

Bank On Greater Pittsburgh: Making Your Money Count!

By Sheila Beasley

The Urban League of Greater Pittsburgh's Bank On Greater Pittsburgh (BOGP) is part of a national effort, modeled after San Francisco's successful initiative. The goal of BOGP is to connect consumers with main-stream financial services and products and offer financial education. This is because individuals, who are unbanked or underbanked, often use Alternative Financial Services (AFS), such as payday lenders, check-cashing facilities, rent-to-own, pawn shops and pre-paid debit cards that charge superfluous fees to use their services.

BOGP has partnered with eight financial institutions and over twenty community partners to help reduce barriers to establishing banking relationships while increasing access to the financial institutions. Bank On Programs bring together local government, financial institutions, and community organizations to design safe, affordable and convenient accounts for unbanked (person who has no checking or savings account relationship with a traditional financial institution) or under-banked (has an account, but is still a user of AFS).

BOGP is an initiative of The Urban League of Greater Pittsburgh with its initial funding from the United Way of Allegheny County, and partnerships with City of Pittsburgh, Mayor Bill Peduto and Allegheny County Executive, Rich Fitzgerald, who both agree on the importance of BOGP for this region. Mayor Peduto stated at a press conference earlier this year that "He endorses BOGP as one of the top 100 items on his agenda

in connection with the National League of Cities." He also stated that "More than 10 percent of Pittsburgh residents have no bank account and another 19 percent rely heavily on risky alternative financial tools such as payday loans, check-cashing shops, and rent-to-own arrangements."

The average unbanked person in Pennsylvania will pay approximately \$800 a year and over \$40,000 over a working lifetime in check fees and money orders. The goal of BOGP is to help people make better financial decisions and utilize less costly financial services. "Take the money you would have spent on a payday loan and add it to your grocery bill, or put it towards a car payment, there is a lot of common sense in this. Talking about financial literacy is part of getting people to plan their finances, rather than live paycheck to paycheck," Esther Bush, President and CEO of the Urban League stated.

Dr. Angela Reynolds, Director of Programs for Financially Struggling Adults and Families at the United Way of Allegheny County, said "Funding the Bank On Program takes into consideration that people might live in neighborhoods where there's no traditional bank, but there is a check-cashing place. Others might have grown up with the idea of keeping their money stored in the home. BOGP is providing access to those individuals with financial education and support for them to make the most of every cent earned and other resources." Kevin Cameron (Cameron Professional Management, LLC) and Francine Cameron (Cameron Professional Services



Pictured above: Dr. Howard B. Slaughter, Jr., Chairman, Bank On Greater Pittsburgh, Esther Bush, President & CEO of the Urban League of Greater Pittsburgh, Guhan Venkatu, Vice President and Senior regional Officer, Federal Reserve Bank of Cleveland, Pittsburgh Branch, Robert Nelkin, President & Chief Program Officer, United Way of Allegheny County and other participants in BOGP's Financial Institutions Symposium, hosted by the Federal Reserve Bank of Cleveland Pittsburgh Branch

Group, LLC) are serving as aggregators of all data collected for BOGP which indicates over 2,000 new bank accounts have been opened since the launch of the BOGP.

Financial partners include: Century Heritage Federal Credit Union, Citizens Bank, Dollar Bank, Fifth Third Bank, First Commonwealth Bank, First Niagara Bank, Hill District Federal Credit Union, Huntington Bank, PNC Bank and Northwest Savings Bank. Community Partners include: The University of Pittsburgh Office of Child Development, Family Support Programs, Just Harvest, Small Seeds Development, Inc., PA Women Work, City/County/McKeesport Housing Authorities, Advantage Credit Counseling and others. For the full list of all of the partners please visit the website.

"The positive impact of connecting

unbanked and under-banked consumers with traditional banking services is tantamount to increased income for consumers, who will save immeasurably in fees, since these consumers will no longer be reliant on check cashing services, pre-paid debit cards and payday lenders," said Dr. Howard B. Slaughter, Jr., Former Urban League Board Member and Chairman of BOGP. "The initiative is having an impact, but there is still a way to go to move more people towards economic self-sufficiency and change the economy."

For more information visit the website www.bankongreaterpittsburgh.com or call (412) 227-4802 or email hslaughter@ulpg.org. SP2