

Financial Futures
Program

Annual Report – 2013

CVOEO
Growing Money Services



Financial Futures Program
A Program of Champlain Valley Office of Economic Opportunity
255 South Champlain St.
PO Box 1603, Burlington, VT 05402
802-860-1417 Ext. 112

INTRODUCTION

Growing Money (GM) is a service of the Champlain Valley Office of Economic Opportunity's (CVOEO) Financial Futures Program, a program that assists low income Vermonters to build financial security. GM's role is to help improve participants' financial capability through asset building and education. To this end, GM works closely with Micro Business Development, Individual Development Accounts, and other CVOEO programs. GM originated in 2005, offering ongoing, free financial and credit education in Addison, Chittenden, Franklin and Grand Isle Counties. **In the last four years alone, the services have reached almost 3,000 individuals, 6,000 people if we include household members.**

GM services are grant-funded, and we have been fortunate to attract enough revenue to sustain and grow these services to this point. In 2013, GM received grants from:

New England Federal Credit Union
Merchants Bank
People's United Bank
Franklin/Grand Isle United Way
Vermont Community Foundation,
City of Burlington
Vermont Office of Economic Opportunity

We sincerely thank these funders for their generosity, and for making these results possible.

Overview of GM

GM primarily educates through classes and one-on-one financial coaching. The classes fall into two categories – *core curriculum* and *customized classes*.

Our Core curriculum consists of four modules (six classes in total):

- **Spend Smart** focuses on spending management
- **{NEW} Keeping on Track** follows up where Spend Smart leaves off, helping people with monthly budget preparation
- **Keys to Credit** focuses on use of credit and debt management
- **Creating a Financial Future** focuses on how to save and begin investing, as well as on managing assets over a lifetime.

In 2013, the program reduced Spend Smart from three to two sessions, and developed Keeping on Track. The latter is a single session offered in the evening and daytime at the end of each month. It is run partly as a traditional class and partly as a peer support group. The whole purpose is to give participants a “lab experience” so they can get questions answered (often answering one another’s questions) and generate a next month’s budget.

Customized classes are usually variations of our existing curriculums to meet the needs of specific groups and occasions. Organizational partners have increasingly requested customized classes to meet their client needs and schedules. All GM classes are designed for adult learners, so the skills taught have “real life” and immediate value. Each module has its own manual. Classes are interactive, and include homework.

Financial coaching services add an important dimension to the work. These are individual meetings that allow staff to address the specific issues of participants and to create personalized plans that motivate and guide progress. Coaches are prepared to assist with a range of topics from budgeting and tracking, to debt management, to helping find solutions to consumer issues.

Spending management and credit-related issues continue to be a primary coaching focus. Spending and credit skills provide the foundation for addressing a wide variety of concerns, from accessing housing, transportation and employment to bringing bills current, resolving relationship stress, and making income cover expenses. Increasingly, coaches are talking to participants about use of banking institutions, i.e., about how to shop such institutions, types of accounts to have, dealing with ChexSystems reports, and keeping fees to a minimum. We also continue to refer people to specific financial products, such as credit builder loans and secured credit cards, which allow safe and effective use of credit. Finally, we made a very deliberate effort in 2013 to introduce credit coaching to users of CVOEO’s VITA Tax Site.

All work with our coaches begins with encouraging participants to think about and define their financial goals. These goals serve to motivate and guide all later interactions. Of course, GM doesn’t have all of the answers, and we continue to regularly refer people to a variety of partners in the community.

Demographic Profile of People Served

The table below presents a profile of people served in various years. The data is drawn at intake.

