

Local Coalition Strategies for Navigating Financial Institution Partnerships and Account Certification

Designed in consultation with Bank On leaders, financial institutions, consumer advocates, and federal regulators, the Bank On National Account Standards set an ambitious yet achievable benchmark for safe, affordable consumer transaction accounts. Already, hundreds of banks and credit unions (ranging from the country's five largest to those with just one branch) successfully have had accounts certified and become available in tens of thousands of branches across every state in the country. Financial institutions, often referred by local coalition leaders, regularly reach out to work with the CFE Fund in active transition toward their own product certification success.

Local Bank On coalitions play a crucial role in celebrating the availability of such certified accounts to their local populations – and they also play a crucial role in encouraging other financial institutions in their communities to develop and offer a Bank On certified account. What are successful coalition strategies for helping more bank and credit union partners in their community get there? And how are coalitions working in the meantime with financial institutions who do not yet have certified Bank On accounts?

Most coalition leaders are actively encouraging their financial institution partners to work with the CFE Fund to get a certified account. They have brought the CFE Fund team directly into these conversations through phone calls and roundtable events or made referral connections through email.

Many coalition leaders are also using public communications as a successful encouragement strategy. Generally speaking, Bank On coalitions have employed a range of these more public approaches, including:



Coalitions that only partner with financial institutions with certified accounts.

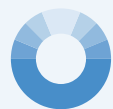
Most Bank On coalitions take this approach – setting a clear expectation that all financial institution coalition partners offer a Bank On certified account is a best practice and underscores the importance and widespread acceptance of the Standards. This approach can work well for coalitions that are starting out, who have the unique position of designing the coalition partnerships from scratch; coalition leads can set clear expectations from the beginning to build confidence in account recommendations and incentivize local and regional financial institution partners to offer a certified account. In addition, some existing coalitions have found that the National Account Standards and certification process offer an opportune moment to set a coalition standard around the safety, affordability, and functionality of accounts promoted by coalition members.

Financial institutions without an existing account that meets the National Account Standards will have to adjust one in their portfolio, or create a new one; the CFE Fund team is always available to guide banking partners through this process. While some financial institution partners may suggest that one of their existing accounts is already good for consumers, or close enough to the Standards, we encourage coalition leads to look further at which features the account is lacking – often, this means the account has overdraft fees. Promoting an account with overdraft, or other unpredictable fees, will send a conflicting message to the community your coalition aims to serve – and risks diluting incentives for other local banks and credit unions to pursue certification.

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Promoting the safest, most affordable accounts available in your community is the gold standard for a Bank On coalition. We recognize that doing so can be challenging for some coalitions – especially those who have been established for some time, or who have existing relationships with financial institution partners without a certified account. However, we encourage coalitions to prioritize partnerships that focus first on the financial stability of individuals and families in your coalition's service area and set a high standard for local financial institutions. Coalitions who adopt this approach often find creative ways to continue to engage and maintain longstanding relationships with banks and credit unions who do not yet offer a certified account. Read on for some examples.



Coalitions that allow all financial institutions with or without certified accounts to partner equally.

In this model, financial institutions often meet other coalition participation requirements, but do not all offer accounts that meet Bank On Standards. Some non-certified accounts are closer than others, perhaps meeting all but one or two core features of the Standards. While this approach is most inclusive, local coalitions often report several key challenges. First, coalitions following this model can generate confusion for local residents about which accounts are recommended and appropriate. For example, if most of the certified accounts available locally do not have overdraft fees, but the coalition also promotes a handful of accounts with overdraft fees, the message to prospective account holders is unclear. Second, some coalitions have attempted to clarify confusion by creating product comparison charts, but this approach — including the work of gathering complete and accurate information and keeping such information up to date — has proven challenging to maintain locally. Third, financial institutions that do have accounts certified as meeting the Standards become frustrated by the lack of recognition for their effort and accomplishment. Finally, this approach largely removes critical local incentives for institutions without an approved account to make changes to meet the Standards' benchmarks for safe, affordable, and functional products generally recognized as best for those outside the mainstream banking system. We do not recommend that any active Bank On coalition promote accounts that do not meet the Bank On National Account Standards.



Coalitions that promote certified accounts but partner with other financial institutions in other capacities

Some coalitions adopt the approach of inviting non-certified account partners into the coalition to partner in ways other than account offering. This approach encourages participation, emphasizes the importance of certified accounts, and provides a strong and public incentive to financial institution partners to bring a certified product on board for local residents. This approach has taken several forms:

- Some coalitions graphically highlight and distinguish between certified and non-certified accounts in their communications and marketing materials, such as through separate financial institution or account lists, “preferred as nationally certified” denotations (including by using the national certification logo image), or through product feature grids that highlight key missing/noncompliant items for noncertified accounts;
- Some coalitions distinguish in their communications and marketing materials between “account partners” and “other coalition partners,” with only financial institutions with nationally certified accounts recognized in the former category;
- Some coalitions host financial institution roundtables or similar public events to discuss the importance of the Standards and how to meet them, only inviting those financial institutions with certified accounts to speak publicly about their account; and
- Some coalitions highlight roles for financial institution partners without certified accounts that do not involve promoting these accounts, including financial education, event sponsorship, and volunteering.

While Bank On coalitions take varying approaches with their financial institution partners, it's important to distinguish between those that offer certified accounts and those that do not. Maintaining high expectations for bank and credit union partners is in the best interest of the coalition, the movement, and most importantly – the residents in your community. Local coalitions, as well as their financial institution partners, can look to our [chapter on Frequently Asked Questions](#) about the account certification process for more detail on what it takes to meet the National Account Standards. The CFE Fund also encourages partners to reach out to the Bank On team with other ideas and experiences, and for assistance in encouraging partners to offer accounts that meet Bank On National Account Standards.