



FEDERAL DEPOSIT INSURANCE CORPORATION

Savings Strategies During America Saves Week 2014

February 4, 2014

Presenters

- Luke Reynolds Section Chief, FDIC
- George Barany Director, CFA
- Rawlin Tate Senior Tax Analyst, IRS
- Jennifer Troke Division Director, DOL



America Saves Week

Luke W. Reynolds

Chief, Outreach & Program Development

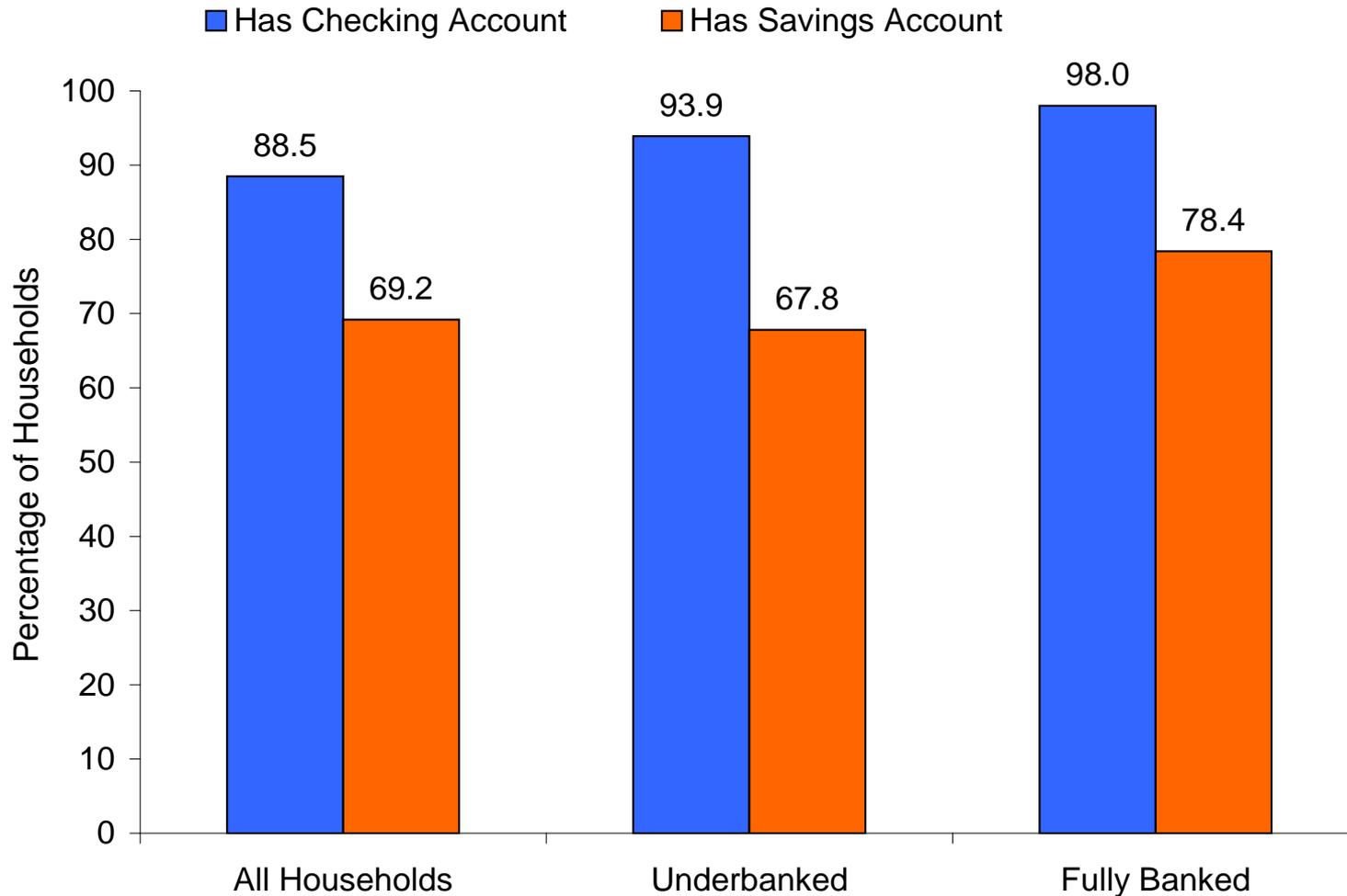


The Savings Opportunity

- **Potential benefit to institutions, consumers, and communities from promoting savings**
- **Savings rate**