		2009	2011	2012	2013
Gender					
	Female	68%	70%	61%	60%
	Male	32%	30%	39%	40%
Ethnicity					
	Caucasian	68%	69%	71%	69%
	African American	4%	10%	6%	14%
	Asian/Pacific Islander	2%	2%	3%	3%
	American Indian	4%	2%	4%	2%
	Hispanic	3%	3%	2%	3%
	Multi-race	3%	2%	3%	3%
	Puerto Rican	5%	1%	1%	0%
	Other	2%	4%	5%	1%
	Prefer not to disclose	6%	7%	5%	5%
	Total for ethnicity	23%	24%	24%	31%
Age					
	34 and under	54%	54%	50%	52%
	35-49	30%	31%	27%	24%
	50+	16%	15%	23%	24%
Family Status					
	Living w/ spouse or partner	15%	13%	10%	13%
	Parent in 2-parent family	14%	15%	17%	15%
	Single parent w/ kids 6-18	14%	15%	13%	13%
	Single parent w/ kids under 6	11%	15%	14%	15%
	Single parent	25%	30%	27%	28%
	Single person	41%	38%	43%	41%
	Other family member	5%	4%	3%	3%
Education					
	High school or less	54%	61%	51%	59%
	More than HS	46%	39%	49%	41%
Employment					
	Full time	22%	24%	23%	23%
	Part time	26%	19%	19%	22%
	Unemployed	34%	44%	41%	47%
	Student	18%	13%	17%	7%
Benefits					
	Food Stamps	35%	38%	39%	38%
	Reach-Up	20%	20%	14%	15%
	Disability	12%	8%	13%	11%
	Vocational Rehabilitation Client	11%	10%	11%	10%
	Veteran	3%	1%	4%	5%
	Public/subsidized housing	22%	14%	21%	20%

This profile of participant demographics over four years demonstrates consistency above all else. It also allows us to note where the real pattern changes, however gradual, are occurring:

- **Younger people continue to be the predominant age group served at 52%. Note, however, that the percentage of students dropped by 10 points**
- The percentage of older people continues to gradually increase
- Single people continued to be a strong demographic at 41%, as do single parents at 28%
- The diversity of participants has increased, with people of color accounting for 31%, up from 24% last year. Within that group, African Americans increased most significantly.
- Also worth noting is that participants with a high school education or less increased by 8 percentage points to 59%.

Financial Profile at Intake

In 2013, 67% of participants met the 100% of poverty guidelines, 4% more than in 2011. 12.7% reported \$0 income at intake.

Note: “100% of federal poverty guidelines” is the lowest federally set income guideline. The percentage of participants who meet this guideline is one major indicator for us that we are reaching the most vulnerable community members.

Services Offered and Numbers Served

	2009 Achieved	2011 Achieved	2012 Achieved	2013 Goals	2013 Achieved	2014 Goals
Classes						
▶ # of unduplicated participants in classes	169	315	447	330	*412	350
▶ # of class series overall	30	71	87	60	*103	90
# of class series in Chittenden	24	48	66	38	*75	50
# of class series in Addison	3	8	6	7	2	10
# of class series in Franklin/Grand Isle	3	15	16	15	*26	20
# of class participants in Addison in total	23	56	37	40	2	35
# of class participants in Franklin/GI in total	10	114	96	90	*155	150
▶ Average overall class size	7.12	5.72	5.13	6	6.2	6
Ave Chittenden class size	7.94	5.42	4.8	7	6.5	7
Ave class size - Addison classes	na	5	6.2	6	1	5
Ave class size – Franklin/GI classes	na	6.3	6	6	*6	6

1:1 Coaching

► # of unduplicated parts. in 1:1 sessions
of total 1:1 meetings
of parts. receiving two 1:1s
of parts. receiving three plus 1:1s
of credit scores pulled

127	265	309	250	*302	300
196	394	487	390	*414	375
				37	45
na	22	57	40	25	30
na	274	189	200	*229	215
320	498	614	475	*652	610

Summary

► # of unduplicated served in all services

* Indicates goals met or exceeded.

Output numbers indicate that the program's high level of activity continued in 2013. The total unduplicated count of participants served was higher than 2012's by 38 people. Our trend of increasing scale every year since 2006 continues, and we have maintained the pattern of **servicing at least 500 participants per year for five years consecutively!** Other goal areas where we exceeded projections for 2012 include the # of unduplicated in classes, the # of classes delivered, # of Franklin/GI participants served, the # of unduplicated participants receiving 1:1 coaching, the # of 1:1 meetings held, and the # of credit scores pulled.

Outcomes

GM's purpose is to concretely impact participants' financial lives. We define "impact" as changes in:

- a) knowledge about money management (e.g., learning how to budget)
- b) attitude about one's capacity and situation (e.g., feeling more confident about finances)
- c) behaviors around money (e.g., opening a bank account)
- d) household assets (e.g., saving into an emergency fund)

We regularly learn about outcomes -- changes in participants' financial lives -- during coaching sessions or in phone conversations. However, the primary tool for measuring behavior change is an annual survey, first conducted in 2007.

We used Survey Monkey for the fourth time to supplement phone calls and to make first contact. This year 80 people completed the survey online, compared to 22 in 2011. An additional 68 completed the survey by phone. The total of 148 responses is significantly more responses than we got last year (113) and the year before (63).

