But you may not like the impact you’re creating…  By Suzanne Leigh

Wondering how to start investing? If you have a bank account, you are already an investor. And an impact investor at that. Why? Because your deposits are used by the bank to lend to whomever they want.

Turns out you may not like what your money is doing. In fact, your bank might be investing your money against you.

More and more, people are asking how they can make a positive impact and get better returns on their investment.

We all know that every dollar we spend has an impact of sorts. But have you ever asked yourself:
- What’s the impact of the money we save in our bank accounts?
- How about the interest we pay on credit cards?
- Or the plethora of fees we are charged for a bank’s privilege to use our money?

Most of us understand that our bank is not storing our money in a box with our name on it, waiting for us to withdraw whenever we choose. Banks loan out our deposits and earn interest off of those loans. And those loans may be financing all kinds of things. What we don’t often realize is the extent to which our money is being used by the bank…for whatever they want.

Whether you like it or not, if you have a bank account, you are investing in whoever the bank decides to lend to.

You may be blindly supporting something that you find reprehensible…that may actually be working against you. The fees that you pay to maintain your bank account, the interest you pay on your credit cards, every cent you contribute to your financial institution, in any way, is going somewhere.

Do you want to know where it’s going?

Many people began thinking about where their money sleeps at night in 2016 when social pressure forced the disclosure of Wells Fargo and other banks’ funding of the Dakota Access Pipeline. This discovery led to the city of Seattle completely cutting ties with Wells Fargo. (Wells Fargo is also one of the biggest funders of private prisons in the U.S.)
But Wells Fargo isn't the only bank invested in financially risky and environmentally destructive industries of the fossil fuel sector. In fact, according to the Fossil Fuel Finance Report Card 2017, Wells Fargo is only ranked 20th worst in the world.

In 7th place, we have Bank of America, with an overall financial contribution of $13.376 billion dollars funneled into the most climate changing, environmentally destructive and capital-intensive fossil fuel enterprises. $13.376 billion dollars of the people's money. If you have a Bank of America personal checking account, your $12 monthly maintenance fee is a part of that $13.376 billion.

Right now good banks are competing for your business. What are good banks? Good banks are those which are both customer-centric while financing values-driven enterprises for the good of the community and the planet. What does this mean? They want to offer you a better deal and show you that they are doing good things with your money.

**Good banks want to offer you a better deal and show you that they are doing good things with your money**

Let's start by comparing what your money is doing in the simple interest-earning checking accounts offered by two big banks.

If you have a Wells Fargo Preferred Checking Account and keep a balance of $500, you will earn 0.01%. But you will also be subject to a $15 Monthly Service Fee unless you retain a balance of $10,000, or have a mortgage with them, or set up direct deposit of at least $1,000 per month. In addition, every time you use a non-Wells Fargo ATM, you will be charged $2.50. And if you travel outside of the country, that increases to $5.

At Bank of America, you will also earn 0.01%, but that $25 Monthly Maintenance fee will eat it up unless you keep a balance of $10,000. Like Wells Fargo, Bank of America will charge you $2.50 when you use a non-brand ATM.

**Good Banks Do Better**

If you open a Convenience+Checking interest-earning account at Amalgamated Bank, you will earn 0.06% for balances less than $500, 0.10% up to $1,000, and 0.15% thereafter. Your non-brand ATM fee will be $1.50, but they'll reimburse you for this twice a month. And your $10 monthly maintenance fee can be waived with direct deposit.

In addition, if you link your debit card to their Donate the Change program, the bank will donate 10 cents of their own money every time you use your debit card on a purchase of $10 or more. (They are currently donating to Solutions Project which is leading energy revolution towards renewable energy powered by the wind, water, and sun.)
Amalgamated Bank, is a B Corp and a member of the Global Alliance for Banking on Values, as well as a member of RE100, a collaborative, global initiative of corporate leaders committed to 100% renewable energy.

“We have a growing environmental crisis unfolding, and Amalgamated Bank will no longer sit on the sideline.”

Kat Taylor, Co-Founder and Co-CEO Beneficial State Bank.

Beneficial State Bank is also B Corp and a member of GABV. Beneficial State Bank is a triple bottom-line financial institution that believes money should serve people, not the other way around. (Triple bottom line means they look at people, planet and profit).

Beneficial Bank’s simple Interest Checking rates vary per state. There is no minimum monthly balance and the bank will waive their $8 monthly service fee if you participate in direct deposit. You can use any ATM you want free of charge. (And if you’re a student, they’ll even reimburse up to $10 of ATM charges imposed by other financial institutions.)

“The way we look at it is banking is actually the original and most powerful form of crowdfunding. All banks have impact good or bad.”

Kat Taylor, Co-Founder and Co-CEO Beneficial State Bank.

Although it may be difficult to wrap your mind around, your consumer debt is also a type of investment. And the interest you pay to financial institutions is most definitely having an impact somewhere. Good banks offer a variety of banking products that don’t put corporate polluters before the people and our planet. So if you are paying interest on credit card debt, you can at least choose what is done with it.

If you have a credit card through one of the big banks that are financing enterprises you are opposed to, the Sierra Club credit card with Beneficial State Bank is an alternative that assures your money won’t support environmentally destructive projects. Instead, it’s used to support clean energy, sustainable agriculture, affordable housing, and education.

Revenue from the card also supports the Sierra Club’s work while providing you with both rewards and competitive rates. If you transfer your balance, you’ll receive 12 months of %0 APR and no annual fee.

Of course, both Amalgamated and Beneficial Bank offer online banking and mobile Apps. But our favorite for online personal checking accounts is Aspiration Bank. A quick look below and you can easily see why.
Aspiration are divested from oil and gas and they put your deposits in places you can feel good about. They also have other great benefits, including:

- A checking account that pays you 1% (about 100x more than big banks.)
- An app that tracks the social and environmental impact of your spending habits.
- Worldwide reimbursed ATM fees.
- No minimum balance, service fees or minimum deposit.
- An app that lets you track whether you're actually voting with your dollars. If you use their debit card, a People and Planet score is assigned to every merchant at which you shopped.
- They also donate ten cents of every dollar to charities that help struggling Americans get off the ground (micro loans.)

“We wanted to build a financial firm around the idea that you could make money, and make a difference, at the same time.”

Andrei Cherny, Founder and CEO, Aspiration Bank.

While Aspiration doesn’t offer business banking products at the moment, Amalgamated and Beneficial and New Resource Bank do. All of these banks are also B Corp certified and members of GABV, and is quite transparent about where your money sleeps at night.

“We want to lend to organizations that benefit our communities and preserve our planet.”

New Resource Bank

For better or worse, your money is financing either socially desirable or socially destructive outcomes. The push by consumers to democratize data is forcing banks to reveal what they are doing with our money. As our demands for socially responsible alternatives and transparency increase, so do our options.

The big banks are starting to pay attention. U.S. Bank (the best of the not-so-bad big banks, if there is such a thing) won most ethical company award in 2016. They also recently announced their intent to stop pipeline project loans.

In the wake of this, we consumers are becoming empowered with more opportunities to both do good and do well. These opportunities translate into better deals and transparency. As more of these opportunities arise, Well Wallet is committed to bringing them to you.

It is our mission at Well Wallet to provide consumers with the knowledge needed to decide for yourself whether your money is being used in line with your values, and in favor of your financial health.

By choosing well, you can create prosperity on all levels, no matter how small, both out in the world, and with your personal finances. You are already an investor and your money is already making an impact. You can’t escape this as a consumer in a capitalist system. You already have more power than you think you do. Now all you have to do is use it.

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