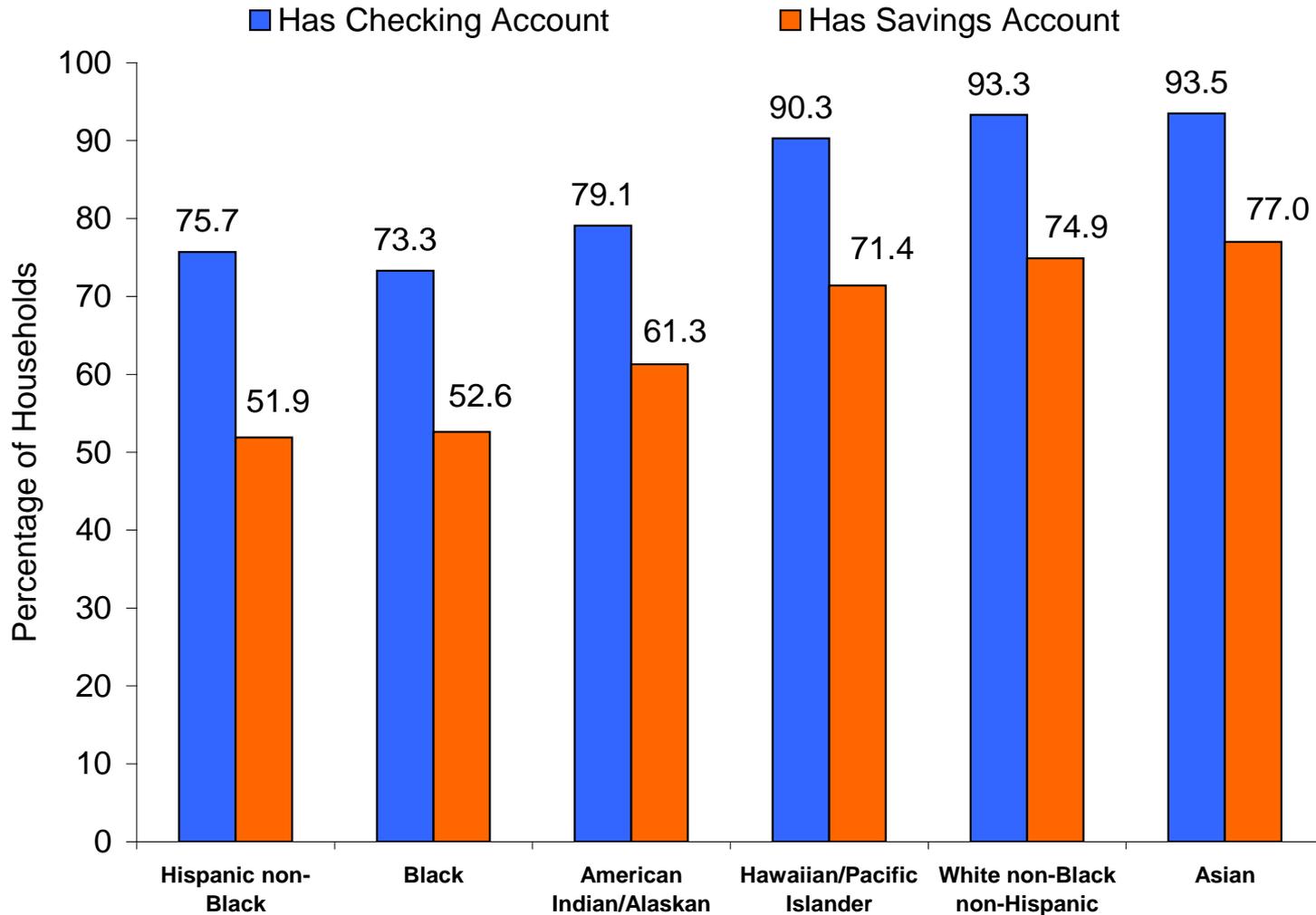


Who has a savings account....