If we had more success using Survey Monkey, the phone survey was as challenging as ever. A large percentage of numbers were found to be disconnected or the caller "unavailable."

Phone survey procedures this year were similar to those of previous years. We had access to volunteers for three evenings, and they reached as many people as they could in that timeframe. Because of the large numbers of people we were attempting to survey, we lacked the time to make repeat calls in our attempts to reach them. We did leave a message when possible inviting them to contact us to take the survey, and a number of people returned our calls.

The survey (see Appendix) itself consisted of 17 basic questions (with sub-questions and multiple choices for some) and it has been shortened so that it takes about 10 minutes to complete. Note that most questions focused on outcomes and changes occurring since participation in services. A few questions asked whether certain actions were taken for the first time. Note also that the amount of time between the end of services and the survey differed considerably from participant to participant. Those enrolled early in the survey period had a longer time to make use of the information they learned.

Data

The evidence shows that financial education training does lead to changes in participants' attitude and behavior in the form of reduced debt, increased savings, and so forth.

Spending

*DNA means they did not answer.

	<u>Yes</u>	<u>No</u>	<u>Some</u>	<u>DNA*</u>
Have you felt more financially secure?	49%	17%	33%	1%
Have you reduced unnecessary spending?	70%	5%	23%	2%
Have you taken steps to achieve your financial goals?	83%	16%	NA	1%
Have you tracked your money?	63%	11%	24%	2%
Have you budgeted your money?	65%	6%	27%	2%
Brought bills more current**	86%	12%	NA	2%

**Percentages are based on those for whom this was an issue.

When we calculate the totals of *Yes* and *Some* for each category, we get these results:

- 82% Felt more financially secure
- 93% Reduced unnecessary spending
- 83% Took steps to achieve goals
- 87% Tracked
- 92% Budgeted
- 86% Brought bills more current

The above outcomes in these categories have proven very consistent from year to year.

Savings

Survey data shows both increased savings and/or reduced debt for respondents since they took GM services.

In the 2013 survey, **52% of respondents told us they increased savings since services:**

- 35% started to save for the first time
- 18% were saving, but increased their savings
- 17% had been saving and continued to save as before
- 30% did not save in 2013

Of those who saved, 43% saved at least \$200; 32% saved the same amount every month for at least 6 months.

	Increased emergency fund	Total emergency fund savings	Increased other savings	Total other savings
Average	\$554	\$1,097	\$873	\$2,469
Median	\$300	\$500	\$370	\$600
Respondents contributing to this	37%		30%	

Debt

Of those with debt (mortgages are excluded from this data), 62% of respondents reported consumer debt.

- 26% reported credit card debt
- 58% have no credit card debt, but do have other debt
- 41% had both credit card and other debt

This chart shows amounts of debt reported by those with debt:

	Credit card debt	Non credit card debt
Average amount	\$4,250	\$21,417
Median amount	\$2,000	\$4,000

Of those with debt, 45% said they had debt in collection accounts. Collection debt is an indicator of serious debt issues.

45% (up from 38% in 2012) of all respondents reported that Growing Money assisted them in reducing their debt.

A total of 68% reported taking specific steps to improve their credit since participating in GM. Our participants seem to be very proactive in their desire to confront debt. The chart below shows steps taken:

Steps Taken to Reduce Debt

	2010	2011	2012	2013
Meet with a counselor	29%	43%	40%	50%
Established credit for the first time	20%	10%	5%	8%
Fixed Credit Report errors	31%	23%	29%	19%
Started pay down debts	88%	62%	69%	69%
Paid bills they were behind on*	69%	51%	53%	66%
Got a loan or credit card to improve credit	14%	12%	18%	30%
Settled with a collector	34%	19%	14%	14%
Increased credit score by at least 20 points				14%
Stopped using a payday lender				7%
Stopped using a renter-a-center kind of operation				10%
Took other steps	14%	17%	22%	12%

*Specifically to improve their credit.

GM continues to pull credit reports for participants at no cost to them in an effort to help support debt reduction and building credit. We **pulled 229 reports during the year**. The median credit score at intake this year was 635, up from 2012's 576. The average score was 545.

We have been able to verify that 33 participants increased their credit scores in 2013, versus 35 in 2013 and 10 in 2011. 27 increased their score by at least 20 points.

