

# Bank On National Account Standards Validation and Certification: Frequently Asked Questions

Accounts meeting  
the National Account  
Standards are now  
available at over

**24,000** **ACROSS**  
**BRANCHES**



## 1. FAQs: National Account Standard Certification

### What are the Bank On National Account Standards?

The Cities for Financial Empowerment Fund (CFE Fund) first issued Bank On National Account Standards in October 2015, and released [an updated version of the Standards in 2021](#). Compiled with input from local coalitions, financial institutions, regulators, advocates, and researchers across the country, they offer specific guidance on consumer transaction accounts appropriate for financial institution partnerships with local Bank On coalitions.

The Standards include core and strongly recommended features that address cost, functionality, and consumer safety. They establish an ambitious, but achievable, baseline for safe, affordable, and appropriate accounts that meet the needs of consumers with low incomes, particularly those outside of the financial mainstream.

### How do I know if a bank or credit union account meets the Standards?

In 2017, the CFE Fund announced a national account certification process. [Available free online](#), financial institutions can submit for validation accounts that they believe meet the Standards. Once validated by the CFE Fund's third party evaluator, the National Consumer Law Center, as meeting Bank On Standards, financial institutions will receive a Bank On seal of approval for marketing and outreach purposes; national recognition highlighting the account's safety, affordability, and functionality; and opportunities to partner with local Bank On coalitions and other national stakeholders.

### How can stakeholders use the Bank On National Account Standards certification?

- Financial institutions can use the Standards and certification to highlight their commitment to safe and affordable accounts across all branches and local partnerships, as well as in product development planning. National certification also relieves financial institutions from pressure to modify products locally.
- Local coalitions can use national certification to identify appropriate products to which to connect their residents struggling outside of the mainstream banking system. Certification of nationally recognized standards also offers a clear basis for conversations with financial institutions that do not yet offer a certified product.

### What are reporting requirements for Bank On certified accounts?

In partnership with the Federal Reserve Bank of St. Louis, the CFE Fund works with financial institution partners to track and report aggregate data on accounts meeting the Bank On National Account Standards through a central, national Bank On data portal newly available to all financial institutions with certified accounts. Such data, such as number of certified accounts opened in a given reporting period, is also relevant to Community Reinvestment Act regulatory examinations. Additional financial institutions with certified Bank On accounts will be invited to participate in future reports. To learn more, visit [www.joinbankon.org/research](http://www.joinbankon.org/research).

## 2. FAQs: The Validation Process

### How does the account validation process work?

Using the free [CFE Fund web portal](#), financial institutions submit their account terms and contact information, as well as any additional information that demonstrates that the account meets [Bank On National Account Standards](#) core features.

The CFE Fund's independent evaluator, the National Consumer Law Center (NCLC), compares account features to the "core features" outlined in the Standards. "Strongly recommended" features are intended to provide additional guidance for Bank On programs when partnering with financial institutions, but are not required for certification. The validation process is "up or down" – accounts either meet all core Standards features or they do not.

### Who can submit a financial product for certification review?

Banks and credit unions are eligible to submit one or more of their products for validation as meeting Bank On National Account Standards. Local Bank On programs and partners can work with and encourage financial institutions to apply for validation, but the application itself may only be submitted by the financial institution.

The CFE Fund welcomes the opportunity to meet with financial institutions to discuss their product and the Standards and answer any questions. Please contact [David Rothstein](#), Principal, for more information.

### Who conducts the validation?

The CFE Fund has partnered with a third-party nonprofit evaluator, the National Consumer Law Center, to evaluate Bank On accounts. Upon application, financial institutions may receive questions from NCLC and/or the CFE Fund to clarify product details.

### How will I learn the result of the validation process? Are results made public?

The CFE Fund will contact applicant financial institutions promptly with the results of the validation process. Accounts that are not certified are not announced publicly – the CFE Fund will only notify the financial institution applicant. The CFE Fund's goal is to certify as many products as possible, and will work with financial institutions to provide guidance for meeting the core features of the Standards.

### What are the benefits of getting a product validated and certified?



In addition to providing appropriate and safe accounts to millions of customers in need, financial institutions whose accounts are validated as meeting Bank On National Account Standards are officially and publicly certified as a Bank On Approved Account. Such certification will provide a basis for robust local coalition affiliations and programming opportunities. Additionally, financial institutions can use their product-specific national certification seal provided by the CFE Fund in online marketing, branch signage, and other collateral materials to communicate and highlight that their account meets these widely-accepted Standards. The CFE Fund will promote Bank On certified accounts through inclusion in Bank On materials and in communications with local Bank On coalitions, as well as through assets like CFE Fund websites and social media outlets. The CFE Fund will also connect financial institutions to opportunities to partner with local Bank On coalitions and national Bank On stakeholders, where appropriate.