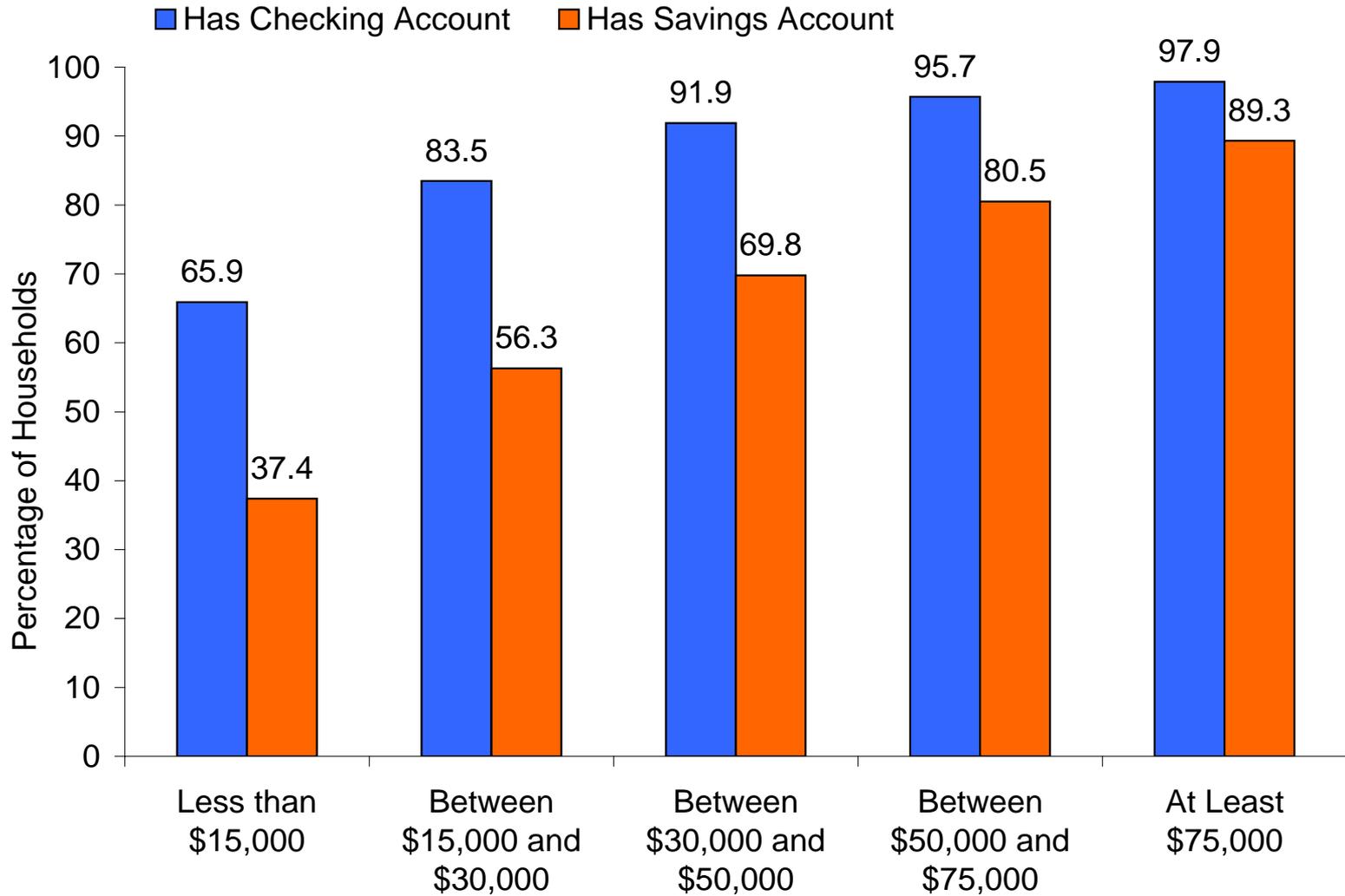


....by race/ethnicity



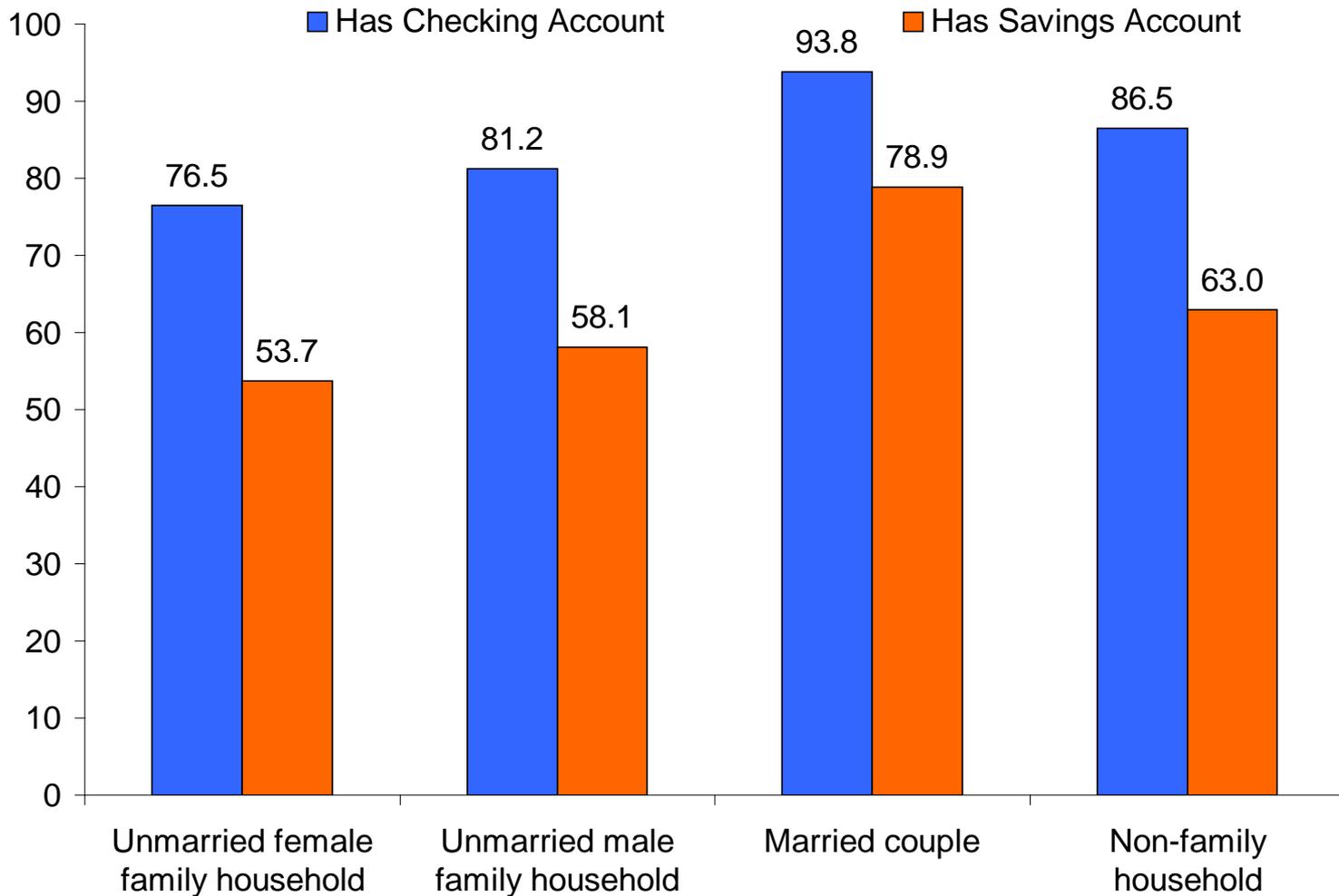


...by income





...by household type





Bank Strategies Include

- **Bank strategies to promote savings can include:**
 - ◆ Partnering with other organizations
 - ◆ Leveraging tax refunds
 - ◆ Direct deposit
 - ◆ Linking other products to savings

Building Assets, Building Relationships: Bank Strategies for Encouraging Lower-Income Households to Save (FDIC Quarterly, 2008)



Resources from FDIC Include:

The Money Smart Program

- ◆ Pay Yourself First module
 - Young Adult curriculum
 - Adult curriculum
 - Available in self-paced and instructor-led versions
- ◆ Elementary School student resource (ages 5-8)
- ◆ Podcast version

www.fdic.gov/moneysmart



Resources from FDIC Include:

FDIC Consumer News

- **Relevant article topics include:**

- ◆ *Simple Ways to Rev Up Your Savings* article
- ◆ *Happy Returns: Tips for Saving at Tax Time*
- ◆ Savings tips for parents and young people
- ◆ Certificates of deposit
- ◆ Retirement Accounts

- **Re-printable**

www.fdic.gov/consumernews



Community Reinvestment Act

- Efforts targeted to low- and moderate-income individuals may receive positive consideration as retail or community development services under the Community Reinvestment Act



