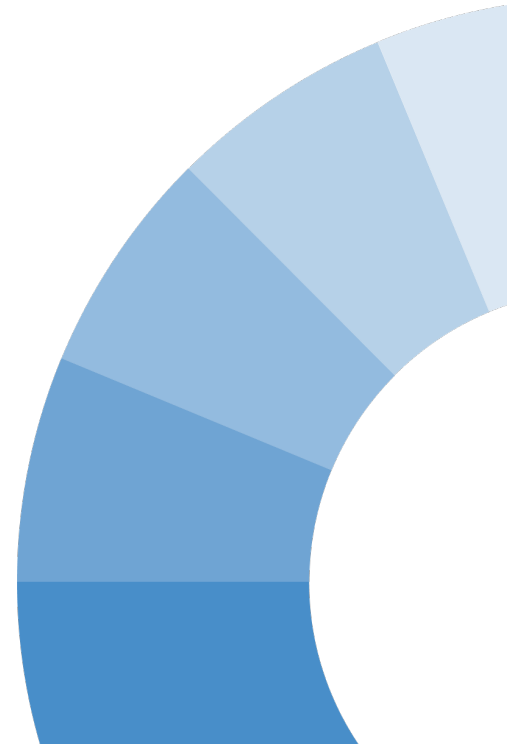
Pilot banks processed  
an average of

**16 million+**

debit transactions/month,  
with an average value of

**\$511 million+**

each month.

