

Empowering Homeless Communities through Safe & Affordable Bank Access



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Goals of presentation

- Understand the benefits of mainstream financial services to homeless and near-homeless communities.
- Learn about the BankOn initiative and National Account Standards.
- Explore strategies for partnering with banks, building financial education programs, and talking about accounts.
- Consider how your agency could blend a banking integration into its existing programming.

Agenda

1. Presentation (50 minutes)

- Intro to Our House, CFE, and BankOn initiative
- Why access to financial services matters
- Review of National Account Standards
- Why people don't have bank accounts
- Creating smart financial education
- Working closely with banks
- How to talk about bank accounts
- Banking integrations

2. Questions (10 minutes)

3. Group Activity—Integration Brainstorm (30 minutes)



**BANK ON
ARKANSAS+**

[Link to BankOn Arkansas+ Video](#)



Our House

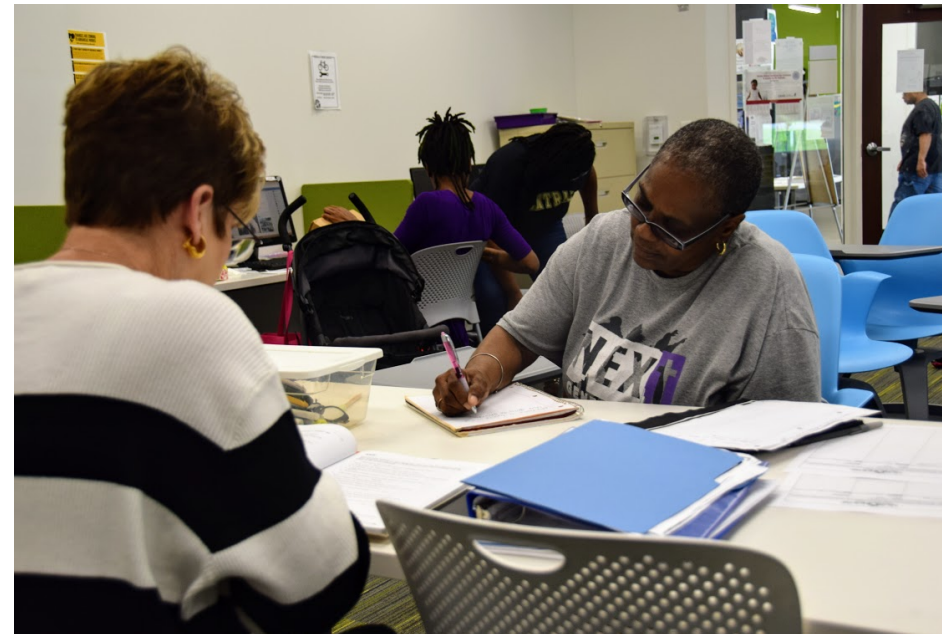
- 7-acre campus, “one-stop shop”
- Serve 3,000 people/year
- Serve 200 adults and 300 children each day
- Housing for 110 people each night
- Licensed, quality-rated children’s programs
- Career Center and Workforce programs



Career Center

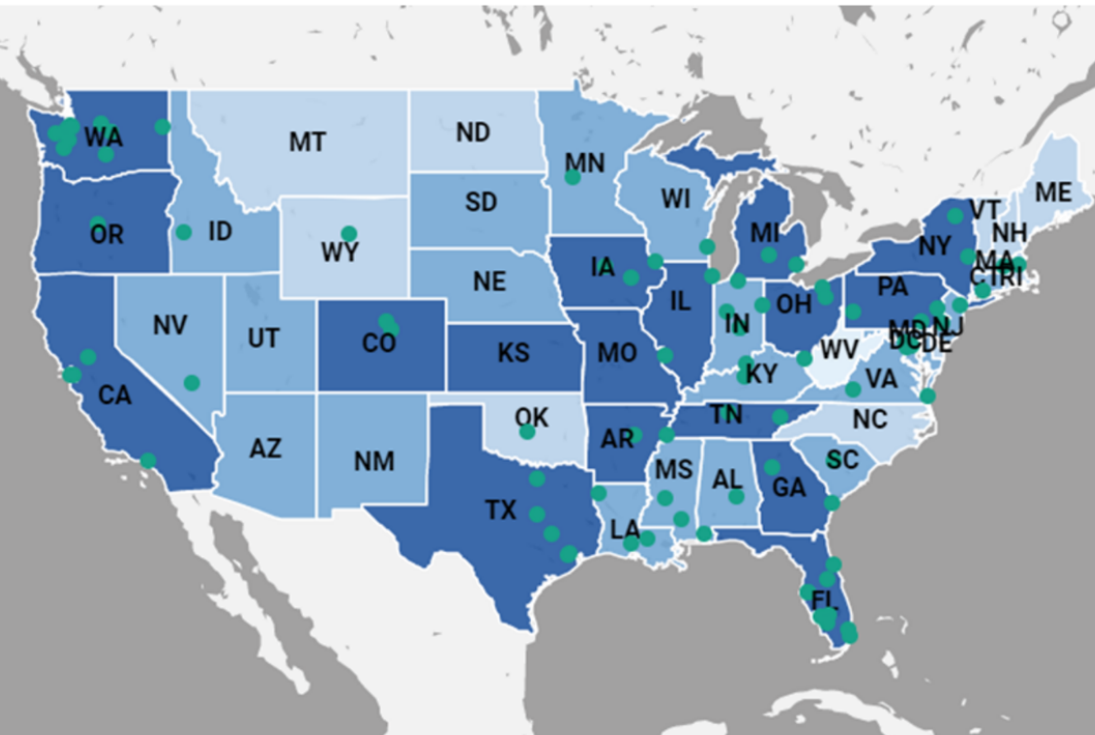
- Employment and Training
- Adult Education
- Health and Wellness
- Financial Empowerment