Growing Money wants to do more to improve and track improvements to credit scores. The program can pull FICO scores for research purposes, but FICO disallows us to give those to participants. Individuals can purchase their own FICOs for about \$20, which deters many. We can provide Vantage scores to participants, and are currently exploring the use of other, so-called "educational scores" to increase the effectiveness of our work.

Banking

Changes to banking behaviors are one measure that shows participants are adopting new and better approaches to managing finances. This is especially true in a program like growing Money because many participants qualify as underbanked. According to *Bank On*, a movement that started in San Francisco in 2005, building assets is infinitely easier with a bank account because having free or low-cost access to one's own money is better than paying to use one's own money.

Type of account	# Opening new accounts			
	2010	2011	2012	2013
savings	14%	22%	23%	17%
checking	19%	17%	13%	16%
money market	0%	1%	3%	3%
certificate of deposit	3%	4%	2%	0
Added automatic deposit to savings	na	na	13%	11%
Internet only bank account	1%	1%	3%	2%
Out of state bank account	12%	0	2%	1 person
Investment type	na	na	4%	7%

When the opening of new accounts (chart above) is combined with the opening of credit building products, 45% of respondents reported increased used of banking institutions. Of this group, 58% increased their using of banking institutions in 2 or more ways (for example, by opening two new accounts).

Use of Benefits

Part of our work is to make referrals to community services as a practical way to help participants access and increase assets. By accessing services, participants can reduce expenses and potentially stabilize their finances.

24% (versus 14.4% in 2012) of respondents said they had decreased their benefits since GM services. The largest drop was in 3SquaresVT.

Our Story Consists of Participant Stories

Because data alone cannot fully tell the story, we offer the following short narratives to further illustrate program impacts.

1. NC has been a long term client with FFP. She has faced crisis after crisis, including her health, difficulty with her business partner, the effect of tough economic times on her business, and family issues. In recent years, she has found herself confronting personal bankruptcy, disability and homelessness.

She self-defines as “a tough old broad,” and whether she accepts it or not, she is also smart and caring. She attended all of the Growing Money Program classes. As a result, she used the pressures of health and money concerns to find ways to cut smoking to save a security deposit and first month’s rent. Using GM staff as a sounding board and source of encouragement, she went back again and again to housing authorities to clear her past record, establish credibility and eventually get housed. During the financial classes, NC helped a couple of people identify ways to save, such as by using thrift stores for clothes and special ride services through the hospital, hooked them up with rides to the financial classes and even helped one find a reasonably priced vehicle.

2. JM was a client of CVOEO's Micro Business Development Program before he found his way to a correctional facility. While there, he attended a class taught by Growing Money Program staff. Like much of the information he obtained in the Department of Corrections' Community High School, the class served to redirect his focus to how he wanted to deal with life once he was released.

Upon his release, his first action was to contact CVOEO to set up an appointment to learn about the IDA. How did we know it was his first action? His teacher at Corrections emailed that morning to say that JM was being released and had promised that the CVOEO Growing Money Program would be his first stop! He recognized that his money issues were so pervasive that it was essential to address these, especially since he had little or no income. JM then attended all the classes that the Growing Money Program offers. He was motivated not only by CVOEO's matched savings account program, but also by a desire to learn more and to use his time constructively.

JM, in fact, did join the matched savings program as soon as he qualified, and is saving diligently. He arranged for the savings deposit to be automatically deducted from his paycheck. His goal is to use the savings to purchase books for a course he's received a scholarship for, or for his growing wood carving business. Whichever his final choice, JM is thrilled to have acquired the skills to successfully save. These skills will be critical as he pursues his life outside of the Corrections environment by pursuing additional education and building his fine woodworking business.

3. AT found out about the CVOEO Growing Money Program through the information her husband brought back from meeting with a Micro Business Development counselor. While starting a business did not prove a timely idea for them, getting household money under control was!

The couple attended Growing Money's Spend Smart classes together, and it was there that AT identified one of her primary goals: buying a home. The classes were also where she had to confront a major obstacle to that goal -- emotional spending. She realized that whenever she was stressed about money, she went out and bought things, a behavior that is not uncommon. What was uncommon was her response. When the spending urge is present, she puts in a call to a family member to substitute the habit of talking to someone for the habit of spending.

AT signed up for and began saving into one of CVOEO's Individual Development Accounts (IDA) to help her fund purchase of the home. She also completed two additional Growing Money curriculums -- Keys to Credit and Creating a Financial Future. She has regularly saved since and is on course to make the home purchase for her family of six. She also worked with a Growing Money financial coach to obtain a low-deposit-amount secured credit card from New England Federal Credit Union to help increase her score before applying for a mortgage.

