

The Geography of Money: Banks and Check Cashers in Two Boston Neighborhoods

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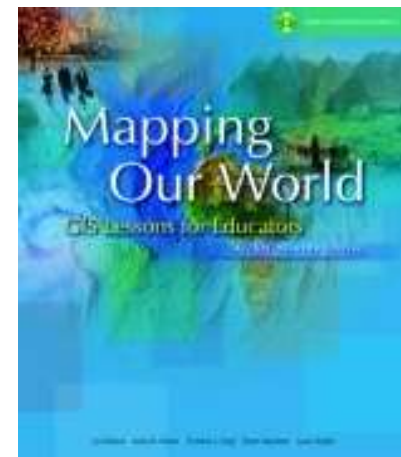
- ▶ Since 1962, ABCD has promoted self-help for low-income people and neighborhoods by providing them with tools to overcome poverty, live with dignity, and achieve their full potential
- ▶ ABCD emphasizes education, skilled job-training and asset development
- ▶ UHS serves students who are over age, struggling academically and at-risk in the traditional school system
- ▶ UHS has small classes of 15 students or less and a small student to mentor ratio, providing an intense learning experience
- ▶ UHS encourages students to explore different careers & industries and bridge the gap between high school & college. Students earn a Boston Public School diploma from their original high school



Background

- ▶ Innovative collaboration between (ABCD) Green Jobs Career Exploration and UMass Boston's GIS Lab
- ▶ The goal was to introduce ABCD Career Exploration students to GIS technology
- ▶ The eight-week program taught basic geographic concepts, as well as:
 - ArcGIS software
 - GPS data collection
 - secondary data gathering techniques
- ▶ Working at ABCD computer lab and at the UMass Boston GIS Lab, students completed several tutorials exploring concepts such as population, earthquakes, volcanoes, tourism, and watersheds

Implementation




- ▶ Course Development
 - Mapping Our World: GIS Lessons for Educators
 - Chapter selection: physical, cultural and social geography
 - Basic geo-concepts: size & shape of Earth, projections, lat/long
- ▶ Group Project
 - Using the web and hand held GPS units, produce database of bank locations in 2 demographically different Boston neighborhoods – Back Bay & Roxbury
 - Integrate data to GIS and map data to show if distribution is equitable
- ▶ Classroom
 - ABCD – development of database & field trips (3 d/wk)
 - UMB – GIS/GPS instruction & campus tours (1 d/wk)

Objective

- ▶ The objective was to find out if there was any truth in their hypothesis statements and to produce a poster showing their work
- ▶ They hypothesized that Back Bay has more banks than Roxbury (and that of those banks there are more large than small) because residents of Back Bay generally make more money than those who reside in Roxbury - another contributing factor may be because Back Bay has more businesses and tourist attractions than Roxbury
- ▶ They also hypothesized that Roxbury has more small banks and check cashers than large banks because there are more people who might need these services since people in Roxbury generally make less money than people in Back Bay
 - Someone with a lower income may benefit from the lower fees at small banks and the convenience of using check cashers.
- ▶ Hypothesis:
 - H: 1 Back Bay has more larger banks than small banks and check cashers.
 - H: 2 Back Bay has more banks than Roxbury
 - H: 3 Roxbury has more small banks and check cashers than large banks

Methods and Approach

- ▶ They started collecting data by Google-searching all the banks and check cashers in the Roxbury and Back Bay areas
 - ▶ They then called all the banks and check cashers in Roxbury and visited the banks in Back Bay to ensure that they still exist
 - ▶ After they found out which of the banks were still in business, they put their geographic locations in a Microsoft Excel spreadsheet and then imported the data into the Arc GIS software
 - ▶ Using ArcGIS, they created maps of both neighborhoods displaying the locations of each bank
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Results

- ▶ Back Bay has:
- ▶ 15 large banks
- ▶ 2 small banks
- ▶ 0 check cashers
- ▶ Roxbury has:
- ▶ 5 large banks
- ▶ 2 small banks
- ▶ 3 check cashers



Conclusion

- ▶ As a group, they felt that larger banks are robbing their community in maintenance and over draft fees
- ▶ They used this project as an educational tool to teach their peers about financial literacy
- ▶ In conclusion, this class introduced them to the basic concepts of GIS
- ▶ They were able to work as a team to create these maps using the data they collected and created



Poster



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Helenmary Hotz, Jun Zhu, Carl Lowenberg, John Nguyen

Wilson Alexander, Samantha Burgess, Luis Figueroa, Remy Soto, Leon Sanderson



I. Introduction:

This poster is the result of an innovative collaboration between Action for Boston Community Development Green Jobs Career Exploration and UMass Boston's GIS Lab. The goal was to introduce ABCD Career Exploration students to GIS technology. The eight-week program taught basic geographic concepts, as well as ArcGIS software, GPS data collection and secondary data gathering techniques. Working at ABCD and at the UMass Boston GIS Lab, students completed several tutorials exploring concepts such as population, earthquakes, volcanoes, tourism, and watersheds. For their final project, the ABCD students researched the locations of banks and check cashers in two neighborhoods of Boston and collected GPS location data. They investigated banking operations vs. check cashing operations for fiscal integrity. Through their research and writing, they got to see how a scientific GIS study is conducted and presented. They learned the benefit of spatial analysis via overlay mapping and use of software analysis tools. Students also had the opportunity to explore the UMass Boston campus on several tours of the college and the science facilities. In the future, we look forward to offering GIS classes and training opportunities to a larger number of alternative high school youth in Boston.

II. Objectives:

Our objective is to find out if there is any truth in our hypothesis statements. We hypothesized that Back Bay has more banks than Roxbury (and that of those banks there are more large than small) because residents of Back Bay generally make more money than those who reside in Roxbury. Another contributing factor may be because Back Bay has more businesses and tourist attractions than Roxbury.

