



EFT EXCHANGE

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Big Banks Line Up to Offer the Popular ETA

In the past year, the number of consumers taking advantage of the U.S. Department of the Treasury's Electronic Transfer Account (ETASM) has more than doubled and is increasing daily. The ETA's growing popularity is easy to understand, given the advantages to consumers as well as to banks, savings and loans, and credit unions.

Six of the Nation's largest banks have joined the growing list of financial institutions participating in the ETA Program, bringing the number of such financial institutions to nearly 600 offering the service at more than 18,000 locations nationwide. **Bank One, Bank of America, Fleet Bank, J.P. Morgan Chase Bank, U.S. Bank** (formerly Firststar Bank in many States), and **Wells Fargo Bank** offer ETAs to most traditionally "unbanked" consumers receiving Federal benefit checks.

As of January 31, more than 25,000 consumers have opened ETAs to receive their Federal payments, including Social Security, Supplemental Security Income, veterans benefits, railroad retirement, black lung compensation, and military and civil service retirement payments monthly. The ETA is available in each of the 50 States, the District of Columbia, the Virgin Islands, and Puerto Rico, and is widely accessible across the most populous portions of the country.

The federally insured ETA is a low-cost point of entry to mainstream financial services, and anyone who receives a



Above are some of the *free* EFT public education materials available from the U.S. Department of the Treasury. To order materials online, visit the Web site: www.fms.treas.gov/eft/educ/index.html

Federal benefit payment can open an ETA, even if he or she was unable before to qualify for a checking or savings account. ETAs require no minimum balance (unless required by law), allow for cash withdrawals and point-of-sale access (if available),

and provide account-holders with monthly statements. ETA customers also benefit from the same consumer protections afforded other account-holders at the same institutions, including the safety, convenience, and security of having their Federal payments electronically deposited.

Community service providers, caretakers, and individual Federal benefit recipients interested in receiving more information about ETAs can call 1-888-382-3311, toll-free, to obtain the names and addresses of ETA provider locations in their area. An Internet site, www.eta-find.gov, also allows consumers to search for providers by ZIP Code, city, State, or financial institution name. ■

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California Bank Creatively Promotes Treasury Account

Union Bank of California, N.A., nationally recognized as a community-minded organization, has become a leader among financial institutions nationwide through its endorsement and aggressive promotion of the U.S. Treasury's Electronic Transfer Account (ETASM). By implementing an innovative outreach strategy for this federally insured account, Union Bank of California (UBOC) has opened more than 2,000 accounts in just a year's time. As a result, the \$36 billion commercial bank now ranks among the top financial institutions in the country based on the number of ETAs opened.



UBOC, like other participating banks, savings and loans, and credit unions, offers the ETA to individuals who receive Federal benefit, wage, salary, or retirement payments. The account is intended for Federal payment recipients who don't have checking or savings accounts, regardless of past credit history. Recipients are charged no more than \$3 a month for basic services.

Nationwide, nearly 600 financial institutions are participating ETA providers, and eligible payment recipients can enroll for an ETA at one of more than 18,000 branch locations.

Union Bank of California began offering the ETA to assist an underserved segment of the population, while also helping its government and not-for-profit clients serve their constituents more effectively. "We identified a need in our market for a bank account that would meet the needs of the unbanked individuals who are being served by our government and not-for-profit market clients," said **Coleen Sullivan**, UBOC vice president and ETA program manager for the government and not-for-profit markets division.

Looking ahead, UBOC sees a continuing need for the ETA in its West Coast market. "The account provides value and opportunity to both the government and not-for-profit market sector as well as to individual account-holders," said Sullivan. "We expect to provide the service for the foreseeable future."

How did UBOC enroll so many account-holders in such a relatively short time? The answer lies in a two-pronged approach.

First, UBOC offers the account to the government and not-for-profit markets on a wholesale basis. "We believe we can reach many more individuals and open accounts much more efficiently than if we only focused on one account at a time through our branch network," Sullivan said.

In one instance, UBOC has partnered with the **Legal Aid Foundation of Los Angeles** to serve homeless veterans through the organization's Bill Smith Homeless Veterans Project. Among the various services Legal Aid provides to homeless veterans is a program that enables Legal Aid staff to facilitate account opening for benefit recipients, so they do not need to make a separate trip



Union Bank of California's headquarters building, with its main San Francisco branch in the foreground.

to the bank.