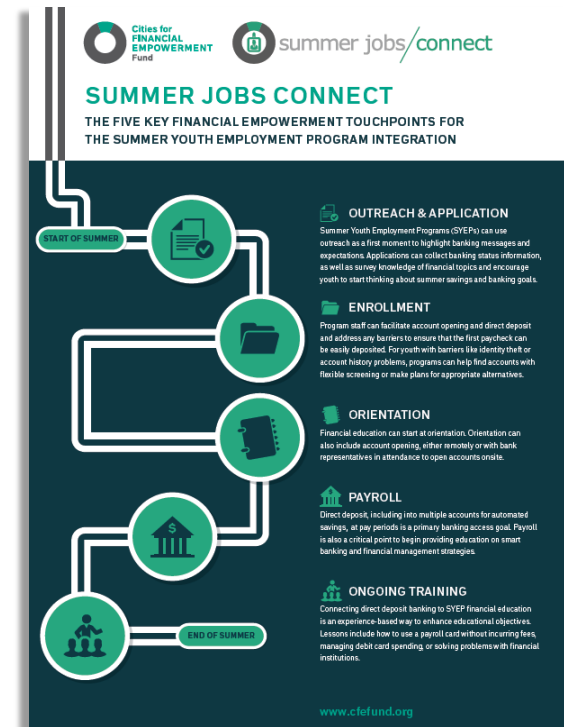




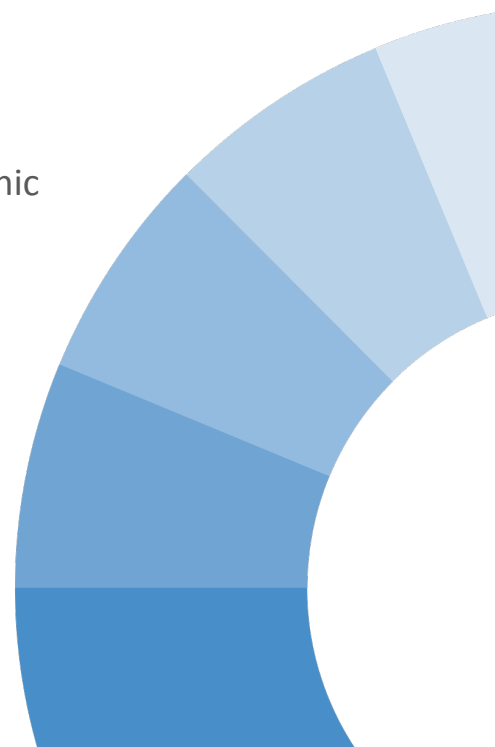
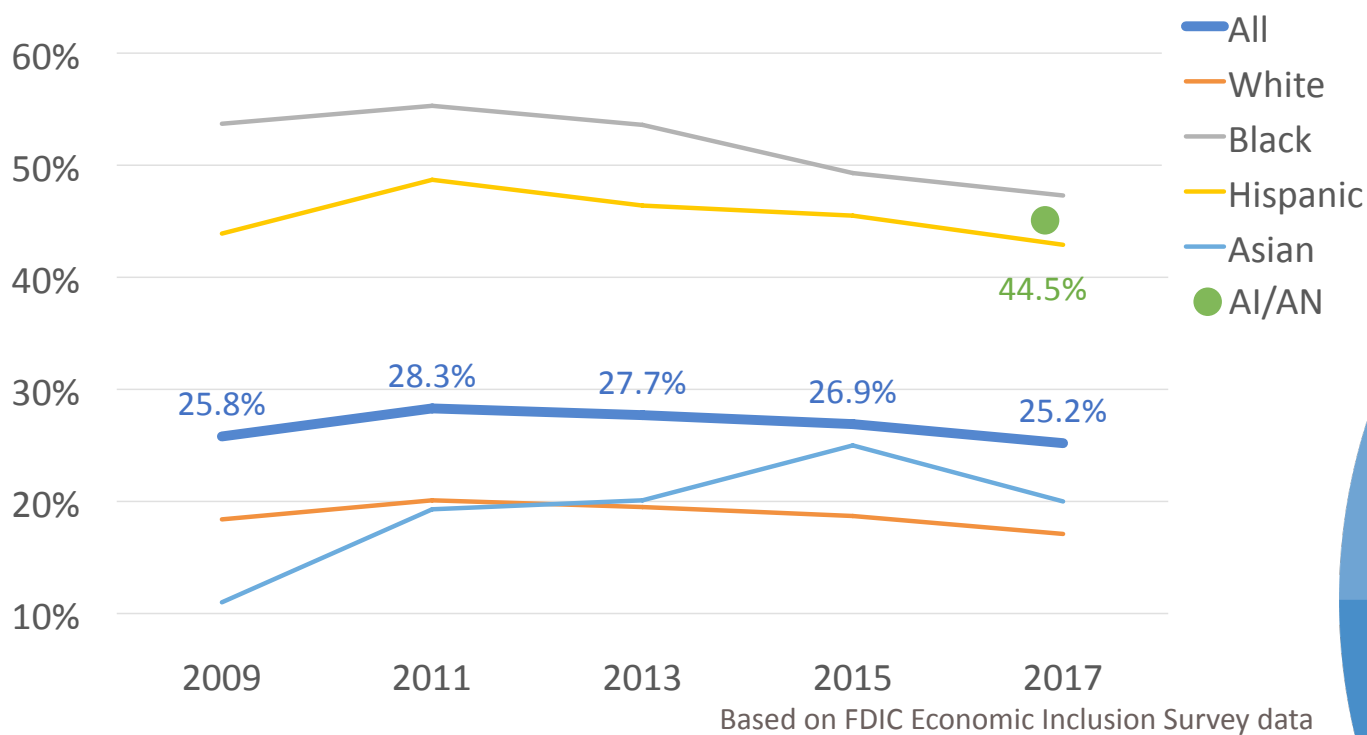
# INTEGRATING BANKING ACCESS INTO PROGRAMS AND SERVICES

*The CFE Fund is testing different ways to embed banking access into existing municipal and community programs.*

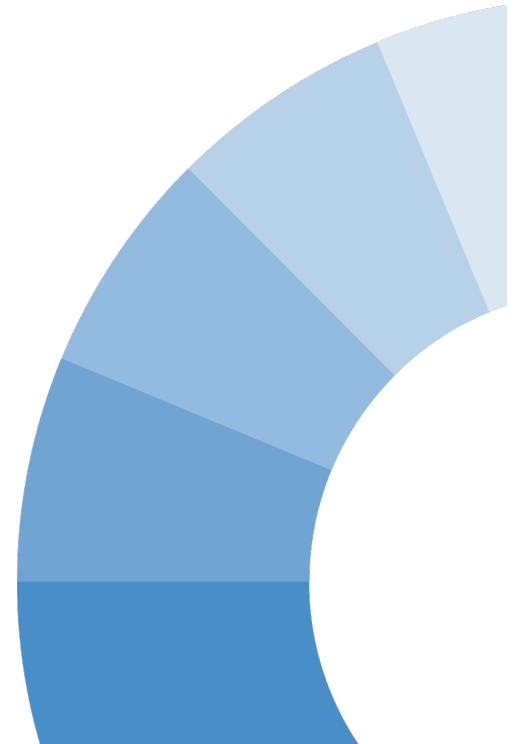
- **Youth** Connecting high school students and families to the financial mainstream through safe and affordable accounts
- **Workforce development** Innovative programmatic approaches to help unbanked people open accounts at the start of a new job
- **Additional programs and populations of focus:**
  - Foster care
  - Re-entry
  - Survivors of domestic violence
  - College students (financial aid, work-study)
  - Tax preparation



