Savings Network
Bi-Monthly Webinar Series

Webinar #3: Wednesday, July 11, 2018, 2-3:30 ET

Today’s Topic: Innovative Program Design to Meet Clients’ Savings Needs
Welcome

Santiago Sueiro
Program Manager, Savings & Financial Capability
Prosperity Now
Housekeeping

- This webinar is being recorded and will be mailed to registrants and available online within one week
- All webinar attendees are muted to ensure sound quality
- Ask a question or share your thoughts any time by typing into the text box of your GoToWebinar Control Panel
- If you experience any technical issues, email gotomeeting@prosperitynow.org
Prosperity Now’s mission is to ensure everyone in our country has a clear path to financial stability, wealth and prosperity.

@ProsperityNow
prosperitynow.org
Our Unique Promise

We **open doors to opportunity** for those who have been kept off the path to prosperity.

We **help people build wealth** by making sure they have what they need to build a better future.

We **enable meaningful mobility** through research, policies and solutions.
Getting the Most Out of Today’s Call

- Join from a **quiet space**
- Grab a **coffee** or snack and settle in
- **Engage!** Send us your questions and comments as you listen
- **Reflect** on ways to apply what you learn today to your own work
Welcome

Parker Cohen
Associate Director, Savings & Financial Capability
Prosperity Now
Today’s Agenda

- Welcome
- Financial Security and Mobility Across the US
- Designing to Meet Client Needs: John H. Boner Center
- Designing to Meet Client Needs: New Ventures Maine
- Program Design Panel Discussion
- Q & A
- Next Steps
Today’s Speakers

Joanna Biernacka-Lievestro
Senior Research Associate
The Pew Charitable Trusts

Dean Johns
Chief Program Officer
John Boner Neighborhood Center

Janet Smith
Regional Manager
New Ventures Maine
Getting to Know You: Poll Question

What populations does your organization serve? *(select all that apply)*

- LMI families (broadly)
- Communities of color
- Social Service clients (housing, workforce development, etc…)
- Youth
- Immigrants and refugees

*Use the Comment Box to let us know more!*
Getting to Know You: Poll Question

What is your primary target population for savings programs? (select one)

- LMI families, broadly
- Communities of color
- Social Service clients (housing, workforce development, etc…)
- Youth
- Immigrants and refugees

*Use the Comment Box to let us know more!*
Research Overview: Pew Charitable Trusts

Joanna Biernacka-Lievestro
Senior Research Associate
The Pew Charitable Trusts
The Precarious State of Family Balance Sheets

- Americans’ Financial Security
  Perception and reality

- Are American Families Becoming More Financially Resilient?
  Changing household balance sheets and the effects of financial shocks

- The Role of Emergency Savings in Family Financial Security
  How Do Families Cope With Financial Shocks?

- How Income Volatility Interacts With American Families’ Financial Security
  An examination of gains, losses, and household economic experiences

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Only Half of Americans Report Feeling Financially Secure

<table>
<thead>
<tr>
<th>Not financially secure</th>
<th>Financially secure</th>
</tr>
</thead>
<tbody>
<tr>
<td>49%</td>
<td>51%</td>
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</tbody>
</table>

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August 25, 2018
34% of U.S. Households Had Income Change of 25% or More
Americans Worry About Lack of Savings, Inability to Retire
Percentage of people with financial worries who reported concern about various items

- Lack of savings: 83%
- Not enough money to cover expenses: 71%
- Not enough money to retire: 69%
- Paying other bills: 50%
- Paying student loans: 49%
- Paying credit card bill: 49%
- Paying rent or mortgage: 39%
80 percent of respondents have lower savings than they think similar households should have.
Whites Have Significantly More Liquid Savings Than Hispanics and African-Americans

Typical days of liquid savings

Black
5 days

Hispanic
12 days

White
31 days

Other race
21 days
Millennials and Gen Xers have little liquid savings or financial assets
Median net worth by neighborhood poverty level, 2014

Median net worth in low-poverty neighborhoods is $277,350

Median net worth in high-poverty neighborhoods is $7,000

40x
Low-Income Families in Low-Poverty Neighborhoods Have More Savings Than Those in High-Poverty Communities

Savings by household income and neighborhood poverty level, 2014
Most Americans Value Financial Stability Over Income Mobility

8% Moving up the income ladder

92% Financial stability
Contact Information

Joanna Biernacka-Lievestro, Ph.D.
E-mail: jlievestro@pewtrusts.org
Twitter: @BiernackaJ

http://economicmobility.org
Practitioner Insights: Program Design at the Boner Center

Parker Cohen
Associate Director,
Savings & Financial Capability
Prosperity Now

Dean Johns
Chief Program Officer
John Boner Neighborhood Center
Vision
The near eastside is a vibrant, thriving, welcoming community.

