



OFFICE OF THE CITY TREASURER

STEPHANIE D. NEELY • TREASURER • CITY OF CHICAGO

Bank on Chicago



What is Bank on Chicago?

- **Partnership between Financial Institutions and Community Organizations to move individuals in the financial mainstream,**
- **Effort to clamp down of the proliferation of check cashers and payday lenders,**
- **Create a standard low cost, starter account for first time account holders,**
- **Raise awareness among consumers about the benefits of having a bank account.**



What is Bank on Chicago?

- **Hermosa**
- **Humboldt Park**
- **West Town**
- **West Garfield Park**
- **East Garfield Park**
- **North Lawndale**
- **South Lawndale**
- **Lower West Side**

- **Gage Park**
- **New City**
- **Fuller Park**
- **Oakland**
- **West Englewood**
- **Englewood**
- **Washington Park**
- **Woodlawn**



Why do we need Bank on Chicago?

- **It is estimated that there are 200,000 “unbanked” and 380,000 “underbanked” consumers in Chicago**
- **An individual who utilizes alternative financial services will spend \$700 a year just to cash checks .**
- **The average “unbanked” and “underbanked” consumer will spend roughly \$30,000 over a lifetime to turn their salary into cash**



How does Bank on Chicago work?

The Bank on Chicago program is a joint effort between financial institutions, community organizations and the local government.

Financial Institutions – Offer Bank on accounts, and sponsor the effort.

Community Groups – Promote the program and help shape the focus of the program to their community

Local Government – Coordinates and promotes the Bank on effort.



What are the features of a Bank on Chicago bank account?

Checking Account:

- **Low or no monthly fee (less than \$10 required)**
- **Low or no opening deposit requirement (less than \$50 required)**
- **No monthly minimum balance requirement**
- **Provide a pathway to a checking account for individuals with Chex Systems records**
- **Accept at least one form of alternative identification (for example, Foreign Passport, Mexican Consular Card, ITIN, etc.)**



What are the features of a Bank on Chicago bank account?

Other Services

- **Free check cashing (at least two times per month)**
- **Offer affordable bill payment options (less than \$1.50 per bill)**
- **Clear and brief explanation of banking basics and terminology in plain language to all new Bank on customers.**
- **Offer Savings account – subject to eligibility requirements**



What should you take away with regards to Bank on Chicago?

- **Financial experience is necessary for all individuals, particularly those that are low to moderate income.**
- **Pointing a client to a Bank on account will take minimal effort but will have a great impact.**



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APPENDIX

BANK ON SAN FRANCISCO BY THE NUMBERS

SEPTEMBER 2006 – AUGUST 2008

Accounts	Currently open and active	24,714
	Total accounts opened	31,347
	Percentage of accounts currently active	80%
	Average account balance	\$980
Financial Institutions	Participating financial institutions	17
	Participating branch/office locations	194
Financial Education	Financial education grant recipients	34
	Financial education clients	680
Beyond San Francisco	Cities and states requesting technical assistance	60
	National organizations promoting Bank on SF as a model	5
	Awards won	3
Savings	Estimated annual savings to San Franciscans	\$19,771,200



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