

THE COLONIAL HILL SCHOOL SAVINGS-BANK PLAN

JONATHAN COX

Principal, Colonial Hill School, Dallas, Texas

AND

PAUL W. TERRY

Associate Professor of Education, Southern Methodist University, Dallas, Texas

The value of thrift is one of the prominent lessons of the great European war. Many observers believe that the decision will finally rest with the side whose citizens have saved the most money. The long British purse and the sock of the French peasant are of historical importance and must be even more valuable now. Americans are often said to be a nation of spenders, who waste enough for other nations to live on. Our enormous natural resources have thus far supported our extravagance, but recent clamorous outcries in every newspaper and magazine, and rumors of municipal, state, and federal investigations, point to the coming of a period of enforced retrenchment when pennies must be counted and the budget plan of spending begun. It is a matter of national and individual safety. The Bankers Association has passed resolutions, an American Society for Thrift is organized, the federal government has devised the Postal Savings Bank, and the National Education Association approves carrying the practice of thrift into the schools.

Every propaganda sooner or later discovers the public school as the institution more powerful than any other in the establishment of principles. The school endeavors to select those experiences which will introduce the youth to the best life of the community and, as new demands and new ways of meeting them arise, the curriculum is continually enriched to include many other things than the scanning of textbooks and working in laboratories. Thrift in time, materials, and money is essential to the economic survival of the families of the masses with whom it is a constant struggle to keep the wolf from the door. Being thus fundamental and

broadly applicable, thrift and the savings habit must be early and carefully developed in the minds of the children. The various school-savings plans are answers to this demand.

The first one undertaken was in Belgium in 1873. In the same year another was established in Beloit, Wisconsin, and by 1883 the movement was put on a permanent basis in Long Island City by Mr. John H. Thiry, who was an emigrant from Belgium. Since then school savings banks have been introduced into the schools of France, England, Germany, Denmark, Austria, Canada, Switzerland, and into all sections of this country, especially in the East, North, and West, until we now have them in thousands of schools with deposits of hundreds of thousands of dollars. Their success is attested by bankers and school officers, by the Women's Christian Temperance Union, and by club women generally.

An excellent history of the movement, with descriptions of the several plans used in different schools, is found in the *United States Bureau of Education Bulletin, No. 46, 1914*, entitled "School Savings Banks." Some of the plans are very dependent upon the services of the local banks, which on account of the labor involved in booking many small accounts often refuse deposits of less than one dollar, and sometimes require regular deposits, with interest beginning only when several dollars have been saved. This results in the opening of but few accounts by the children, to whom \$1.00 is an immense sum, reached only after weeks of saving.

Other schemes involve machines and mechanical savings devices which are complicated, costly to buy, and difficult for the children to understand. They are artificial in character, not like banking in the business world, and being so impersonal they seldom arouse the enthusiasm of teachers and pupils, whose eager co-operation is necessary for any large success.

Still other plans impose heavy burdens of red tape in the form of cards, ledgers, bankbooks, checks, and rules which only older children understand, which are expensive, and which arouse only half-hearted interest in teachers and principals.

Evidently any successful school savings-bank plan must be quickly intelligible to young children, very light in its demands on the time, money, and skill of its managers, and attractive to the

191.....

Grade.....

COLONIAL HILL SCHOOL

SAVINGS ACCOUNT OF

NAME.....

1st Week							13th Week						
1c	2c	3c	4c	5c	10c	25c	1c	2c	3c	4c	5c	10c	25c
2d Week							14th Week						
1c	2c	3c	4c	5c	10c	25c	1c	2c	3c	4c	5c	10c	25c
3d Week							15th Week						
1c	2c	3c	4c	5c	10c	25c	1c	2c	3c	4c	5c	10c	25c
4th Week							16th Week						
1c	2c	3c	4c	5c	10c	25c	1c	2c	3c	4c	5c	10c	25c
5th Week							17th Week						
1c	2c	3c	4c	5c	10c	25c	1c	2c	3c	4c	5c	10c	25c
6th Week							18th Week						
1c	2c	3c	4c	5c	10c	25c	1c	2c	3c	4c	5c	10c	25c
7th Week							19th Week						
1c	2c	3c	4c	5c	10c	25c	1c	2c	3c	4c	5c	10c	25c
8th Week							20th Week						
1c	2c	3c	4c	5c	10c	25c	1c	2c	3c	4c	5c	10c	25c
9th Week							21st Week						
1c	2c	3c	4c	5c	10c	25c	1c	2c	3c	4c	5c	10c	25c
10th Week							22d Week						
1c	2c	3c	4c	5c	10c	25c	1c	2c	3c	4c	5c	10c	25c
11th Week							23d Week						
1c	2c	3c	4c	5c	10c	25c	1c	2c	3c	4c	5c	10c	25c
12th Week							24th Week						
1c	2c	3c	4c	5c	10c	25c	1c	2c	3c	4c	5c	10c	25c

