



## School Savings is...

**A social enterprise that enables children to make savings deposits at school through Websaver® its secure online school banking technology system.**

## Benefits to Financial Institutions

1. **School Savings creates new relationships with local families.**
  - a. Seventy-three (73) percent of School Saver households are new to the sponsor financial institution.
  - b. Cross-over sales to parents average 4.63 products with checking, savings accounts and loans leading the way.
2. **School Savings is a “mortgage incubator.”** Growing families need larger homes.
  - a. More than twenty (20) percent of School Saver parents selected the School Savings sponsor for their new mortgage.
3. **Financial institutions receive (Community Reinvestment Act (CRA) credit for School Savings programs in low income schools when renewing their license with the FDIC.**

## Competitive Advantage

Most home grown school banking programs are unsustainable because financial institutions use bankers to collect weekly student deposits. Tellers then spend valuable time hand posting the deposits.

At School Savings:

1. **Hand posting** is eliminated because Websaver® Software as a Service (SaaS) technology processes student deposits directly through the Federal Reserve Bank via iDebit®.
2. **Parent Volunteers** are used to collect student deposits and drop them off at local branches.
3. **School Savings’™ U.S. Department of Education approval** makes acceptance by schools automatic. School Savings is the **ONLY** USDOE-approved school banking program.

## How does it Work?

Banks select their preferred schools and provide savings accounts to the children. Once a week, students bring their savings to school to deposit into their savings account **through Websaver®**. A parent Volunteer takes the student deposits to a local financial institution. Through the Federal Reserve Bank, iDebit® credits the students' accounts with their deposits. Student deposits appear on the student's regular bank statement. Statistics show that eighty percent (80%) of students are still saving two years later.

Parents and students together maintain an online Savings Register and set savings goals using an animated online Savings Goal application. In middle school, students usually receive a debit card from their

sponsor institution which extends the client relationship and helps parents manage cash for daily needs. Contests and incentives keep students excited while the savings habit is “under construction.” **With proper management, financial institutions can retain their internet-ready School Savers as customers for life!**

## Our History

In 1985 School Savings was evaluated and approved as a national financial literacy model by the U.S. Department of Education for ALL schools—public and private. Participating in School Savings helps students meet state education requirements in math. More than 3,000,000 million students in 7000 schools have benefited from the early savings and banking lessons they learned as school savers.

## Recognition

In recognition of its role in promoting financial literacy, School Savings and/or its partner Save For America have received approval from the following organizations. In 1995, it also received the National Savings Award from CSIA as Best Community Partner.

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| U.S. Department of Education                                       | The White House 1991 (President George H. Bush)      |
| The Federal Reserve – San Francisco Branch                         | National Association of Elementary School Principals |
| National Press Club  | National Association of School Directors             |
| Governors and Cabinets of Eight States Including Texas and Florida | Twenty-four State Treasurers                         |
| American Bankers Association, Forty State Banking Associations     | Community Bankers Association                        |

## Research on Saving

### SEED Results

“We have evidence that if there are savings and assets in the household, particularly if the savings are in the child’s name, controlling for other features, children will do better,” says Michael Sherraden, PhD, director of the CSD. “They will have better educational attainment, and are more likely to do well in high school, attend college and graduate from college.”

Lessons from SEED, a National Demonstration of Child Development Accounts. September 2010. Editors: Michael Sherraden & Julia Stevens

“...savings are positively associated with educational aspirations and achievement, including post-secondary degree completion.” (Elliott & Beverly, 2010; Zhan & Sherraden, 2009, 2010).

Websaver® and iDebit® are products of Interactive Financial Services Group, Inc. School Savings is a tradename of IFSG, Inc.

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