

BANKS OF PROMISE

The Peoples Bank of Biloxi launches 'Lil' Peoples Bank' for elementary school kids

The Peoples Bank in Biloxi is reaching out to future customers with a project to help kids learn wise money management and the benefits of saving.

The bank, in partnership with North Bay Elementary in Biloxi, opened a branch called Lil' Peoples Bank at the school on Sept. 14. The bank provides free savings accounts, waives minimum balance requirements and donates the first dollar to the account, while in the meantime teaching students about saving.

The in-school bank program is part of Save for America, a national non-profit organization which manages partnerships between more than 150 financial institutions and more than 750 schools. Its curriculum includes teaching guides for kindergarten to 6th grade, tests and answers, a banking glossary and an educational video for students. In 2000, children participating in the program deposited more than \$1 million into their savings accounts. This national program is endorsed and funded by the U.S. Department of Education. (More information is available online at www.saveforamerica.org.)

"We think it's very exciting," said Chevis Swetman, chairman of the board and chief executive officer of The Peoples Bank. He compares this program of banking education on an elementary-school level to the programs available to high school kids (like the MBA-sponsored *Banking on Your Future*) and college students (for example, the *Principles of Banking* course). "The idea of saving, and teaching the basic concepts to our youth today — we think that's very important."

The Peoples Bank went the extra mile when putting together the Lil' Peoples Bank, building a kid-size branch at the school at which children make their deposits each week. Bank employ-

ees and parent volunteers work at the 'branch' each Friday to help children count their money, take deposits and answer questions. Additionally, kids are rewarded by the bank for the frequency of their deposits — not the amount.

"We had a child today deposit 25

cents into their account," said Jennifer Crane, assistant vice president and marketing officer at The Peoples Bank, who has worked extensively on the Lil' Peoples Bank project. "It's wonderful. They can do that."

Kids get a long-term commitment from the bank through this program. Although the Save for America program operates in grades K-8, the savings account remains intact until the child is 18 years old, when it is rolled into a traditional savings account. In the meantime, deposits can be made at actual bank branches if the in-school bank is not available. The kids also get a

personal relationship with the bank, including monthly statements and initial letters personally signed by Swetman.

State Treasurer Marshall Bennett has also lent his support to the project, attending the Lil' Peoples Bank grand opening and giving a talk to students about how the saving process works.

"We saw a rush of people sign up for Save for America after his speech," Crane said. "If [Bennett] doesn't do this every day, he should, because he did it so well for the children, explaining savings and interest on the kids' level."

Lil' Peoples Bank has generated extensive media coverage for The Peoples Bank, before and after Bennett's visit for the grand opening. "We got a lot of press for the ribbon-cutting," Crane said, "but also, when we announced we were going to do this, we got a lot of coverage — the newspapers, the TV, and I was on several radio shows." This coverage has generated interest among other schools, and two have already contacted the bank, wanting to start their own Lil' Peoples Bank.

"It really caught us by surprise," Swetman said of the publicity the bank has received. "We think it's going to be



State Treasurer Marshall Bennett, with scissors, cuts the ribbon at the grand opening ceremony for the Lil' Peoples Bank inside Biloxi's North Bay Elementary. Chevis Swetman, left, chairman and chief executive officer of The Peoples Bank, holds the ribbon while bank marketing officer Jennifer Crane, right, and several students look on.

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successful, and hopefully over the long run, it's going to be even more successful."

Save for America requires very little of participating schools and banks – just a computer with internet access and an e-mail address. Using the computer, bank employees or parent volunteers e-mail the amount of each child's deposit to Save for America using special software, then take the cash to The Peoples Bank, depositing it in one big account. Then, Save for America makes an Automated Clearing House file of all the deposits received that day. Finally, the bank receives the ACH file electronically, and the appropriate amount of money is transferred to each child's account.

The program relies heavily on parent volunteers to help run the branch each week, so that bank employees can perform their regular jobs. After only a month since the grand opening, Crane said she no longer needed to visit the school every Friday, because the parent volunteers were self-sufficient. "I was surprised," she said. "These are people who go to work afterwards – they're not all stay-at-home moms. Some of them have jobs, and they go in to work late."

The fact that this program contributes to the bank's commitment as a Bank of Promise does not escape Crane or Swetman. The program is a way to help kids grow and benefit while adults help them along. Providing an ongoing relationship with a caring adult is one of the five basic promises Banks of Promise work toward.

"This particular program fits with that [promise]," Crane said. "The kids are able to come in to the bank or the table, or whatever it may be, and we take their deposit, but we work with them one-on-one."

Swetman and Crane both expressed interest in helping other banks get the project started in their own areas of the state. Swetman said that Bennett has expressed an interest in helping this program to go statewide, and Swetman is interested in helping as well.

"We don't think it's anything exclusive or proprietary to The Peoples Bank," Swetman said. "We don't see why we can't get other financial institutions to



The Lil' Peoples Bank generated lots of excitement during its grand opening, both from North Bay Elementary students and the local media. Here, State Treasurer Marshall Bennett (behind counter, looking at computer) takes student deposits and enters them in the computer while the local television station takes note.

sponsor this as well."

Crane said that since The Peoples Bank was the first bank in the state to work with Save for America, she essentially started from scratch when developing the Lil' Peoples Bank. She said she would be glad to help others who are interested by answering questions or

providing necessary materials. She can be reached at (228) 435-5511.

"We've always been involved in the community," Swetman said. "We think everybody needs to be more active in the educational process. If it helps the schools and the teachers, well then that's even better."

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