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FDIC Presentation

2/4/14

George Barany

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About Us



Consumer Federation of America is located in Washington, D.C., and was founded in 1968. It is an association of more than 265 nonprofit pro-consumer groups including Consumers Union, AARP, credit unions, housing co-ops, and grassroots organizations.



America Saves is a national social marketing campaign that seeks to motivate and support low to moderate income households to save, reduce debt, and build wealth.



America Saves Week is coordinated by America Saves and the American Savings Education Council. Started in 2007, the Week is an annual opportunity for organizations to promote good savings behavior and a chance for individuals to assess their own saving status.

About Us

America Saves is a national campaign that seeks to motivate and support low to moderate income households to save and build wealth.



AmericaSaves.org

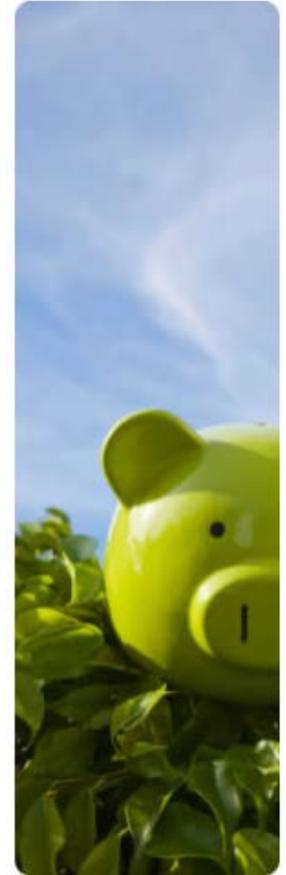
Newsletters and Emails

Social Media



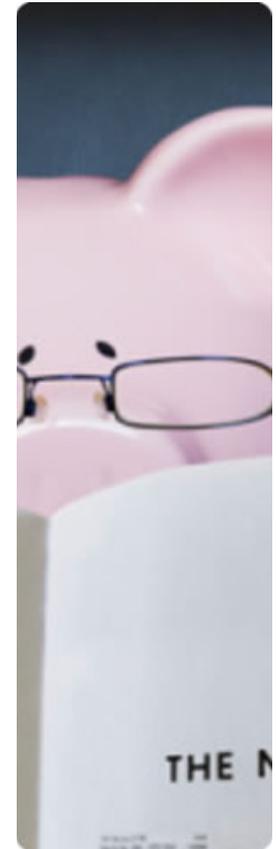
Saving is Important

- The core of financial management and opportunity.
- To meet the expenses of emergencies and avoid utilization of high cost and predatory credit.
- To support peace of mind.