Growing Money services have reshaped AT's perspective on finances. She obtained a part time position that allowed her to reduce her dependence on state assistance. That extra income made it possible for the household to maintain an emergency fund. Whereas before

she would call on her extended family in case of financial emergency, she now has her own resources to draw on. She takes pride in that independent capacity. She and her husband approach tax refund time differently too. Instead of having the refund spent before it arrives, they now put a portion of it aside towards the eventual home purchase.

In addition to CVOEO Growing Money, AT has utilized Champlain Housing Trust and Section 8 Housing to help her keep focused on her goal of buying a home. She has leveraged these supports along with new self-awareness, new skills and greater confidence to take solid steps towards a better future.

In Their Own Words

4. “It has been almost two years since my husband and I started working with your office. We took the budgeting and the credit development classes. We put that all to good use and are now living in a cute little home on the water in central Florida. We are in a 55+ park with a pool, gym, computer club, and are paying much less in housing and other living costs. Our budget has been very tight, but we've been making them regularly and sticking to them -- really weighing our “wants and needs.” I have recently gotten a part time job and we'll be turning that to paying off debt. I'm hoping that by this time next year, we will be able to buy a home. Thank you for all our help to us personally and please keep up the good work because you are improving the lives of the people who take your classes.”

5. “I received your email address through United Way, which worked with the Vermont Housing Finance Agency to offer the financial series of classes that you taught here this past January, and I hope you don't mind, but I had to track you down to tell you how grateful I am that I took your classes!!

Your valuable tips, shared personal experiences and tough-love kind of questions inspired me and my husband to shape up, and since taking your course, we've paid off over \$8,000 in credit card debt, closed two credit cards out (we have several more that we've had a great credit history with for years), and put away more into savings than we've ever had.

I learned something new in every class and appreciated your candor on topics that aren't always easy to reflect on. Thank you for giving your time and energy to help people like me get our financial lives in order. You have truly made a huge positive difference in mine!”

Major Activities, Accomplishments, Challenges

- Conducted classes and coaching in Chittenden, Addison, Grand Isle and Franklin Counties, in the towns of St. Albans, Richford, Middlebury, Swanton, Burlington, So. Burlington, Essex, Hinesburg, Winooski, and Milton.

■ **Projects:**

1. CVOEO New American Project: In July 2013, Financial Futures and Community Action together applied to the State of Vermont for funds to review and improve services to New Americans at the agency. GM will play a major role in this project. In September, we organized a class on savings that was delivered to 32 adults and simultaneously translated into four languages by 5 different interpreters. Additional interpreted classes are planned for the year ahead.
2. FIELD Grant: Financial Futures Program, one of five programs nationally to be awarded a prestigious FIELD grant by the Aspen Institute, continued to gather data on the impact of secured credit cards on the credit scores of low income entrepreneurs. GM staff continued to do the bulk of the activities for this project because of the credit education and coaching focus.
3. Vermont Opportunity Loan Fund: One consequence of the FIELD grant is that GM has partnered with Community Capital of Vermont (a nonprofit lender) and Central Vermont Community Action Council (another Community Action Agency) to pilot a consumer loan program for very low income Vermonters. Serving those at 125% of the federal poverty level and, thus, people who could not qualify for a loan from a traditional financial institution, the program offers loans of between \$150 and \$2,500 (with the expected average around \$1,500) to qualified individuals. Among the requirements are the needs to take our financial classes and work closely with a financial coach. This project, for which there are few models from around the country, began July 15, 2013. Originally requiring that the loans be tied to efforts to access or maintain employment, the Fund's uses were expanded recently to include other opportunities, such as access to housing and reliable transportation.
4. VT Community Foundation Project with Spectrum Youth Services: In 2012, GM received a grant in the first round of VT Community Foundation's new Innovations and Collaborations Grant Program for a project with Spectrum Youth Services. That project teams our financial coach with various Spectrum case managers to increase the financial skills of disadvantaged youth. Youth who complete the process open a savings account with \$100 of project money. The project is innovative for several reasons. One of the most important is that it bridges a gap in youth services by introducing youth who will "age out" of Spectrum services at age 23 to CVOEO and GM, and thus provides them with an ongoing source of financial support as they enter adulthood. In July, the VT Community Foundation made a second year of funding available to the project, and the work continues.

