



Federal Deposit Insurance Corporation
550 17th Street NW, Washington, D.C. 20429-9990

Financial Institution Letter
FIL-18-2015
April 20, 2015

FDIC Announces Phase II of the Youth Savings Pilot Program

Summary: FDIC-insured institutions are invited to apply to participate in Phase II of the FDIC's Youth Savings Pilot Program, which seeks to identify and highlight promising approaches to offering financial education tied to the opening of safe, low-cost savings accounts for school-aged children. Phase II of the program targets programs during the 2015–16 school year. Pilot participants will be connected with other participants and technical assistance resources. Applications for Phase II are due by June 18, 2015.

Statement of Applicability to Institutions with Total Assets Less Than \$1 Billion: This Financial Institution Letter (FIL) applies to all FDIC-insured institutions.

Distribution:

FDIC-Insured Institutions

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Note:

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Highlights:

- To introduce students to banking services at an early age, many insured financial institutions collaborate with schools to offer financial education and to establish school-based savings programs. These programs help students learn how to manage their money more effectively, encourage developmental savings habits at a formative age, and promote economic inclusion for entire families. For more information, see the interagency "Guidance to Encourage Financial Institutions' Youth Savings Programs and Responses to Frequently Asked Questions" outlined in [FIL-11-2015](#).
- The FDIC is conducting a two-phase pilot program to learn from school-based savings programs and identify promising bank strategies for working with schools or other organizations that combine financial education with access to a savings account.
- FDIC-insured financial institutions are eligible to be considered for the second phase if, during the 2015–2016 school year, they expect to launch a new program to help young people open a savings account in conjunction with a financial education program, if they modify an existing program in a way designed to increase participation, or if they expect to expand their work with an existing school or other nonprofit partner to reach more young people.
- Institutions must apply by June 18, 2015. For more information on the pilot program and application process, visit <http://www.fdic.gov/youthsavingspilot>.
- The FDIC intends to publish a report in late 2016 to provide financial institutions with best practices on how to work with schools or other organizations to combine financial education with access to a savings account.