Impact of Lack of Savings

- **Barrier to asset development** - CFA study of single women head of households: greatest barrier to asset development – no savings for emergencies.*
Path to increased debt - Repeat payday loans account for 76% of total volume.*
- **Barrier to Peace of Mind** - Mental energy and anguish finding money to meet expenses.
- **Contributes to lost productivity** - The **average employee** spends 28 hours each month worried about, calculating, or stressed over finances, costing employers \$5,000 a year in lost productivity.*



* CFA Study "Women on Their Own" in Much Worse Financial Condition Than Other Americans, December 2, 2008.

*By Leslie Parrish and Uriah King Center for Responsible Lending July 9, 2009

*The Federal Reserve, 2010

Many Aren't Saving

2010 Fed SCF Study :

- **69% of low income households** do not have a savings or money market account
- **54% of moderate income households** do not have a savings or money market account
- **45% of middle income households** do not have a savings or money market account



Lack of Emergency Savings

A 2012 survey found that 51% of Americans **do not have extra funds** (not including lines of credit) available to pay for an unexpected expense of \$1,000.



Source: 13th annual holiday spending survey conducted by the Consumer Federation of America (CFA) and the Credit Union National Association (CUNA) - <http://www.consumerfed.org/news/615>

Gap In Saving Automatically

According to a 2011
Harris Interactive
survey:

- 85% of employees in U.S. participate in direct deposit
- Of that 85%, only 18% utilize split pay for other than employer sponsored retirement plan



Gap In Saving Automatically

- Of that 18% who do split their pay- 85% of them say it is helping them to save
- By far, the most common use for split deposits (83%) is for an emergency fund



People Don't Think They Can Save: An Educational Opportunity

- 50% of household decision-makers **believe they “just don’t earn enough”** money to save regularly.”
- Majority of those in the under \$25,000 (61%) and \$25,000-\$49,999 (64%) income brackets **feel discouraged** from saving for this reason.
- \$50,000-\$99,999 category, half (50%) feel their **income level is a barrier to saving regularly.**
- And one-quarter (26%) in the \$100,000 or more category are **inclined to believe that their income is insufficient** to allow them to save on a regular basis.



Almost Everyone Can Save



Set A Goal – more likely to succeed



Make A Plan – twice more likely to succeed than those who do not*



Save Automatically – pay yourself first

*Source: CFA Annual Savings Survey February 17, 2012

America Saves Annual Savings Survey

- Having a **savings plan with specific goals** can have beneficial financial effects, even for lower-income families

	Have Savings Plan	No Plan
All Families		
Spend less than income	85%	44%
Sufficient emergency savings	56%	43%
Saving enough for retirement	75%	24%
Families With Income Under \$25,000		
Spend less than income	63%	30%
Sufficient emergency savings	69%	27%
Saving enough for retirement	37%	8%
Families With Incomes \$25,000-\$50,000		
Spend less than income	79%	57%
Sufficient emergency savings	79%	52%
Saving enough for retirement	63%	29%

America Saves Surveys of Savers

- Savers who joined America Saves in 2010 reported **saving \$3,000*** since joining America Saves.
- **Savers of all income levels reported being able to save** – including savers **making less than \$25,000** who reported **saving \$500*** since joining America Saves.
- The most important saving goals for savers include: **Debt Repayment, Emergency Fund, and Retirement.**
- Savers tell us that since they joined America Saves they **feel more hopeful about their financial situation, they are saving more, and they are managing their debt better.**

* Median Amount Saved

How America Saves Encourages Saving

- **Support the organizing of a wide range of stakeholders** and service providers to positively impact their constituents in 48 states with now more than 350,000 people enrolled.
- **Provide materials, resources, website, data base and infrastructure** to support the organizational effort and to individual savers.
- **Work with financial institutions** to promote effective saving strategies, encouraging offering no fee and low opening balance savings accounts, supporting customers who sign up as a Saver.
- Organize **America Saves Week**, the last week in February, as a national call to positive financial action.

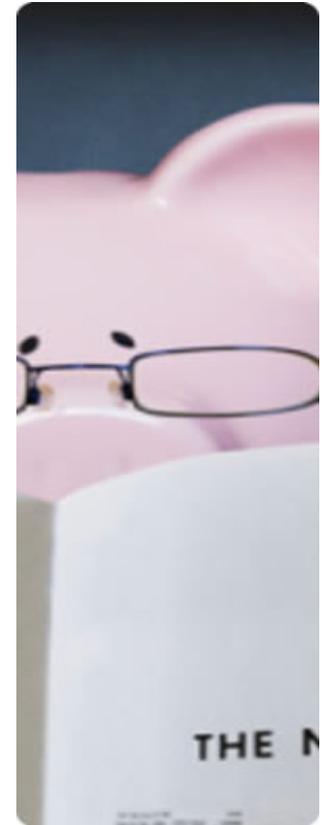
America Saves Week

AMERICA SAVES WEEK
FEBRUARY 24 – MARCH 1, 2014

- Co-coordinated by America Saves and the American Savings Education Council.
- An annual opportunity for Americans to assess their financial condition and goals.
- A dedicated time for financial action.
- A time for organizations and institutions to emphasize Saving.

