

What Steps Are Needed to Sustain Bank On Florida and Increase Access to Banking Relationships for All?

Recommendations for Bank On and Prosperity Campaign Generators . . .

- ◆ **Awareness** - Continue the conversations on Bank On and Prosperity Campaigns in Florida to raise awareness.
- ◆ **Internal Marketing** – Share more success stories and the impact being generated in regions across the state; consider a Bank On week recognized at the state level.
- ◆ **Internal Sharing** – Convene more frequently with representatives from across the state to share model practices and develop strategies.
- ◆ **Partnership** - Encourage collaboration and partnerships between financial institutions, local government, non-profit, academic (public, private, community college and university), large employers and faith-based organizations.
- ◆ **Regulation** – Address the regulatory divide between financial technology, high-cost alternative financial products and financial institutions.
- ◆ **Centralize** – Develop a central resource center where viable products and services are available via an interactive tool.
- ◆ **Backbone Organization** – Recognize Florida Prosperity Partnership as it serves as the continued driver for movement in Florida’s Bank On initiatives.
- ◆ **Technology** - Increase access to technology for banking products and continuous learning.

Recommendations for Financial Institutions . . .

- ◆ **Products** - Elevate more banking products in local markets to the CFE Bank On 2.0 Standards.
- ◆ **Lifestyle Accounts** – Offer more “lifestyle” accounts, services and business hours that meet the needs of working families.
- ◆ **Credit** – Create greater awareness of how credit works, increase access to it, and help manage it soundly.
- ◆ **Serve the Community** – Shift the mindset so that doing good for the sake of doing good is no longer viewed as a loss leader in banking; to properly view the risk of not serving all communities, state the business case and recognize the value of serving the un- and underbanked.
- ◆ **Convenience** – Offer products and services to meet people where they are, physically, intellectually, emotionally and financially.
- ◆ **Simplify** – Acknowledge that the varied resources available can be overwhelming for consumers in need; offer basic products that allow for access, liquidity and simple savings.
- ◆ **Transparency** – Achieve full transparency with stipulations and fees of financial institution accounts.
- ◆ **Trust** – Dismantle the stigma of traditional banks in communities as not trustworthy; broaden the access and deepen the services provided to all communities across Florida.
- ◆ **Barriers** – Address and remove the notion that low- to moderate-income consumers do not have enough money to open a bank account.
- ◆ **Real-Time Liquidity** – Accelerate access to earned funds in accounts through direct deposit and ACH payments.
- ◆ **Mobile** – Offer mobile banking options in communities where the feasibility of a full-time brick-and-mortar financial institution is not defined.

- ◆ **FinTech** – Use software applications to bring Bank On-certified products and services to all, while lowering costs and thresholds.

Recommendations for Social Service and Community Impact Initiatives . . .

- ◆ **Insights** – Ask low- to moderate-income consumers what they need, listen, and work to deliver upon their stated needs.
- ◆ **Next Generation** – Engage youth in financial literacy and capability through the education system, as well as in multiple touches in their formative lives.
- ◆ **Young Adults** – Work with college students, rising professionals and young families to steer their decisions toward responsible financial management.
- ◆ **Learning** - Engage more community members in formal financial literacy efforts that take a holistic approach.
- ◆ **Social Service Preparation** – Support case managers and financial coaches to ask deeper questions and gain clearer insights on where and how client financial transactions are being processed.
- ◆ **Coaching** – Include one-on-one Financial Coaching over a longer term with households and individuals.
- ◆ **External Marketing** – Invest in sharing the message that viable, affordable alternatives to pay-day and predatory lenders exist and are attainable for all.
- ◆ **Home Ownership** – Address barriers to affordable housing and home ownership to create clear pathways and progress steps toward owning a home.
- ◆ **Scarcity Mindset** – Address the prevailing mindset that drives consumers to spend what they have instead of save out of psychological fear of not having, or losing what they possess.
- ◆ **Savings** – Reposition savings as a positive measure for consumers in the United States, as the single-most important step toward financial stability and security.

What is Going Well with Bank On and Prosperity Campaigns in Florida?