Goal of program:
Provide comprehensive services
that support **employment,**
stability, and **savings.**



Cities for Financial Empowerment and BankOn

84 Coalitions / 40 Accounts / 22,000+ Branches



- CFE works with local governments to **increase financial empowerment infrastructure** for low-income people.
- Supports local BankOn **coalitions** with strategic and **financial support**.
- Connects **banking, regulatory, nonprofit** organizations to expand **banking access**.

Why Banking Access Matters

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

The average unbanked person spends 5% of net income on unnecessary fees for alternative financial services.

This can total **\$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

National Account Standards

National Account Standards provide local programs with a benchmark for account partnerships with financial institutions.

Accounts that meet the Bank On National Standards are:

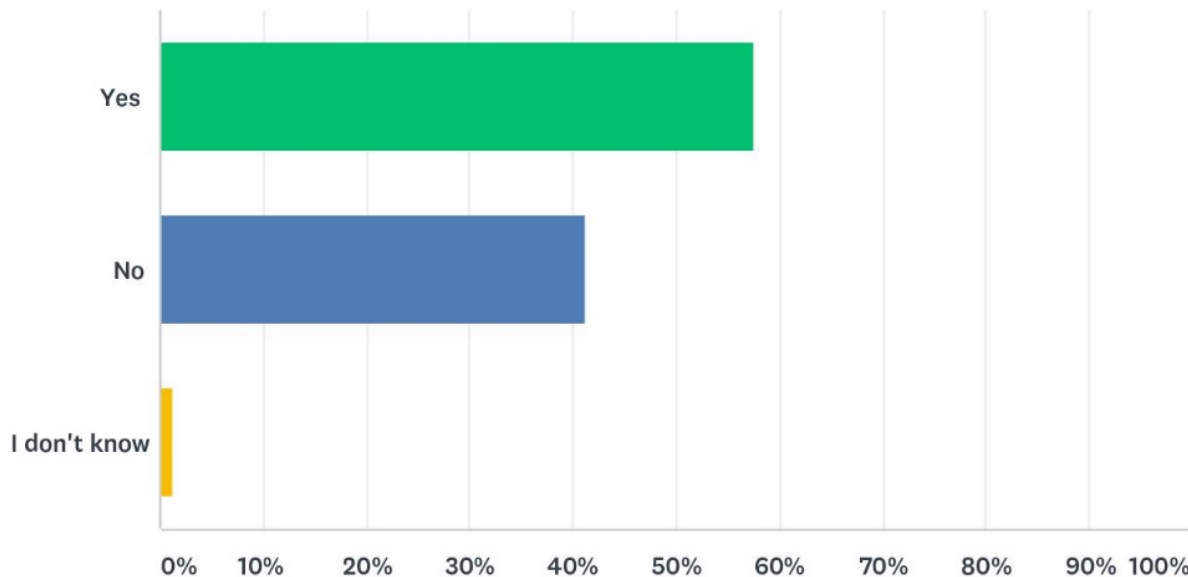
- **Safe**—No overdraft, non-sufficient funds, or dormancy fees
- **Affordable**—Monthly fees of \$5 or less with a low minimum opening deposit
- **Functional**—Pay bills, make deposits and withdrawals, and transfer money

Why people don't have bank accounts

Our House surveys clients twice a year during Speak Up Week, and this year we asked questions about financial health.

Q8 Do you have a bank account?