America Saves Week 2013 Results

- The largest organization participation to date: **1,052 organizations** signed up on AmericaSavesWeek.org, across **48 states**.
- Media reach of over **35 million** people.
- **Employers reached 179,898 employees** with savings messages during America Saves Week 2013.
- **245,200 people** were reached through **Financial Counseling and Workshops** during America Saves Week 2013.
- Over **129,000 people** were reached through **tax site outreach** during America Saves Week 2013.



America Saves Week 2013 Results

- **Over 33,000 people making a savings commitment with a goal and plan by joining America Saves.**
- **Almost \$40 million in committed savings.**

2013 Financial Institution Participation Highlights

U.S. Bank

- Registered 58 U.S. Bank branches in 17 states internally to participate in this year's America Saves Week campaign featuring the S.T.A.R.T. saving product that **gave \$50 for the first \$1,000 saved**. Conducted financial literacy seminars encouraging saving for the future using America Saves Week resources.

The First, A National Banking Association

- Opened **152 new accounts** during America Saves Week totaling almost **\$56,000.00 in new money**; Waived the service charge for any account under \$100.00 for one year and opened accounts with as little as \$15.00.

M&T Bank

- **Emailed 500,000+ customers** promoting America Saves Week and Easy Save (M&T's auto funds transfer). Sent out a **press release** and **placed take-ones** in the retail branches promoting America Saves Week and Easy Save.



Financial Institution Participation

The Columbia Bank – Held a Savings Campaign in 40 of The Columbia Bank full service branches. They opened **119 new savings-type accounts for a total of \$1,438,380.61**. They also held a drawing for a \$500 CD from The Columbia Bank.

Prudential Retirement conducted a satellite media tour featuring Christine Marcks, President, Prudential Retirement, and offered a promotional Certificate of Deposit product during the Week. Results: 580,000 mailers sent; 11,188 increases to retirement accounts; **\$60 Million in new annualized savings**.

The Community Bank, operated by Bank of America for the Defense Finance and Accounting Service at military installations outside the United States, hosted kick-off celebrations, customer information days, student field trips and tours, and Boy/Girl Scout tours. The key statistics include **14,887 customer educational engagements and 13,405 Military Saves pledge referrals** (a 48% increase since 2008).



More Financial Institutions

First Security Bank and Trust, with 14 branches throughout Iowa, has **developed a unique savings product** called “First Step CD.” This CD provides higher rates and is designed to encourage savers to develop a habit of saving for unexpected events, vacations, or other needs by adding to it each month. The bank has special training for its retail bankers in which it teaches them about savings methods and how to encourage their customers to “pay yourself first” through savings, and to encourage customers to sign up for emailed savings tips.

The Maryland Saves campaign organized a “Roll in the Dough” campaign. 52 branches of eight local financial institutions participated in the two week effort to get customers to open or add to a savings account, offering several prizes to encourage savings. **Over 4,000 people participated, saving nearly \$10 million.**

The Northwoods Saves campaign organized a savings drive with 12 area banks and credit unions. **568 people opened or added to a savings account, saving a total of \$451,436.**



Financial Institutions and America Saves Week

Promote:

- To customers and community partners utilizing ASW materials and resources
- Decorate branches with savings messages and opportunities
- Issue a press release, use social media, blog and op ed

Inform:

- Provide materials and resources that support positive savings behavior
- Organize events, seminars, workshops

Act:

- Signing up customers as America Savers
- Increase At Work Programs
- Offer and market appropriate Savings accounts, IRA's, CD's ...
- Participate in VITA site activities and support community partnerships providing financial planning



How Organizations Can Participate in America Saves Week 2014

STEP 1:

SIGN UP

AMERICA SAVES WEEK is an annual opportunity for organizations to promote good savings behavior and a chance for individuals to assess their own saving status.

AmericaSavesWeek.org

Sign Up for America Saves Week

Thank you for your interest in participating in America Saves Week 2014. Even if you have signed up in the past, please complete the form below. By signing up, you will receive news and updates on America Saves Week 2014 and will be listed as a participating organization.

* Required

First Name *

Last Name *

Organization Type *

Organization *

Email Address *

Confirm Email Address *

Organization State *

Organization Website *

Title:

Phone Number:

Keeping in Touch

We want to stay in touch with you with information and advice to support you. The following publications are available to you:

- Receive America Saves Week Emails
- Receive America Saves Partner Emails
- Would you like the local America Saves campaign closest to you to contact you about ASW partnership and activity opportunities?