- ◆ Conversations are continuing inside the financial institution industry as well as outside, including employers.
- ◆ There are more resources available (for example, credit recovery, financial education resources) – a holistic approach to supporting LMI communities brings value.
- ◆ This convening and others like it in the future, that bring together professionals from a broad variety of organizations to discuss this topic.
- ◆ Non-profits that are working in this space are committed to the work in a number of regions across the state.
- ◆ The VITA Tax program in northeast Florida, the CLIMB Program, is connecting community leaders with the community to identify needs in neighborhoods.
- ◆ The Financial Opportunity Center with LISC in northeast Florida is a one-stop shop for employment and financial services.
- ◆ The financial institutions that are CFE Bank On 2.0 certified.
- ◆ There is silo success with local organizations.
- ◆ FPP's efforts at the statewide level to coordinate initiatives.
- ◆ A large amount of resources available through non-profits.
- ◆ County and city partnerships that send people to VITA sites, etc.
- ◆ Mandating residents to attend financial education classes.
- ◆ Partnerships with financial institutions, non-profits and community organizations.
- ◆ Financial institutions are providing volunteers to teach financial education classes.
- ◆ Financial education classes are being offered during the day, evenings, weekends to reach those who are working as well as not currently working.
- ◆ Counselors and coaches are meeting one-on-one with clients to assess and address individual financial issues and needs.
- ◆ Financial institution engagement – they are offering workshops.
- ◆ Financial institutions offer services to everyone.
- ◆ There is outreach coming from financial institutions.
- ◆ Assistance with down payments for home ownership.
- ◆ Municipal engagement where section 8 housing vouchers become homeowners, such as in Pinellas County.
- ◆ More access to credit information – banks are offering credit score and rating reports.
- ◆ Awareness of financial stability and credit improved in the past few years.
- ◆ More access to technology.
- ◆ More resources on financial education.
- ◆ More network initiatives to bring financial stability efforts to the community.
- ◆ The conversations that are being conducted inside and outside the “industry.”
- ◆ Doing good for the sake of doing good is no longer viewed as a loss leader in banking.
- ◆ The nomenclature regarding financial asset-building tools, for example NMIC, IDA, etc. makes financial education more common and less scary.
- ◆ Foster more knowledge of disaster recovery assistance and ties into our opportunity of trust.
- ◆ Banks are offering more financial education and supporting more efforts.
- ◆ Financial education is more holistic.
- ◆ Greater awareness.

What are the Opportunities for Bank On and Prosperity Campaigns in Florida?

- ◆ Change from transaction to “lifestyle” accounts and services, not just set hours.
- ◆ More holistic financial education, including maintenance, paying bills, insurance, etc.
- ◆ Include life learning.
- ◆ Involve consumers at a younger age.
- ◆ Move more learning online.
- ◆ Banks should want to compete, and understand the alternatives in the marketplace.
- ◆ Better and more consistent engagement and partnerships.
- ◆ Education and collaboration of who is doing what and convening to be more effective.
- ◆ New graduating classes should be financially literate, but they are not.
- ◆ More banks could be CFE Bank On 2.0 certified.
- ◆ More organizations in our communities should be engaged in financial education, including and especially faith-based organizations.
- ◆ Connecting with community colleges and state universities to break generational poverty.
- ◆ Large employers should offer a Bank On certified account and direct deposit to their employees, along with financial education.
- ◆ Working with counties and cities on increasing financial education for public housing and section 8 residents.
- ◆ A presentation of information of how to get information in front of people, and also use creative that relate to LMI consumers and spark interest.
- ◆ Conduct surveys during existing required sessions to see what people need.
- ◆ Education and awareness of available safe and affordable products.
- ◆ Spark greater interest in community organizations.
- ◆ Enhance marketing around Bank On.
- ◆ More people are working.
- ◆ Access to resources.
- ◆ Offer incentives.
- ◆ Share more success stories.
- ◆ 120 people in a class on credit and criteria to help country residents become ready to own a home.
- ◆ FICO new version. Trendy and another algorithm in 12 months. Look at more fullness of credit.
- ◆ More governments are recognizing their roles in affordable housing and addressing systemic challenges, such as housing and banking.
- ◆ More collaborations between FIs and NGOs.
- ◆ Marketing opportunity to engagement Millennials saving and financial awareness and goals.
- ◆ Opportunity to educate the Millennial generation on AMSCOTs and alternative financial services. Instant gratification is leading to the desire for instant liquidity.
- ◆ The new Money Smart content to include digital banking.
- ◆ A need for home ownership because it creates wealth.
- ◆ Improving financial trust in communities, while dismantling the bank stigma.
- ◆ Community Resource Network or Central Resource Center with an interactive tool to help determine client needs.
- ◆ Educate financial institution employees that if a product or service cannot be offered refer them to another bank or partner who can meet their need.
- ◆ Opportunities: to make the education less transactional, more of a lifestyle change
- ◆ Opportunities: providing financial education to youth so that they can see the big picture – break generational poverty
- ◆ Opportunities: finding out what our clients want, providing services where they are at
- ◆ Opportunities: partnerships with community centers, churches, schools – to meet people where they are at since it takes an entire community
- ◆ Opportunities: more people are working, so providing this information to those in the workforce
- ◆ Opportunities: it is overwhelming for clients to know where to go (Community Resource Network for homeless as an example), so creating a central repository where clients can indicate what their needs are, which will give them a list of what organizations offer information
- ◆ Opportunities: silo’d success – how do we identify who is doing what, well?
- ◆ Opportunities: continuing conversations, especially with banks because new products can come out