Mission
John Boner Neighborhood Centers inspires neighbors and partners to improve the quality of life on the near eastside by providing tools for change and growth.
Our Neighbors

- Individual Development Accounts
- Housing Stability for School Success
- Thomas Gregg Neighborhood School
- Great Families 2020

- 1062 Served
- 47% - 34 - 54 Years of Age
- 64% - Female 36% - Male
- 61% - Unemployed at Enrollment
- 64% - High School Diploma or Less
  - 24% No High School Diploma
## Medians (from baseline CFAs)

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
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<tbody>
<tr>
<td>FICO Credit Score</td>
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<tr>
<td>Monthly Income (Net of Taxes)</td>
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<tr>
<td>Monthly Expenses</td>
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<tr>
<td>Monthly Net Income (Net of Taxes)</td>
<td>($42.00)</td>
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<tr>
<td>Total Assets</td>
<td>$305.50</td>
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<tr>
<td>Total Liabilities</td>
<td>$4,121.50</td>
</tr>
<tr>
<td>Total Net Worth</td>
<td>($1,786.50)</td>
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</table>
Our Individual Development Account Holders

• IDA provider Since 1994

• 150 + Current Savers

• Recruited From Existing Customer Base

• Saving Interruptions Due to Unexpected Expenses
Understanding Our IDA Savings Challenges

- MetLife Saving Innovation Learning Cluster Opportunity
- Opportunity to Implement and Test Saving Innovations
- Address Our IDA Savings Challenges
- Focus Groups and 1 on 1 Interviews
Unexpected Expenses ≠ Not Emergencies

- Car Repairs
- Job Loss
- Medical
  - Personal
  - Pets
- Higher Utility Costs
- Increase Gas Costs

Average Cost for These Unexpected Expenses $660
Saver’s Solutions

• 53% Used IDA or Other Savings

• 33% Borrowing Money From Friends Family

• 14% Selling Something
Open your Emergency Club Account now!

We'll refund your registration fee which becomes your first deposit & entry.

Each $25 deposit = 1 entry to win!

Cash Prizes
- Five $100 drawings each month
- $1,000 grand prize drawing in April

Pilot Program
- Six months
- 95% uptake (75 of 79 class participants)
- $39,125 deposits
- $10,209 withdrawals
Accessing Mainstream Product & Services

- Individual Financial Growth
- Long-Term Sustainability

SEE HOW SAVING $25 CAN WIN YOU $5,000

HERE'S WHAT TO DO:

1. Find a participating Indiana credit union that you are eligible to join.
2. Open a Save to Win 12-month share certificate with $25 or more.
3. Start saving!

For every $25 you save, you will earn one entry (maximum of 10 per month) toward prizes from two prize pools: The state-level prize pool will feature monthly and quarterly prizes from $50-$1,000 and the national prize pool will offer quarterly prizes from $25-$5,000.

When you Save to Win, you not only get a chance to win a cash prize, you keep all the deposits you make plus interest, regardless of the drawing outcome. It's a Win-Win!
Practitioner Insights: Program Design at New Ventures Maine

Parker Cohen
Associate Director,
Savings & Financial Capability
Prosperity Now

Janet Smith
Regional Manager
New Ventures Maine
Who does New Ventures Maine Serve through Savings Program?

- **Incarcerated individuals** at the Southern Maine Women's Re-Entry Center and the Maine Correctional Center. (Start Over Start Strong Savings Program)

- **Survivors of Domestic Violence** at one of the Maine Domestic Violence Resource Centers. (Independence Savings Program)

- **We also provide Rainy Day Savings Accounts and Family Development Accounts (Maine’s IDAs)** for income eligible individuals
What are the needs of those you serve?

- **Incarcerated Individuals:**
  - Need savings for housing, employment (transportations), and other basic necessities to support successful and safe re-entry.
  - Balancing saving with paying fines, mandatory housing fees, bills in collection, loans in default, etc.
  - Often lack experience with savings and money management.

- **Survivors of DV:**
  - Need for savings to support successful and safe establishment of independent living.
  - Financial abuse.
  - Need for identity and location privacy and security.
  - Frequently lack experience with savings and money management.
How did you discover the needs?

- By collaborating with our partners currently working with these populations.
- Talking with the individuals participating in financial education and coaching in these populations.
How did you adjust services accordingly?