Submit Form



How Organizations Can Participate in America Saves Week 2014

STEP 2:

Plan Activities

1. Sign Up Savers
2. Create Your Own Materials
3. Host an Event
4. Spread the Word
5. Share Savings Messages through Social Media
6. Contact the Media
7. Work with Local Government
8. Hold a Competition



AmericaSavesWeek.org



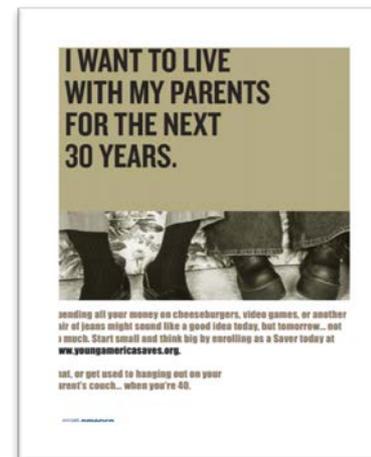
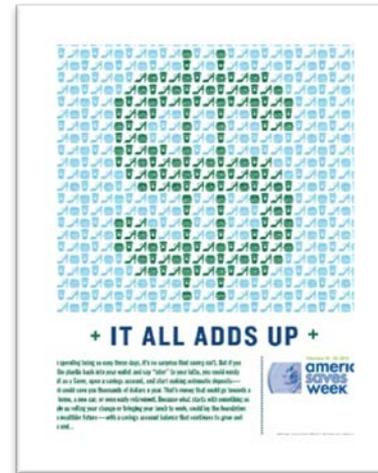
How Organizations Can Participate in America Saves Week 2014

STEP 3:

Download Materials

1. Flyers, Poster, & Payroll Stuffers
2. Logos, Web Buttons, and Banners
3. Social Media Kit
4. QR Code
5. Sample Newsletter, Email, and Blog Content
6. Sample Press Release
7. Sample Proclamation
8. PowerPoint Presentations

AmericaSavesWeek.org



America Saves Week Materials

- Materials are available at AmericaSavesWeek.org and can be cobranded



**Set a Goal.
Make a Plan.
Save Automatically.**

KEY SAVING STRATEGIES

- 1 Pay off high-interest debt
- 2 Save for emergencies
- 3 Save monthly through direct deposit or an automatic transfer from checking to savings

SCAN THE QR CODE INTO YOUR SMARTPHONE OR MOBILE DEVICE TO JOIN TODAY!



Join AmericaSaves.org for tips, news, and advice to help you save more successfully.



SAVING MONEY IS NOW AS EASY AS PIE.

Keep some of the pie for yourself! Finally, savings made simple! Tell your tax preparer you want to use Form 8888 to save a portion of your refund. Spend some on expenses, invest some in a long-term goal and save some for emergency funds.

I WANT TO LIVE WITH MY PARENTS FOR THE NEXT 30 YEARS.



Spending all your money on cheeseburgers, video games, or another pair of jeans might sound like a good idea today, but tomorrow... not so much. Start small and think big by enrolling as a Saver today at www.youngamericasaves.org.

That, or get used to hanging out on your parent's couch... when you're 40.



How Organizations Can Participate in America Saves Week 2014

STEP 4:

Track Your Impact

- **Worksheet to track:**
 - **Promotional methods**
 - **Audience reach**
 - **Information and stories**
 - **Account activity (for financial institutions)**
 - **Employer participation**

America Saves Week Tracking Document

At the end of the week, we ask that you share your success with us. We will document your success, along with others, on our website, through our 2013 report, and through other media opportunities.

As you go through the week, please take the time to fill in the report below so that you will have all the information needed to fill out our post-Week survey. Need help setting internal goals? Contact America Saves, Director [Nancy Register](#).

Audience Reach

6. Tell us about your audience reach. What is your best guess of how many people you reached with each of the following methods?

	Internal Goal	Actual Reach
Posters/flyers		
Signs/billboards		
Website		
Postal mailings		
E-mails		
Facebook		
Twitter		
Print publications		
Ads, PSAs, media appearances		
Tax site outreach		
Events		

AmericaSavesWeek.org



Social Media Content

Contains:

- 4 Weeks of content to post on Twitter and Facebook
- Sample newsletter/blog content
- America Saves QR code



Your America Saves Week

Identify opportunities to:

Promote – ASW and local financial resource and support opportunities.

Inform – provide financial information and education opportunities.

Action – make available opportunities to save automatically and take financial action.



Bottom Line

- The savings message, resources and opportunity to save can support your community, your employees, and customers.
- Financial institutions will benefit from participation in America Saves Week 2014, February 24 – March 1.
- It is easy to participate in America Saves Week.
- **Sign up TODAY** as a participating organization at AmericaSavesWeek.org.



Thank You!