The Spectrum project has led to discussions with ReSOURCE to introduce financial education into their YouthBuild program.

5. Growing Money Services and Homelessness: This year has seen a proliferation of interest in connecting GM services to projects connected with addressing the needs of homeless people and those who are at risk of homelessness. We will give a brief overview:

- a. Veterans – GM is a partner a federally funded statewide grant to help veterans and their families stabilize their housing. A half time financial coach is working closely with a Community Action case coordinator to deliver classes and one-on-one coaching to veterans. The focus is on credit and the financial skills needed to succeed in rental units.
- b. Emergency Services Grant – GM is partnering in a couple of state sponsored endeavors to reduce homelessness and provide more efficient services to the homeless.

First, we have collaborated with two other CVOEO programs (VT Tenants and Community Action) to create and offer a training, called “Rent Right,” that prepares people to be more successful tenants. Graduates will be offered a “preferred renter’s card,” a product we are developing in conjunction with regional landlords. The Rent Right curriculum will be offered in the four Northwest counties.

Second, Jim White and Gillian Franks have been contracted by the state to deliver training to newly hired housing case managers in how to work with their clients around financial issues. This training of trainers will be delivered to state pilot program grantees in Burlington, Brattleboro and Rutland. The idea is to create a new and improved model for serving the homeless that can eventually be incorporated statewide. For GM, this is an opportunity to earn income from our expertise, we well as a way to expand our service to Vermont’s low income population.

6. Working Bridges: GM continued to be a primary partner in Chittenden United Way’s project to increase financial skills and opportunities for low wage workers right the worksites. GM staff taught all the financial classes offered at employer sites in Chittenden County, as well as pulled and reviewed credit reports for all Chittenden and Addison county participants. The grant officially ended in early 2013, although it may be renewed. Since the grant’s conclusion, one business hired a GM teacher to deliver four hours of additional financial training to all of its employees.
7. Chittenden Saves Campaign: GM is a long time member of the Chittenden County CASH Coalition, a group of non-profit, for profit and state and federal organizations that work together to promote financial stability and opportunity. In September of 2013, CASH conducted a first time, week-long Chittenden Saves campaign based on the national America Saves model. CASH publicized the issue of saving and offered various activities throughout the community to encourage and teach saving skills. The week began with a kickoff event with speakers, including Beth Kuhn, the Vermont state treasurer, highlighting the importance of creating savings. Jim White of Growing Money was co-coordinator of this CASH campaign and GM offered three classes on savings topics during the week.

■ Ongoing Collaborations:

1. GM continues to partner with Champlain Housing on their Ready, Set, Rent project, which allows some housing applicants to compensate for a low credit score by taking financial classes. Many Ready, Set, Rent participants have gotten that training through GM services.
2. We continue our partnership with CarShare Vermont's MobilityShare, which makes vehicles available at reduced rates to low income people who take financial training.
3. The program delivers classroom training services directly to participants of Vermont Adult Learning, the correctional centers in Swanton and So. Burlington, Reach Up Job Start Program in St. Albans, VNA Family Room, Community Justice Center in St. Albans, Samaritan House in St. Albans, VT Works For Women, RESOURCE's YouthBuild Program, Navicate (Burlington High School), LUND Family Center, and at other locations.
4. GM has a large number of other organizational partners with whom we work in other ways. Many, like COTS' Housing Resource Center, make referrals of clients to our services. Some, like Northwest Counseling and Support Center in Franklin County invite our financial coach to attend home visits with their counselor. Others, like Mercy Connections and the Continuum of Care groups, invite us in to make short presentations to attendees.
5. VITA Free Tax Site
GM worked closely with tax site coordinator Travis Claremont this past spring to maximize referrals from the tax site to financial coaching. Our goal was to reach out to those receiving EITC refunds and to introduce ideas for best use of that annual windfall. We also wanted to be available to talk to people about their credit issues. Over 40 tax site users responded to our campaign. We pulled and reviewed the credit reports of 12 people.

■ Challenges

- Securing ongoing core funding for the program is a challenge. Growing Money remains largely grant-funded, and the current grant application environment is very competitive. Growing Money did generate more fee-for-service revenue this year than in prior years, but fee-for-service will always be, at best, a secondary revenue source. With help from CVOEO's development director, we will experiment with a fund raising campaign using a mailing list and a matching grant.
- Staff changes continued in 2013. While the program was fortunate to quickly recruit new and competent people, such changes always introduce disruption to relationships with participants. In 2013 for the first time, we trained and utilized a volunteer to teach some of the Spend Smart classes. We were fortunate to have a candidate with teaching experience and an accounting background. This experiment in use of volunteers is part of our effort to respond to the at times overwhelming growth of demand for these services in recent years.