We also hypothesized that Roxbury has more small banks and check cashers than large banks because there are more people who might need these services since people in Roxbury generally make less money than people in Back Bay. Someone with a lower income may benefit from the lower fees at small banks and the convenience of using check cashers.

Hypothesis:

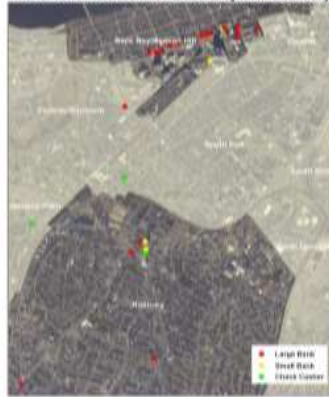
- H1: 1 Back Bay has more larger banks than small banks and check cashers.
- H2: 2 Back Bay has more banks than Roxbury
- H3: 3 Roxbury has more small banks and check cashers than large banks.

The Differences in Banks and Fees.

Large Banks		Bank	Overdraft Fee	Monthly Maintenance Fee
PROS	CONS	<i>Bank of America</i>	\$35.00 per purchase	\$1.95
• Access to more bank branches and ATMs	• High overdraw fees	<i>Boston Private Bank</i>	\$20 per purchase	\$0
• No bank fees for cashing/depositing checks	• Monthly maintenance fees for certain banks	<i>Citibank</i>	18% of annual rate	\$0
	• They charge high ATM fees for non-customers	<i>Citizens Bank</i>	\$33 per purchase	\$0
		<i>First Republic Bank</i>	\$30.00 per purchase	\$18.00
		<i>One United Bank</i>	\$35 per purchase	\$0
		<i>Sovereign Bank</i>	\$33.00 per purchase	\$0
		<i>T. D. Bank</i>	\$35 per purchase	\$0
		<i>Dominion Credit Union</i>	\$25.00 per purchase	\$3.00
		<i>Wingspan Bank</i>	\$30.00 per purchase	\$0
Small Banks				
PROS	CONS			
• Customer service is more attentive	• You will need to deposit your deposit if you receive a check of certain banks can be better			
• More likely to work with you on loans and small business loans	• Lower overdraw fees			
• No or low monthly maintenance fees	• No or low number of ATMs			
• No bank fees for cashing/depositing checks	• ATMs can be overdrawed			
Check Cashers				
PROS	CONS			
• No over draft fees	• Charges a fee to cash checks			
• No maintenance fees	• Lines can be long			
• Open cash evening hours for check cashing	• No more than 24 hours to cashing account for checks or ATM			
• Many centers can be made for a few hours				



Financial Institutions: Back Bay and Roxbury



III. Methods and Approach:

We started collecting our data by Google-searching all the banks and check cashers in the Roxbury and Back Bay areas. We then called all the banks and check cashers in Roxbury and visited the banks in Back Bay to ensure that they still exist. After we found out which of the banks are still in business, we put their geographical locations in a Microsoft Excel spreadsheet and then imported the data into the Arc GIS software. Using ArcGIS, we created maps of both neighborhoods displaying the locations of each bank.



IV. Results:

After completing our research we found out that the hypothesis we created about banks in Back Bay and Roxbury were not all true. In Back Bay there are more large banks than there are small banks and check cashers. There are 13 large banks in Back Bay, 2 small banks and 0 check cashers. Roxbury also has more large banks than small banks and check cashers. However, it has more check cashers than Back Bay. Overall, Roxbury has 3 large banks, 2 small banks and 3 check cashers.

V. Discussion:

Our hypothesis didn't quite match up with our results. Before our research, we knew that Back Bay would have more large banks than Roxbury and more banks overall. However, we were surprised that there wasn't more check cashers and smaller banks in Roxbury. As a group, we feel that larger banks are robbing our community in maintenance and over draft fees. We wanted to use this project as an educational tool to teach our peers about financial literacy and to understand that there are alternative banks beyond large banks. In conclusion, this class introduced to us the basic concepts of GIS and with this final project, we were able to work as a team to create this map using the GIS data that we collected.



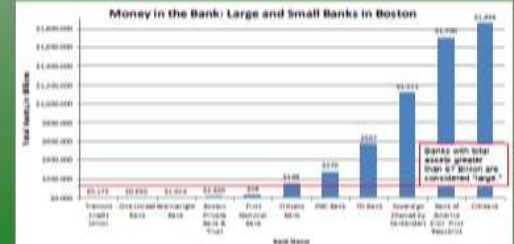
ABCD GIS participants taking a tour of UMass Boston's campus.

VI. Tips and Information:

Be Smart: Don't Pay Fees By Sam Burgess

Banks charge fees because, just like other businesses, their goal is to make a profit. Most banks charge a fee for "over-drafting," which occurs when a person tries to withdraw more money than they have in their account. Bigger banks (banks that have total assets of more than \$67 billion) will charge about \$30 - \$35 for over-drafting, while smaller banks (banks that have less than \$67 billion in total assets) will charge about \$20 - \$25 for over-drafting. For people who keep good track of their money and seldom over-draft, this information may not matter. For people who have a hard time keeping track of their money and overdraft more frequently, this information is important - these people may want to consider using a small bank.

Some banks also charge a "monthly maintenance fee," which a person is charged in order to keep their account. Regardless of how well you may keep track of your money, it is probably wiser to consider a bank that offers "free checking" (a checking account without monthly maintenance fees). Free checking is something that many banks, both big and small, offer.



Students learned that the size of a bank is defined by its total assets. Some of Boston's larger banks are over 1000 times larger than our small banks.

Acknowledgements

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