Additionally, financial institutions with certified Bank On accounts are eligible to participate voluntarily in a streamlined, national data collection effort with the CFE Fund and Federal Reserve Bank of St. Louis, described above.

### My financial institution is located in multiple cities or states. Does the product need to be validated for each market?

No, this is a national certification, applying to products universally available across a financial institution's entire branch network to any applicant. Note that the certification applies only to the product submitted and not to the entire suit of financial institution's offerings or to the financial institution as a whole.

### **3. FAQs: The Standards Themselves**

**The Standards allow for non-branch financial institutions to have an account certified, but only if they are an “insured depository institution.” What is meant by “an insured depository institution”?**

An insured depository institution refers to any bank or credit union where the deposits are insured by the Federal Deposit Insurance Corporation (FDIC) or National Credit Union Administration (NCUA). It does not refer to organizations that employ a brokered relationship with a financial institution that carries its own insurance in order to sell accounts.

**Are prepaid debit cards eligible for Bank On National Account Standards validation?**

Yes. The Standards do not distinguish products based upon whether they are structured as a prepaid card or other type of account. Instead, financial products are evaluated against the articulated Standards. Note that the Standards do require that the product be offered by an insured depository institution

**Does an account need to be free?**

No. The Standards’ core requirements ask only that monthly maintenance fees not exceed \$5 if there is no waivable fee option. If there is a waivable fee option through direct deposit, online bill pay or debit card purchase, the Standards accept monthly maintenance fees as high as \$10

**Can the account have overdraft or nonsufficient funds fees?**

No, the Standards do not allow for overdraft or nonsufficient funds fees, period. The Standards do not allow for grace period, warning, or fee reversal exceptions to this requirement. Of course, transactions may be denied when an account balance is insufficient, and a financial institution retains the right to cancel a customer’s account after repeated, purposeful overdraw attempts. Accounts may allow for negative balances, but customers can not be charged fees if this occurs.

**How can financial institutions address dormant accounts while remaining compliant with the Standards?**

The Standards require that there are no charges for dormancy or non-usage. However, a financial institution can establish a time period after which it may refund dormant account funds, for free, to the consumer.

**The Standards prohibit activation fees. Does that prohibition apply to credit union membership fees?**

No, one-time credit union membership-type fees are not considered an account activation fee.

**What is meant by “ATM networks” in the Standards’ requirements of non-branched financial institution providers of certified products?**

An ATM network refers to networks of ATMs beyond the financial institution’s own branded ATMs. Some larger examples include AllPoint, MoneyPass, COOP Financial Services, Cuiance, NYCE, SUM, and VISA Plus Alliance. An ATM network may also include for these purposes a partnership made by the financial institution allowing fee-free access to ATMs in commercial establishments, such as convenience and drug stores.

**The Standards speak to cash and check deposit capabilities and fees. Must every ATM in a certified product provider’s network, or partner network, offer deposit capabilities?**

No, not every ATM; however, those providers of certified accounts that do not have branches must provide some reasonable opportunities for customers to be able to make free deposits.

**What does “free and unrestricted” mean when it comes to the Branch Access and Telephone Banking core features?**

The Standards are designed to ensure that account holders are not penalized with additional fees or more limited access for existing branch and telephone banking services, or that they are not charged a fee for a service at a branch or on the telephone that is free for holders of other accounts using those services.

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### Do the Standards' out-of-network ATM fee limitations apply to, or include, fees charged by foreign ATMs?

No. The Standards' cap on out-of-network charges applies to the financial institution offering a certified account; that cap does not apply to any costs charged by a foreign ATM provider which is not under their control.

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### What are the bill pay options under the Bank On National Account Standards?

Transactional accounts must meet consumers' needs, which include paying bills and vendors of different types. The Standards require two free bill pay features. First, the product must allow bill pay by the customer, to a vendor, using their 16-digit debit card account number. Second, the financial institution must have a free institutional or subcontracted bill pay system that allows customers to send payments to any person or business (e.g. by electronically generating a paper check) OR, at minimum, allow customers four free money orders or cashier's checks per month.

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### What do the Standards require of financial institutions regarding monthly statements?

The Standards require that any electronic monthly statements available by the financial institution be offered for free, and that charges for paper monthly statements, if offered, do not exceed \$2 per month for one mailed statement. A best practice is to offer paper statements.

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**More Questions?**

Please [contact us](#) ... we'll be happy to answer your questions quickly, and will also continue to update these FAQ's to help your colleagues!