

Partnering with Families to Build Economic Security During Emergencies



Partnering with Families to Open a Bank or Credit Union Account

When emergencies and natural disasters occur, families that have a checking or savings account can use direct deposit to receive and access state or federal financial assistance more quickly. If families do not have an account, Head Start and Early Head Start **family services staff and home visitors** can partner with families to:

- Explore bank and credit union accounts
- Take steps to open an account
- Track progress and celebrate successes

Explore Bank and Credit Union Accounts

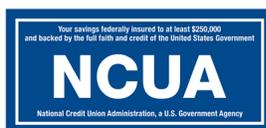
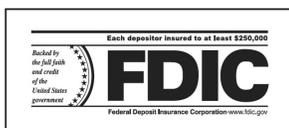
There are many reasons why families may not have a checking or savings account. They may not have not enough money for the minimum balance. They may distrust financial institutions or face high banking fees. Low-fee or no-fee checking and savings accounts, available from many banks and credit unions, may be a safe and affordable option for families.

- **Finding an appropriate account:** You can connect families to the Bank On program to explore different accounts. Bank On Approved Accounts meet standards created by the Bank On National Advisory Board. These standards ensure consumers have access to a certified account without high fees or other barriers. Families can visit the Bank On website to find banks and credit unions that offer Bank On Approved Accounts.

What is a Credit Union?

Credit unions are not-for-profit financial organizations that are owned and controlled by the members who use their services. Like banks, credit unions accept deposits, make loans, and provide a wide array of other financial services.

- **Protecting accounts:** When looking for a safe and affordable bank account, check to see if the bank's accounts are insured. Independent agencies appointed by Congress insure many kinds of accounts at banks and credit unions with the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Administration (NCUA). This means that even if a bank shuts down, no one with an account will lose their money.
 - To be sure that an account is insured, look for the FDIC or NCUA logo, and ask a bank or credit union employee for details. For FDIC and NCUA insurance, there are no forms for consumers to fill out. Not all accounts are covered by insurance, so it is important for consumers to ask questions. For example, deposit insurance does not cover investment accounts.



For more information about bank and credit union accounts, see the Economic Mobility Toolkit for Head Start and Early Head Start, Key Topic 2: Accessing Safe and Affordable Financial Products. You can find this resource on the Head Start Early Childhood Learning and Knowledge (ECLKC) website.

Work with Families to Open an Account

- **Online process:** Some banks and credit unions have an online process for opening an account.
 - If families have access to the internet, you can work with them to follow the online steps to open an account.
 - If families don't have access to the internet, you can help them connect to Lifeline. Lifeline is a federal program that helps make communications services more affordable for low-income consumers. Lifeline gives subscribers a discount on monthly telephone service, broadband internet service, or voice-broadband bundled service purchased from participating companies.
 - You also can encourage families without access to the internet to contact a bank or credit union to learn about other ways to open an account.

- **Fees:** Checking or savings accounts may require a one-time enrollment fee or a monthly fee.
 - Talk with families about whether fees might be barriers to opening an account.
 - Work with families to identify accounts with low or no fees.
- **Account information:** Once families open an account, encourage them to provide information about the account to the Internal Revenue Service (IRS) to enable direct deposit of their stimulus payment. Tax filers can use the IRS online Get My Payment tool to provide their information. Non-filers can use the Non-Filers: Enter Your Payment Info Here tool. Both tools can be accessed on the IRS website.
- **Stimulus payment by check:** Opening an account may be an important goal for families that receive their stimulus payment by check in the mail. Having access to a bank or credit union account can help families avoid high check-cashing fees.

See [Staff Tip Sheet 2](#) for more information about accessing stimulus payments.

Track Progress and Celebrate Successes



Follow up with families to see if they are able to open a bank or credit union account and provide required information to the IRS. Celebrate successes!



Staff Tip

You may qualify for a stimulus payment. If you do not have a bank or credit union account, follow the steps in this tip sheet to open an account so you can receive your payment as quickly as possible.

Check out the other tip sheets in the *Partnering with Families to Build Economic Security During Emergencies* series for staff. Review and share the Family Tip Sheets in this series with families. These tip sheets include valuable information families can use to improve their family economic security during emergencies.

Related Resources

- **Learn More.** All of the resources mentioned in this tip sheet are available on the Head Start Early Childhood Learning and Knowledge Center (ECLKC) website. To learn more about how to support parents' and families' goals for economic mobility, explore all of the resources in the Building Foundations for Economic Mobility series available on the ECLKC.
- **Join the Economic Mobility Learning Community.** Engage with your colleagues around the country in the online Economic Mobility learning community hosted on the MyPeers platform. You can network, share, and learn from each other about partnering with families to achieve their financial security.
- **Subscribe.** The Building Foundations for Economic Mobility (BFEM) E-newsletter is produced quarterly by the National Center on Parent, Family, and Community Engagement (NCPFCE). It is dedicated to staff working with families.

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