Contact:

George Barany

Director Financial Education,
Consumer Federation of America
Director Young America Saves
gbarany@consumerfed.org

Visit AmericaSavesWeek.org Today





Wage & Investment

Financial Education and Wealth Building Opportunities at Tax Time

February 4, 2014

Stakeholder Partnerships, Education &
Communication (SPEC)



Internal Revenue Service

- Wage and Investment (W&I) Division provides tax return processing, compliance, and customer service for virtually 123 million individual taxpayers.
- Stakeholder Partnerships, Education & Communication (SPEC) is the Outreach and Education arm of the Wage and Investment Division of the IRS.
- SPEC partners with community based organizations to gain access and provide service to lower income, elderly, disabled, Native Americans, non-English speaking and rural populations.
- SPEC manages the Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE) free tax preparation programs.



SPEC's Business Model

SPEC's Business Model is leveraged through client-based organizations. The model integrates tax education and free tax preparation with other strategies promoted by partners to increase income, build savings, and gain and sustain assets for targeted SPEC taxpayers.

SPEC Business Model





Community-Based Partnerships

- Collaborative efforts between mission connected non-profits, faith-based organizations, and financial institutions
- Leverage model to share resources
- Free income tax preparation
- Outreach/Marketing
- Financial Education & Asset Building Opportunities



SPEC's Role in Financial Education and Asset Building (FEAB)

Collaborate with national and community partners to furnish taxpayers with the information, knowledge and skills needed to evaluate their financial options and to identify those choices that best suit their needs and circumstances



Coalition FEAB Opportunities

- Financial Education
- Individual Development Accounts
- Home Buying Seminars
- Budgeting Classes
- Direct Deposit (Form 8888)
- Open Savings Accounts
- Establish Banking Accounts
- Introduce Savings Programs
- Foreclosure
- Debt Cancellations



Community Coalition Contact

- Internal Revenue Service – SPEC
 - Rawlin Tate email: Rawlin.Tate@IRS.Gov
 - Phone Number: 404-338-8369

Jennifer W. Troke, Ed.D.

U.S. Department of Labor
Employment and Training
Administration
Division of Youth Services



DOL's Mission

"I have had the privilege of speaking with many CEOs in my first two months on the job, and I have been struck by the consistency of the responses I have gotten in my conversations. Business leader after business leader, representing companies of all sizes in various sectors, has emphasized the absolute necessity of having a pipeline of skilled workers to fuel their company's growth."

-- Secretary of Labor
Thomas E. Perez, South
Florida Economic
Summit, Miami,
Florida, January 16, 2014

Contribute to the more efficient functioning of the U.S. labor market by providing high quality job training, employment assistance, labor market information, and income maintenance services primarily through state and local workforce development systems.



Business Portal

DOL created a business portal to provide easy access to services that businesses need including:

- Recruiting
 - Hiring
- Training
- Resources



www.careeronestop.org/business

Workforce System

The Public Workforce System



American Job Centers

More than 2500 American Job Centers
Across America! One Near You!



To find a One-Stop Center Near You:
www.servicelocator.org

For information about jobs, training, and career resources call:

1-877-US2-JOBS

(1-877-872-5627)

TTY:1-877-889-5627

eta

Find Grants Near You

Data Details Table

Project Title [YouthBuild](#)

Applicant Name [Workforce Connections, Inc.](#)

Grant Amount [\\$1,078,796](#)

Areas served [Wisconsin](#)

Project Summary [ps_Workforce Connections_WI.pdf](#)

Technical Proposal [ps_WorkforceCnnctns_rtp.pdf](#)

Physical Address [402 North 8th Street, La Crosse, WI 54602-2908](#)

Email Address sullivanb@workforceconnections.org

Phone [608-789-5610](#)



What Employers Want

- Workers who:
 - Show up on time!
 - Have a strong work ethic!
 - Have the right skills to get the job done!
 - Are ready to work!
 - Are team players!

DOL programs provide education and skills training to workers so they are ready to connect to employers with jobs!

Making the Connection



Food for
Thought...Some
examples for
you!

- Build partnerships with the American Job Centers in your local area
 - Search for Centers at: <http://www.servicelocator.org>
- Build partnerships with youth programs (grantees) already in your community, such as YouthBuild and others
 - Search for DOL grants at: [www.
http://www.dol.gov/dol/grants/](http://www.dol.gov/dol/grants/)
- Work with entrepreneurs in your local community
 - Create a small business partnership:
<https://www.workforce3one.org/view/2001125757596213518>
- Offer your expertise to job seekers at America's Job Centers

Thank You!

- We welcome your feedback as you make connections to our system and grantees.
- Jennifer Troke
 - Troke.jennifer@dol.gov
 - 202.693.2665

Thank You!

- Luke Reynolds LuReynolds@FDIC.gov
- George Barany gbarany@consumerfed.org
- Rawlin Tate Rawlin.Tate@IRS.gov
- Jennifer Troke Troke.jennifer@dol.gov