RULES AND REGULATIONS

It is agreed and understood by the holder that all deposits and withdrawals are subject to the following rules:

1. That no withdrawals or transfers will be permitted and it is agree that deposits cannot be withdrawn before

2. Deposits will be received on Thursday of each week.

3. That pupils transferring to other schools will receive only the amount deposited, without interest, and that one week's notice must be given before withdrawal.

4. That this card shall be presented when making deposit, and punched by the teacher together with the school card bearing duplicate number, and pupil agrees to accept amounts punched on school card as the correct amount of deposits.

5. That if pupil loses card a duplicate card may be had upon the payment of one cent.

masses of children, teachers, and parents. The Colonial Hill plan intends to meet all these conditions.

The two accompanying figures (p. 743) are facsimiles of the front and back sides of the deposit cards. Duplicate cards are furnished each child; one, printed in black, is kept by the child, and the other, in red, is kept by the teacher. The duplicates are punched by the teacher together at one effort, the red one being kept by the teacher receiving the deposit, and the black one given to the pupil as a receipt. The figures punched in each week's line indicate the amount of that week's deposit, which is then listed out in the free space to the left of the first column and to the right of the second column of weeks. The cards can register amounts of fifty cents per week; larger amounts are registered on separate cards. Twenty-four weeks are listed because this was the number remaining in the school year when the plan was put in operation. On deposit days the teachers report the number of depositors with amounts of money to the principal, who reports the school total to all rooms the following day. The whole school's sum is deposited immediately at the bank and draws 4 per cent interest from date until withdrawn. At the end of the year a prorating to each depositor of the total interest accrued at the bank according to the amount of his deposits assures interest at 4 per cent on each deposit from the date it is made.

The simplicity of the plan, in so far as the plan itself is concerned, is its chief point of advantage over the other plans examined. The prorating of interest at the end of the year alone saves an immense amount of labor. Only three cards are called for, each of which is self-explanatory. The child always has his deposit card to figure with, and instantly understands every move made with the money. Not more than from five to thirty minutes per week of the teacher's time are required, and this can be fairly associated with time allotted to number work and arithmetic. A few minutes per week from the principal are needed. Almost no bookkeeping is involved, and every child who has a penny can open an account.

The values to the child, the pedagogical opportunity to the teacher, and the advantages to the organization as a whole, incident

to a skilful use of this savings plan, are many. Thrift, while more frequently associated with financial transactions, is not thus limited. It is a principle applicable to all conduct, and hence essentially moral—the living within one's income of every kind. Older children can carry the principle into business, political, and social activity of various sorts until waste in every form becomes intolerable.

Thrift as an ideal is hardly more than so many words, if only talked about. The only way to learn how to use money is by using it. Every teacher is familiar with children who can repeat rules concerning adverbs, but who do not know an adverb when they see it. The child is as actively interested in his ten pennies as his father is in ten dollars. He plans as hard and learns as much in using his ten cents as his father does with ten dollars. The boy who gets his lunch with seven pennies and saves three for the bank, who makes his pencil stubs last a week longer, who uses cheaper paper for scratch work and deposits 5 cents, who limits his attendance at picture shows, and passes the candy shop with pennies jingling in his pocket until deposit day—this is the boy who really knows that five dollars is more than one dollar and that a dollar is not simply a bright piece of silver. This boy enjoys the feeling of self-confidence and independence which comes from consciousness of purchasing power. He has learned to get this power by earning and saving money.

The thrift ideal to be effective must thus be made over into habits of thought and action by daily application through long periods. It is neither permanent nor active until it is translated into these detailed saving habits of earning money, refusing to spend it except for legitimate values, holding it until banking day, observing the depositing formalities, preserving the pass card, and finding genuine satisfaction in these acts. All of these habits are growing under the administration of the Colonial Hill plan.