- Incarcerated individuals
  - No HH income qualifications for participation
  - Match funds provided upon release for approved purchases

- Survivors of Domestic Violence
  - No HH income qualifications for participation
  - No duplicate statements sent to NVME and no proof of purchase required for withdrawal of savings and receipt of match
  - Currently working with financial institutions to waive previous address requirements
Getting to Know You: Poll Question

What do you see as the biggest barrier to savings for your target population? (select one)

- Stagnant or low wages
- Income and expense volatility
- Debt
- Distrust or lack of access to financial products/institutions
- Participation requirements of savings programs

Use the Comment Box to let us know more!
Getting to Know You: Poll Question

What do you see as the biggest savings need of your target population? (select one)

- Savings for emergencies, including managing shortfalls in income
- Short-term savings goal (e.g., school supplies for children)
- Medium-term savings goal (e.g., car)
- Long-term savings goal (e.g., retirement, homeownerships, education)

*Use the Comment Box to let us know more!*
Panel Discussion

Parker Cohen | Associate Director, Savings & Financial Capability
Prosperity Now

Joanna Biernacka-Lievestro | Senior Research Associate,
The Pew Charitable Trusts

Dean Johns | Chief Program Officer, The John Boner Center

Janet Smith | Regional Manager, New Ventures Maine
What questions do you have?
Share them in the Questions box!
Today’s Speakers

**Parker Cohen** | Associate Director, Savings & Financial Capability
Prosperity Now

**Joanna Biernacka-Liestro** | Senior Research Associate,
The Pew Charitable Trusts

**Dean Johns** | Chief Program Officer, The John Boner Center

**Janet Smith** | Regional Manager, New Ventures Maine
Stay in Touch!

**Parker Cohen** | Associate Director, Savings & Financial Capability
Prosperity Now
Contact: pcohen@prosperitynow.org

**Joanna Biernacka-Lievestro** | Senior Research Associate, The Pew Charitable Trusts
Contact: jlievestro@pewtrusts.org

**Dean Johns** | Chief Program Officer, The John Boner Center
Contact: djohns@jbncenters.org

**Janet Smith** | Regional Manager, New Ventures Maine
Contact: janet.smith@maine.edu
Next Steps

- Complete the follow-up survey
- Attend our next webinar in the Savings Network series on September 26th!
- Share your stories with us on the Savings Network Listserv
- Explore the Prosperity Now website for resources, events, and more
- Start planning now for the 2018 Prosperity Summit (formerly Assets Learning Conference).
The Prosperity Now Community

facilitates learning | creates connections | & inspires action

to create and improve programs and policies that foster opportunity, especially for those who have not had it before.

Get involved in the Community today!

Sign up to stay informed about Prosperity Now and the Community.

Sign up today at prosperitynow.org/join.
Dive Deeper with Prosperity Now Community Networks

Sign up for listservs and working groups, volunteer to facilitate peer discussions, serve in a leadership role and more!

- Savings Network
- Racial Wealth Equity Network
- Financial Coaching Network
- Affordable Homeownership Network
- Taxpayer Opportunity Network
- Campaign for Every Kids Future — Children’s Savings Accounts
- Medical Financial Partnerships (Health/Wealth)
- Innovations in Manufactured Housing (I’M HOME) Network

Visit any of the networks above at prosperitynow.org/getinvolved to get started.
Take action with Prosperity Now Campaigns!

Sign up to stay informed about the latest developments and opportunities to take action by joining one of our four federal policy campaigns.

**HOMEOWNERSHIP**
Homeownership is key to building wealth. Together, we will advocate for products and policies that provide more affordable homes to more people.

**CONSUMER PROTECTIONS**
Consumer protections create fairer, more transparent financial markets. Together, we will ensure consumers keep the safeguards they deserve.

**SAFETY NET**
Safety net programs help protect vulnerable individuals and families from falling deep into poverty. Together, we will protect programs like SNAP, IDAs and more to help those in need when they need it most.

**TURN IT RIGHT-SIDE UP**
The vast majority of tax incentives go to those at the top, not to those who need it most. Together, we will turn our upside-down tax code right-side up.

Visit any of the Campaigns above at [https://prosperitynow.org/take-action](https://prosperitynow.org/take-action) to learn more and join.
Take Action at the Prosperity Now Advocacy Center!

Make your voice heard by calling, emailing, tweeting or scheduling a visit with your Members of Congress with a fast and simple click of a button! 

https://prosperitynow.org/take-action
Join us September 5-7 for the 2018 Prosperity Summit!
(formerly Assets Learning Conference)

Registration Now Open!

https://prosperitynow.org/events/2018-prosperity-summit
Thank You!

Please complete our survey!