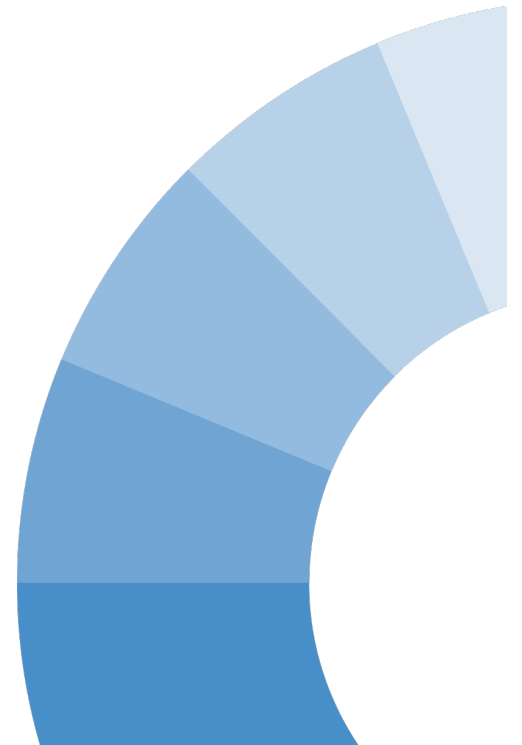
# UN- AND UNDERBANKED HOUSEHOLDS BY RACE



- Access to mainstream banking accounts
- Low barrier to entry
- No surprises
- Partnering with tribes and Native-led organizations to raise awareness

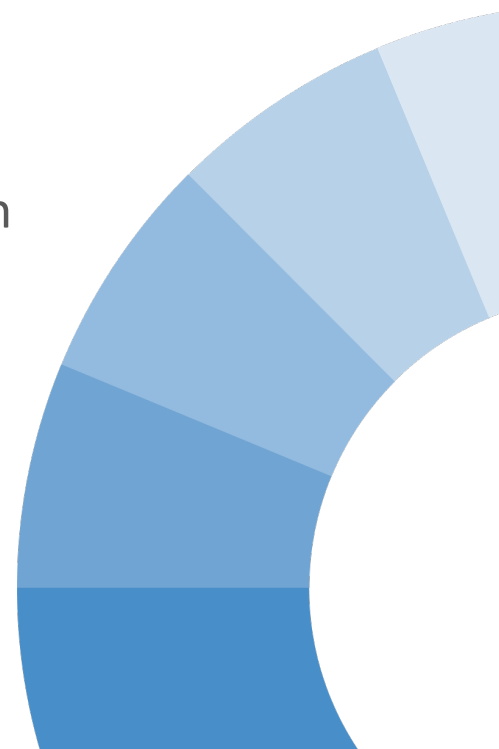


- It's an actual account
- Minimum opening deposit of **\$25 or less**
- Monthly fee of **\$5 or less**
- Structurally unable to overdraw
- Full **access** to bank services
- Federally insured



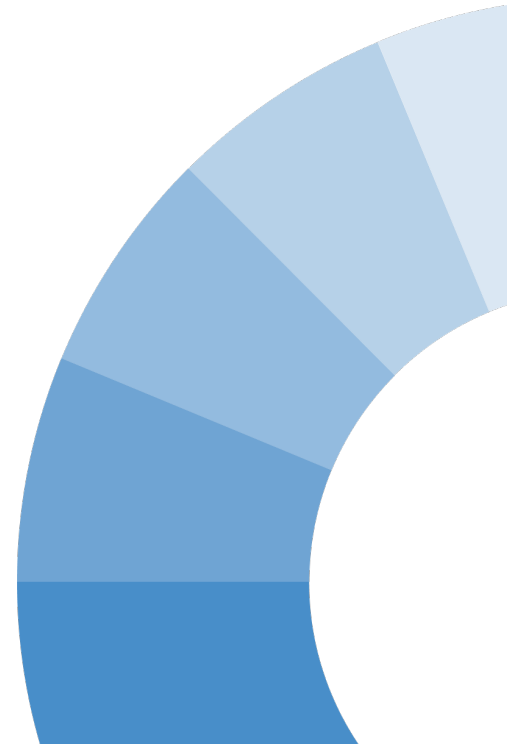


- Spread the word
- Talk to the banks you work with about offering a Bank On Certified account
- **Educate** your citizens
- Look for **integration** points
- Partner with ONAC
- Start your own coalition





Questions?





Contact information:

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