Second, the bank offers the ETA through its Cash & Save locations, a network of branches offering check-cashing for noncustomers of the bank and whose checks are drawn on other financial institutions.

And how have account-holders at UBOC reacted to the ETA? The bank thinks its 92-percent retention rate says it all.

UBOC not only has increased its customer base with all the new ETA account-holders, but is optimistic that those individuals "will use their relationship with us as a stepping-stone to other bank products," Sullivan noted. ■

TOP 10 CERTIFIED ETA PROVIDERS TO DATE

(by number of accounts opened)



1. Banco Popular de Puerto Rico, San Juan
2. Bank of America, Charlotte
3. Wells Fargo & Co., San Francisco
4. Union Bank of California, San Francisco
5. Firststar Bank, Milwaukee
6. FleetBoston Financial, Boston
7. Banco Popular North America, New York
8. Ponce de Leon Federal Bank, Bronx, NY
9. Oriental Bank and Trust, San Juan
10. Banco Santander, Hato Rey, PR

Providers nationwide: 592

Branch locations: 18,097

To determine ETA provider locations nationwide, call 1-888-382-3311, toll-free, or visit the Web site: www.eta-find.gov

ETA Nets Big Gains

Stemming from Los Angeles Promotion

The Los Angeles Branch of the San Francisco Federal Reserve Bank hosted last January 16 the second Los Angeles-area Electronic Transfer Account (ETASM) strategic alliance meeting (SAM). It was one of about 30 such sessions held nationwide since 2000, at which financial institutions, community-based organizations (CBOs), and government agencies embraced common strategies to promote the federally insured ETA.

Since the first Los Angeles SAM in February 2001, the number of ETAs opened by ETA provider financial institutions participating in the two meetings has increased from 213 to more than 1,800 accounts.

Through their outreach to the community, SAM partners are encouraging Federal payment recipients without accounts to choose the low-cost ETA, developed by the U.S. Department of the Treasury. Treasury offers recipients a pair of electronic payment options: the ETA and Direct Deposit, for those with existing checking or savings accounts. The payment choices message is the keystone of Treasury's electronic funds transfer (EFT) public education campaign.

In what was a highly interactive session, the January Los Angeles SAM included 17 participants representing **Bank of America, Union Bank of California, the U.S. Department of Housing and Urban Development, the Social Security Administration (SSA)**, and a diversity of CBOs. Individuals from the CBOs eagerly asked questions and shared concerns about how best to meet the needs of the Federal benefit payment recipients they serve daily.

Union Bank of California indicated its willingness to participate in future CBO meetings and training sessions. A

veterans group shared a success story of the partnership with Union Bank of California, developed from last year's Los Angeles meeting. **Rick Little**, representing the Bill Smith Homeless Veterans Project Inner City Law Center, discussed the implementation and progress of its ETA/Skid Row Banking Program in Los Angeles, applauding the partnership. He encouraged other organizations to partner with ETA providers to help those most in need of this type of account. "The program has been very successful and extended outreach and development looks promising," said Little.



Los Angeles Branch building.

SSA public affairs specialist **Mariana Talleda Gitomer** exhorted CBOs to work diligently, as SSA is doing, to educate Federal benefit payment recipients about the opportunity to become part of the banking mainstream by opening an ETA. She said that she would later share material from the meeting with 20 other SSA public affairs specialists. SSA is willing to work with ETA providers to open more ETAs for their clients.

Finally, CBOs committed to use their multilanguage resources to get the word out to the various communities about the ETA. ■

Strategic Alliance Meetings 2000-2002

May Activities to Trumpet Direct Deposit/Direct Payment

May 2002 is **National Direct Deposit/Direct Payment Month**. The U.S. Department of the Treasury encourages community-based organizations across the country to join in the celebration. By promoting Direct Deposit and Direct Payment nationwide, you can contribute to a more efficient payments system—a benefit to thousands of companies, Federal agencies, and financial institutions.

Recent terrorist attacks and health and safety issues related to Federal checks delivered through the U.S. mail have caused many Americans to rethink the way they conduct their personal and financial business. Now is an excellent time to promote Direct Deposit with your constituency. Your participation is needed to make this effort a success, so get involved and plan now to support National Direct Deposit/Direct Payment Month. You can—

■ Join forces with financial institutions in your area to set up information tables at local senior and community centers, churches, and veterans halls, and provide information on how to sign up for Direct Deposit. Financial institutions will hold lobby promotions **May 1, 2, 3, and 31** and **June 3** to encourage Federal benefit payment recipients and other individual customers cashing or depositing benefit and payroll checks to sign up for Direct Deposit.