Answered: 165 Skipped: 1



Yes—58% (95)

No—41% (68)

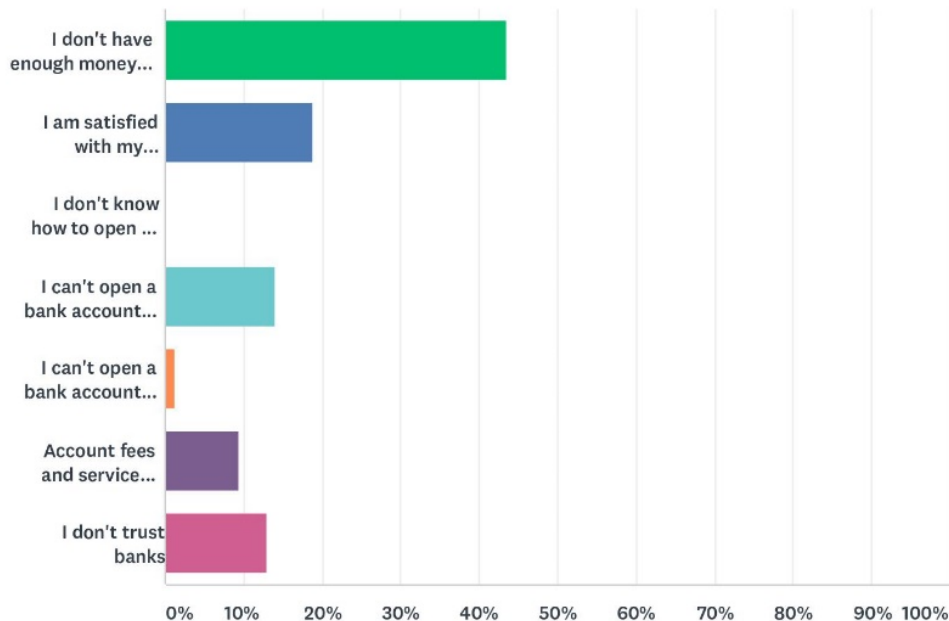
I don't know—1% (2)

Why people don't have bank accounts

Our House surveys clients twice a year during Speak Up Week, and this year we asked questions about financial health.

Q9 If no, why not?

Answered: 85 Skipped: 81



I don't have enough money— 44% (37)

I am satisfied without an account—19% (16)

I don't know how to open an account—0% (0)

I can't open an account because of my financial history—14% (12)

I don't have the right documents—1% (1)

Account fees are too high—9% (8)

I don't trust banks—13% (11)



Smart Financial Education

- Tailor curriculum to the clients you serve
 - Trauma-informed, understand challenges of system

First Steps 101	Debt, Fees & Fines	Cars & Loans	Financial Traps & Consumer Protection
Making Housing Decisions	About Credit	Borrowing Basics	1:1 Budgeting Sessions

- Build a strong volunteer base
 - Relationship-based, consistent, scaffolding approach
- Utilize existing resources
 - FDIC curriculum, consider CRA credits, Bureau of Consumer Financial Protection workbooks (“Your Money Your Goals”)
- Wise-decision making around accounts
 - Avoiding scams, street smarts, feeling safe
- Ask for feedback from clients



Working with financial institutions

- Trauma-informed, understanding client perspective
- First Security Bank—champion partner
- Releases of Information
- Establish point person
- Troubleshooting ID challenges
- Navigating maintenance fees
- Initial deposits



What we learned about flexibility

- Communication, communication, communication!
- Accessibility: bi-weekly fieldtrips to bank
 - Hand-holding
 - Teaching online banking skills
 - Activating debit cards
 - Fully using banking tools
- Follow-up and coaching with clients
- Adapting to bank regulations
- On-site enrollment + deposits with bank volunteers

How to talk about bank accounts

Most compelling messaging on the benefits of a bank account:

- Tools for easy banking
- Maintaining Control
- Achieving goals

Highlight ***tools for easy banking***; how *bank accounts help maintain control* over money; how accounts *help achieve short-term financial goals*.

Features related to ***securing money***—no fees, fraud protection, direct deposit.

How a bank account ***help them now*** to establish a strong financial foundation (building savings, decreasing debt).

Immediacy beats long-term.

Banking integrations

Financial education + account opening + account use

- **Youth**—connect high school students and families to safe and affordable accounts.
- **Workforce Development**—help unbanked people open accounts at the start of a new job.
- **Additional programs and populations of focus:**
 - Reentry
 - College students (financial aid, work-study)
 - Tax preparation
 - Government benefits (SSI, SSDI, VA, Child Support)

Banking integrations

It's not enough to just open accounts...

- Help clients internalize the benefits of banking
- Provide an opportunity to open National Account Standard certified accounts
- Ensure clients regularly use the account, which can be facilitated by direct deposit enrollment

Make account opening and direct deposit enrollment blend seamlessly into the program so clients feel that opening an account funded by direct deposit is a regular part of the program.

Questions?

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Slides available at
www.ourhouseshelter.org/beyondhousing

Additional Resources

FDIC Money Smart

<https://www.fdic.gov/consumers/consumer/moneysmart/index.html>

Bureau of Consumer Financial Protection free workbooks

<https://www.consumerfinance.gov/practitioner-resources/your-money-your-goals/>

BankOn Resources + CFE Funding Opportunities

<https://joinbankon.org/resources/>

Financial Empowerment Centers

<https://fecpublic.org/tools-resources/>