■ The “Services Offered and Numbers Served” chart above makes it clear we need to do a better job of serving Addison County. Certainly, resources impact this capacity. Effectively serving a county means being able to have a staff person working in that county every week. The hope is that fund-raising efforts will allow us to assign a person to Addison.

■ Growing Money has been very fortunate to have use of a customized database for the past five years, thanks to the generosity of New England Federal Credit Union. With the passage of time, resulting in numerous service refinements and in more sophisticated outcome and data needs, the program will revisit the database in 2013. The goal is to rebuild it so that it better serves the program, and is more compatible with overall agency database modalities.

Objectives for 2014

GM has lots planned for 2014:

- Complete a curriculum on banking
- Create and test a curriculum teaching people to track and budget with electronic spreadsheets
- Increase services to Addison County
- Provide additional interpreted classes to refugees
- Explore ways to link GM services with CVOEO’s Head Start Program
- Pursue other channels for serving youth, for example, through a collaboration with ReSOURCE VT
- Develop a new database for Growing Money that is integrated with other program and agency databases
- Experiment with a fund-raising mailing in collaboration with CVOEO’s development director

Appendix 1 -- Participant Comments

Responses, gathered through the survey, to the GM program. Each is from a different person. Keep in mind that Growing Money offers no degrees and no financial incentives (apart from the IDA program) to promote participation. People who use the services either find them worth pursuing because they offer something practical and helpful, or choose something else.

A. Does Growing Money help people change financial behavior? These comments tell the story!

- My store went bankrupt, and I now drive a taxi. I'm happy with the program. It was necessary to learn financial skills.
- I really enjoyed all of the classes I attended and the follow-through I've received from having a secured credit card through you. This worked for me because I was at a place in my life where I was ready to face this, I don't think it would have worked when I was in crisis and overwhelmed by debt and spending habits. I had to take care of myself first and become more respectful of money and remove my fear of money before I could learn to manage it.
- More young people should take these classes, especially high schoolers.
- This class was very beneficial to me! Although I haven't been able to save a lot of money in a savings account, I did pay off a huge back debt and was able to keep my housing (something that I nearly lost). I have kept current on all rent payments since the class and am better at setting and obtaining goals. Since the class, I got a permit, a drivers license, and recently got a new job that will pay more hourly, as well as provide good benefits (something my prior job didn't offer). I am confident that as I work through this transition, I will be able to continue to use the skills taught in the class and eventually save money on a regular basis. The teacher was fantastic. Her approach was practical, non judgmental, and I got much more out of the Growing Money class than I anticipated.
- I think it's a great program for people who want to face their finances and make necessary changes. It provides tools and practical information to achieve financial goals.
- Great program ... very helpful, It enlightened my husband - he wouldn't listen to me, so it has eased finances stress on the marriage. Now we are both on the same page.
- SO recommend it! Learned new strategies on how to save, learned new things. I love the teacher -- she was awesome and makes the class fun. I still use the tools every month.
- Awesome job. Everyone so helpful. Once I have a job, I'll come back again for a refresher.

- The program definitely opens your eyes.
- The interactive parts of the class were the best, especially where we were asked to think about our own habits and what concrete steps we could apply.
- It was really beneficial. Learned how to build good credit and how many aspects of life require you to have good credit. I think it is a great program for people in all sorts of different situations -- it is a perfect class for all income levels for managing money. It made me aware of spending.
- Absolutely awesome. I'm thankful to have people like you to help us. Great program.
- It was helpful to see the why behind my spending, that is was emotional spending rather than planning.
- The teacher was very encouraging and made me feel I could do it!
- My financial situation is "pretty bad" because of a surgery, but I feel I have the "tools" to work on it. I know something about finances, but the classes reinforce things. A very positive experience for me. I would definitely recommend it.
- The course is a great idea. It shined a light on issues I didn't understand before. Kids graduating from high school should have to take this course.
- It helped me understand my debt. It gave us helpful procedures for setting goals and achieving goals.
- I really liked learning how to track my spending and had a great time overall learning how to budget and spend less.
- I didn't expect to enjoy the class, but it was fun and interesting. I learned a lot.
- I thought the class was great. The manual we were able to bring home was really helpful. I know it seems like a waste of money, but I still have all my paperwork and read it. I was dreading the class at first. I thought, "Oh, this is going to be boring." Instead, it was great and really informative.
- I want to take more classes.
- I learned that I can have one consistent utility payment so there are no surprises. I'm looking at using more coupons. I'm planning to take the other classes.
- I hope the program will keep running to help other people going through this stuff. Growing Money classes helped me get on a roll. I now ask myself several key questions before I actually spending money. I took the class twice, and feel right on top of things.