■ Obtain free Direct Deposit balloons offered to your organization again this year to promote Direct Deposit. Balloons, available in **limited** supply, should be for decoration only and not be giveaways. To ensure timely delivery, orders must be received no later than **April 12**. (See the balloons order form in this newsletter.) In addition, Direct Deposit marketing materials are available for downloading at the Treasury Web site: www.fms.treas.gov/eft/educ/#pro.

Let's all spring into action and help make National Direct Deposit/Direct Payment Month a huge success.

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For EFT updates, visit the EFT Web site:
www.fms.treas.gov/eft

ETA Has People Beaming in the Sunshine State

When you think about Florida, there is a good chance you start smiling! And why not—it is a beautiful State and virtual melting pot of individuals, many of whom are Federal benefit recipients. While thousands of them are already enrolled in Direct Deposit, a large number still receive their payments by paper check.

In February, the U.S. Department of the Treasury's Financial Management Service (FMS) conducted a pair of strategic alliance meetings in north and central Florida.



They were the latest in a series of nationwide meetings bringing together financial institutions, community-based organizations (CBOs), and government agencies partnering to get recipients the facts about their payment choices.

On February 12, **Janet Hamer** of the Atlanta Federal Reserve Bank, Jacksonville Branch, hosted the Jacksonville Electronic Transfer Account (ETASM) forum. The next day, **Joanna Tokley of Tampa/Hillsborough Urban League, Inc.** was the gracious hostess for the Tampa ETA forum. Each of the meetings not only featured a variety of CBO individuals participating, but also included **Social Security Administration** and **Department of Veterans Affairs** representatives who joined Treasury to offer their support. **Linda Donaho** of FMS' Austin Financial Center facilitated the meetings. After updating attendees on the electronic funds transfer (EFT)/ETA



Tampa attendees listen as Alison Fuhr of Bank of America explains its ETA product.

public education initiative, Donaho encouraged the participants as they began to network and plan ways to assist Treasury in reaching their communities and counterparts elsewhere in the State.

At meetings' end, representatives attending from two ETA provider financial institutions—**Bank of America** (Jacksonville and Tampa) and **Independent National Bank** (Jacksonville)—CBOs,



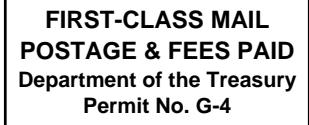
and Federal agencies took back with them a stack of ETA informational materials and an action plan for further promoting the ETA in Florida.

Now that Bank of America has joined the Florida financial institutions offering the ETA, Floridians will be hard pressed to find an area without an ETA presence. ■

Department of the Treasury
Washington, DC 20227



OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, \$300





Simple. Safe. Secure.

National Direct Deposit/Direct Payment Month Direct Deposit Balloons Order Form*

Use this form to order National Direct Deposit/Direct Payment Month balloons listed below. Complete description is available below.

Name: _____ Date: _____

Organization: _____

Street Address (No P.O. Boxes): _____ City: _____ State: _____ ZIP: _____

Phone: _____ FAX: _____ E-mail address: _____

Please fax this order form to the Financial Management Service, Attn: Product Promotion Division. FAX: **202-874-7321**

<u>Item No.</u>	<u>Item/Description</u>	<u>Quantity Ordered</u>
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FMS 100	Promotional Direct Deposit Balloons	
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"Direct Deposit-Simple, Safe, Secure." Multi-colored balloons.
(25 balloons per package)

_____ **packages**

*Materials available while supplies last. Orders subject to quantity restrictions.

Questions?

Contact the Financial Management Service at 202-874-6540.

1. Promotional Balloons

The Direct Deposit balloons can be used to promote Direct Deposit and National Direct Deposit/Direct Payment Month events.

EFT Contacts (REVISED)

U.S. Department of the Treasury

Washington, DC, and Regional Locations

If you have questions about community initiatives or any other issues relating to EFT, please feel free to contact Financial Management Service (FMS) staff members in Washington (first column). For information specific to your region, contact any of the FMS staff in the second column.

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