The saving of money and the forming of thrift habits are the values first discovered in a school savings-bank plan. But to trained teachers perhaps its chief value lies in the immense opportunity afforded for the vitalization of a great deal of regular school work, and this the teachers of Colonial Hill have been quick to see.

Many necessary school problems, difficult and irksome when encountered as so much assigned textbook work, are vigorously attacked when found to arise out of the accurate disposition of the cherished savings. The powerful interest in financial affairs furnishes sustained motive for almost any amount of energetic work with calculations or other studies which are genuinely associated with them. The child studying to estimate and increase his store of pennies is as keenly industrious as is the business man who works day and night to build up his fortune, because he has the same human economic interest. Work thus done exhibits that singleness of attention and fulness of insight, characteristic of children when the impulse comes from within rather than from without, whose presence makes the teaching day a glorious one.

The classes in arithmetic are much stimulated. Primary children must count their pennies themselves and name the number to the teacher. They must count the total collection in their room, divide it into lots of threes, fives, and tens, and find the average deposit. Older children wish to compute the interest on 50 cents for 6 months, the total sum in principal and interest resulting from a weekly deposit of 25 cents, the net profit of the bank at the end of 30 days less cost of cards. The classes in composition have a great variety of topics for oral and written development. "A Good Savings Scheme," "How Andrew Carnegie Got His Start," "Mary and Her Dollar Bill," and "How I Hope to Go Through College" are samples. The geography maps will have to be consulted for trips taken on the savings of one or several years. Here, too, are descriptions and pictures of industries and natural scenery, which must be studied in anticipation. These are samples of associations reported, and any number of others will be discovered by the children themselves and by resourceful teachers.

Present-day educators are urging a greater socialization of the curriculum: children must learn to co-operate in groups for the achievement of social ends. This value is not neglected in our plan. The whole school eagerly anticipates the principal's report of the total week's deposit. Every child feels that he has contributed to the honor of the school by making his deposit. Active rivalry exists between the rooms over the amount of their weekly

and accumulating totals. The children in many cases urge each other to greater economy, to more paid work, and to greater care in the use of paper and pencils for the good of the room. A student who discovers a practical way to make a dime is a public benefactor in his own and in his classmates' eyes. One room as a group is engaged in collecting and selling waste paper and magazines. Small groups of several individuals can undertake partnership business.

Among older children there arise frequent occasions to point out the social immorality of individual waste. They are able to see how their care of money will be a help to their families and to the general business life of the larger community. Municipal wastefulness of money, materials, or time can be made apparent as a drain on everyone's resources. A hostile attitude can grow toward anyone who wastes the room's time by any serious individual disturbance.

No description of a phase of school activity is complete without a consideration of its meaning to patrons. Fathers and mothers alike are interested immediately in a savings scheme. It is an excellent subject for discussion in meetings of parents' associations. Unlike much of the school's activity this is one which the layman readily grasps and does not have to take on faith. Several parents have reported cases of gum and candy sacrificed to the saving of pennies, teeth, and health. They are glad to be asked how to earn pennies and to hear children at play telling how a boy in their room made seventeen cents in one day. Here is something concrete which they heartily approve and which they can substantially support. Parents should be made to understand in the beginning that most of the work of earning and of saving money must be done by the children themselves in order that the children themselves may grow by it. The plan is not designed to send the boys and girls on weekly requests for deposit money. Out of his own earnings, or out of his regular stated allowance, and of his own accord the child is to save. The parent will soon estimate this as an intelligent effort to strengthen the will of his child, and will lend every aid possible. The parent and the teacher have then one firm basis for common understanding and co-operation.

In concluding, it must be made clear that the values named above do not automatically follow the installation of a savings scheme, however simple and excellent it may be. Intelligent and enthusiastic support by the teachers is essential. This does not come automatically. Teachers being first men and women do not by original nature develop saving habits or think in terms of the economy ideal, the vitalization of school work, and the need for socialization and consideration of parental attitudes. Only after long months of child-study, after pondering over the aims of teaching and what knowledge is of most worth, do they find clear meaning in these terms. This comes only with a price in time and thought. That more than three hundred of their children have made deposits totaling over six hundred dollars in the first nine weeks suggests that the teachers of the Colonial Hill School have paid this price, and that the children in their charge will receive all the values offered by the school savings bank.