- ◆ Opportunities: to educate people about alternative financial services and the providers versus the insured financial institution services – it's important to make it understandable
- ◆ Opportunities: make safe and sounds products convenient and easy

What are the Inhibitors for Bank On and Prosperity Campaigns in Florida?

- ◆ Knowledge of what is available, knowing where to begin, knowledge of resources in communities.
- ◆ Trust issues – what's in it for the customer or the bank.
- ◆ Consumers can be overwhelmed by so many resources.
- ◆ Getting people to take the time to research options.
- ◆ Perception that consumers do not have enough money to open a bank account.
- ◆ Trust issues.
- ◆ Branch locations.
- ◆ Access to online banking or internet.
- ◆ Specific situational needs.
- ◆ Banking deserts. None in the area, or not CFE 2.0 certified.
- ◆ Limited access and online resources.
- ◆ Meeting people where they are but also adding financial education sessions to existing sessions.
- ◆ Not able to track clients and their banking practices.
- ◆ Greater awareness and education.
- ◆ Access to safer and more affordable products.
- ◆ There is a misconception of what saving is, a negative connotation.
- ◆ The products often have fees or minimum amounts attached to them.
- ◆ Predatory lending in the big picture with policy.
- ◆ Transportation.
- ◆ Lack of education about predatory lending.
- ◆ The housing market is tight and non-profits are pushed out or priced out.
- ◆ Income vs affordability in housing.
- ◆ County, city and community housing policy and fee structure, such as impact fees.
- ◆ Branding and the perception of savings, not sexy enough.
- ◆ A divide between unregulated fintech apps and insured financial institutions in regard to regulations.
- ◆ Student loan issues.
- ◆ Transparency with products and loan information.
- ◆ Inhibitors: alternative financial services and products are convenient and easy
- ◆ Inhibitors: clients trusting banks
- ◆ Inhibitors: difference between the alternative financial services and insured financial institutions – high school seniors often do not know the difference and there is no true requirement for financial education in schools
- ◆ Inhibitors: misconception of what savings is and means – our messaging can often be intimidating (for example, \$500 for savings) – is it a dollar amount? Is it paying down debt? It does not necessarily have to be three-months of income, which is intimidating.
- ◆ Inhibitors: being able to track clients to ensure that they are still in a banking relationship (privacy issues)
- ◆ Inhibitors: if you are working with a government entity, they are often not able to mandate that their clients participate in a financial literacy program
- ◆ Inhibitors: situational needs of the communities that we serve, such as banking deserts (for Bank Ons – may have banks in the area, but they may not be CFE NAS)

What More Can Be Done to Make Bank On and Prosperity Campaigns in Florida More Sustainable?