- The program helped me get rid of debt.
- I think this is a fabulous service to the community to empower people to improve their financial literacy, and think that the classes meet a variety of people where they're at and broaden their understanding of the often complex world of finance.

Appendix 2 – 2013 Growing Money Survey

All questions are about what has happened SINCE you FIRST used GM services.

- 1) Have you felt more financially secure? Yes No Some
- 2) Have you reduced unnecessary spending? Yes No Some
- 3) Have you taken new steps to achieve some of the financial goals you created during GM participation? Yes No
- 4) Have the services helped you bring your bills more current? Yes No Not an issue
- 5) Have you tracked the money you spend? Yes No Some
- 6) Have you budgeted your money? Yes No Some
- 7) What is your household's current monthly income (gross)? _____
- 8) Have you saved money since using GM services?
 - I'm saving now, but did not before I took GM
 - I saved before, but increased my savings after taking GM
 - I was already saving before and have continued to save
 - No

If answer is No, skip to 8d & 8f.

If the answer is not NO, a-f.

- 8a If you saved, did you increase your savings, since starting GM, by at least \$200? Yes No Maybe
- 8b If you save, have you saved the same amount every month for at least 6 months? Yes No Maybe

Note: 0 is an ok answer.

8c. What is the total amount you have added to **Security Fund** savings since taking GM?

\$ _____

8d. What is the total amount in your **Security Fund** now? \$ _____

8e. What is the total amount you have added to **All Other Savings** (not security fund but including savings for goals and for retirement) since taking GM? \$ _____

8f. What is the total amount in **All Other Savings** (not security fund but including savings for goals and for retirement) now? \$ _____

9) Have you opened any new accounts of the following kinds since starting GM?

- | | | |
|---|------------------------------|-----------------------------|
| a. Checking | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| b. Savings | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| c. Money market | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| d. Automatic deposit to savings | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| e. CD (certificate of deposit) accounts | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| f. "Internet only" bank account | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| g. 401k or 403b work retirement account | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| h. IRA retirement account | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| i. Other retirement/investment account | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

10) Have you gotten your credit report ON YOUR OWN since taking GM? Yes No

11) If you got your credit score, what is it now? (*FICO score between 300-850 or 0*) _____

12) Have you taken steps to improve your credit picture? Yes No

If answer is NO, skip to 13.

If the answer is Yes, continue with a-m:

If yes, which steps? (check all that apply):

- a. Established credit for the first time?
- b. Started paying down some debts?
- c. Paid bills you were behind on?
- d. Fixed credit report errors?
- e. Settled with a collector?
- f. Met with a credit counselor (include GM)?
- g. Opened a credit building loan such a Tracker loan from Opportunities Credit Union
- h. Opened a secured credit card?
- i. Get another loan or credit card to improve credit?
- j. Increased your credit score by at least 20 points?
- k. Stopped using a payday lender?
- l. Stopped using a Rent-A-Center?
- m. Other steps? _____

13) Do you have any debt? Yes No

If answer is NO, skip to 13d.

If Yes, continue do a-d: Give best guess about debt amounts.

13a. How much **Credit Card debt** do you carry? \$ _____

13b. How much **Total Debt** do you have (include auto, medical, education, utility credit cards, etc. Exclude a mortgage)? \$ _____

13c. Do you have debt **in collection**?

- Yes
- No
- Not sure
- Don't know what you mean

13d) Have GM services helped you to reduce your debt? Yes No

14) Have your low income benefits been reduced or stopped since using GM? Yes No

If No, go to 15.

14a **If yes** which benefits are you using less? Please be specific. _____

15) Have you changed any other spending or saving behaviors since you took GM? _____

16) What has been your biggest financial success since GM? _____

17) Any final comments you want to share about the program? We like hearing both your compliments and criticism, and any suggestions you have for us.