- ◆ Focus on financial education, particularly in schools, such as budgeting, accounts, savings, etc.
- ◆ Potential mobile branches in LMI areas for banks with Bank On account products.
- ◆ Marketing and awareness of options for LMI households.
- ◆ Use fintech to bring Bank On online and more for reaching LMI individuals and households, while lessening costs for banks to provide the accounts.
- ◆ Shift bank thinking on risk to look at risk of not providing safe accounts in communities, which ultimately affects potential customers to bank.
- ◆ Better messaging.
- ◆ Marketing to reach LMI communities.
- ◆ Mobilize to one consolidated voice.
- ◆ Educate others of the benefit of banking options.
- ◆ Awareness of the value of serving the underbanked. Use community organizations to locate more customers.
- ◆ Financial literacy – client engagement programs because of the high percentage of underbanked.
- ◆ More bank locations to meet consumers where they are.
- ◆ Trust and perception of banking as intimidating.
- ◆ On the program side, make a business case for financial institutions to bank in LMI communities.
- ◆ Other benefits that financial institutions provide but AMSCOT cannot, such as access to home loans or long term loans.
- ◆ Business to be made with LMI individuals.
- ◆ Real time liquidity vs. the scarcity mindset.
- ◆ Need a bipartisan lobbyist.
- ◆ Public shaming.
- ◆ Consumer harm, change the messaging.
- ◆ Underbanked with smaller deposit but a larger quantity of individuals messaging. Catch current users before they use check cashing services.
- ◆ Municipal strategies to enhance direct deposit into banks while squeezing payday lenders out.
- ◆ Banks sometimes hold checks for a longer time than individuals, such as hurricane season or customer history.
- ◆ Faster process on ACH payment.
- ◆ Conduct a Bank On week to build awareness.
- ◆ Combat the allure of AMSCOT convenience.
- ◆ Collateral with geographically accurate information on safe products available at non-profits, community organizations, housing authority, etc.
- ◆ Build trust in banks.
- ◆ Build awareness of fees on convenient services, such as prepaid cards, AMSCOT, etc.
- ◆ Build awareness of safety risk of walking out of AMSCOT with a pocket full of cash vs. depositing in a safe account.
- ◆ Include banks with Bank On certified accounts in job fairs and community fairs; conduct a banking fair.
- ◆ Awareness and engagement at large employers to provide financial education, direct deposit information of safe accounts to employees.
- ◆ Banks to lower fees and match what AMSCOT is offering to lower the allure of alternative financial services.
- ◆ Florida's legislature recently was able to make payday lending easier (expanded the cap amount as well as the terms of repayment) through supporting local programs at churches and some nonprofits
- ◆ Participant said payday lenders do a better job marketing to potential clients, whereas the perception is that banks do not
- ◆ Table discussion: What will it take to make sure programs are sustainable?
- ◆ Make the case for the safety with banks versus alternatives
- ◆ Host a banking fair within existing fairs, like job fairs, school open houses, etc.
- ◆ Provide marketing collateral to local organizations
- ◆ Educate community partners about Bank On so that they can go beyond asking if a client has an account, but also ask how they conduct financial transactions (for example, where do you cash your check? Have you taken out a loan, and if yes, from where?)
- ◆ We need to make better business cases for what campaigns are doing
- ◆ There is no level playing field between alternative financial services and banks as it relates to regulation

- ◆ While mobile banking/online banking is an option, some consumers may not have the data to effectively use this
- ◆ General Purpose Cards – especially employment disbursement cards – are expensive; we should look at employers to promote direct deposit
- ◆ Florida's usury laws allow 18% (average by payday lenders is over 200% because they have a carve out)
- ◆ Opportunity for banks to cash checks for free as well as provide free money orders, regardless of whether/not they have an account – and use this as an opportunity to cross-sell products and services

Current State of Affairs: Bank Ons and Prosperity Partnerships

- Define partnership:
 - Two or more working towards a common goal
 - Agreed upon goal(s)
 - Mutual benefit (to avoid it being transactional)
 - Active participation
- Who feels like they have good partners? Most
- How are you going about building partnerships?
 - Must realize that it's a process – must establish a relationship and acknowledge that good partnerships take time
 - Engaging with the community to identify unmet needs
 - Finding strengths and weaknesses of partner organizations and how can my organization assist
 - Finding out if core values match to sustain a partnership
 - Being educated and aware of what other funders are doing
 - Reaching out to community and show what you can do, but also drive it
 - Step forward, step back
- Who came to this convening in hopes that you might meet someone else that can work with you in some way? Everyone!

Panel

John Olsen, FDIC & Economic Inclusion

- Mentioned new Un- and Underbanked data for 2017 and COME-IN
- Economic Inclusion Ladder
- Audience asked about small dollar loan limits
- Small dollar loans are often offered through community banks and banks in rural markets

Rebecca Thompson, Prosperity Now (delayed flight)

Lindsay Ferguson, America Saves

- Social marketing campaign for consumers to save and take financial action
- Offer free plug-and-paste tools to promote savings
- Also offer savings for persons with disabilities, Military Saves, program for young workers (16 – 24 yo), secure retirement, and an employer program (Split to Save)
- America Saves Week in 2019 – www.americasavesweek.org
- Participant offered perspective that savings can lead to secured line of credit from banks
- Question about prized linked savings – America Saves has program called Save Your Refund which is permitted in all 50 states
 - Tax time savings initiative, uses IRS Form 8888
 - www.saveyourrefund.com

April Atkins, FDIC's Money Smart & CRA

- All Money Smart
- Quick overview of CRA and examples of CD Activities in Economic Inclusion

Bank Products

- Banks went around the room to discuss the products that they have to promote taking all Floridians in to account, not limited to second-chance accounts, but also small dollar loans and secured lines of credit, as well as down payment assistance programs
- Audience members wanted to know more about how they can find out about products and services