

FINANCIAL CAPABILITY PROGRAM

Annual Survey Results

Capstone's 2019 Annual Financial Capability survey, sent to individuals who had received counseling or attended financial education classes, shows:

- 54%** of respondents have set aside money for savings
- 71%** of those respondents have started saving regularly
- 62%** of respondents have taken steps to improve their credit score
- 64%** of those have increased their score
- 70%** reported that working with a financial coach or attending a class was helpful in reducing their debt

Testimonials:



"Fabulous Resource—both classes and coaching. The staff have always answered all of our questions thoroughly!"

"I have found the classes to be really helpful in understanding how to approach improving credit and managing resources—which as a downstream positive effect on my mental health!"

CVOEO's 2019 Annual Financial Futures Program survey reports:

- 80%** of respondents created financial goals and 95% have taken steps to achieve these goals
- 52%** of respondents started saving money after working with the Financial Futures program
- 41%** of respondents reduced debt after working with Financial Futures Program

Testimonials:

"Before my involvement with Financial Futures, I didn't know about all the different steps I actually could take to improve my situation—but your coaches and advisers have helped so much."

*"You are all indispensable to the community—
Friendly, Smart, Helpful!"*

An Overview

Most Vermonters can agree that between paying for housing, childcare, transportation, food, loan obligations and utilities, there's often not a lot of income left over for saving.

That's where Vermont's Community Action Network can help. With our comprehensive financial education and financial coaching services, which vary by agency, our staff work directly with low and moderate income Vermonters to help them assess their financial situations, determine their options, and create financial goals.

Our statewide staff, which consists of program coordinators, financial coaches, and accredited financial counselors, are trained to provide appropriate and meaningful personal finance guidance to Vermonters who are having difficulties paying down debt, saving money, or managing their transportation or housing costs.

By assessing the situation and meeting the client where they are financially, our staff work with individuals and families to help them build economic opportunity and a better financial future.

Programs and Services

Programs and services vary by Community Action Agency (CAA) based on current funding and include:

- Budgeting support
- Debt reduction planning
- Savings strategies
- Credit Building services
- Financial education classes
- Student Loan repayment counseling

Two of the five CAAs offer dedicated financial coaching and counseling services. Capstone Community Action and CVOEO have a combined two full time AFCPE® Accredited Financial Counselors, 1 full time financial coach and two part time financial coaches.

The Vermont CAA Network is requesting support to continue services at Capstone and CVOEO and to expand services to SEVCA, NEKCA, and BROCC.

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* A SAMPLING OF THE WORK WE ARE DOING *

BROC Community Action in Southwestern Vermont (BROC)—Homeless Prevention

BROC Community Action and the Homeless Prevention Center in Rutland have been working together with clients to prevent homelessness. The Homeless Prevention Center (HPC) has their clients work with the Economic & Workforce Development Program at BROC Community Action on budgeting and credit reports as a requirement for their clients in the “Renters 101” curriculum. In the past two years 80 clients have called and set up an appointment to meet with Shelley Faris one-to-one to create a monthly household budget and review their credit report. At this meeting the client is engaged in making decisions on priority spending of their income based on their basic needs and goals. The credit report is pulled to first determine that it is correct information and to dispute any errors and to make sure there is no identity theft. A plan is developed to address any negative information such as collection accounts and high debt to work towards an improved credit report and credit score. This is essential for people looking to rent housing and secure a fuel dealer. The monthly budgeting ensures a stable financial plan to retain the housing long term. The value of financial capability education is crucial to help people set a new course of stability in their lives and find a path out of poverty.

Capstone Community Action—Partnering with Reach Up

Financial Coach, Mary Johnson, has been partnering with People’s United Bank in Morrisville to provide “lunch and Learn” financial fitness classes to parents on Reach Up. Topics include budgeting, credit building, debt reduction, and how to buy a vehicle. Participants earn incentive money to attend classes and work on their personal finance. One client, a single mom who lives in United Way of Lamoille County’s New Foundations housing program, has been working with Mary to achieve her requisite savings goals in order to stay and then graduate from the program. Despite struggles with her transportation which cause her to get behind on her savings, she continues to meet with Mary and earn incentives from Reach Up that enable her to save enough money so that she can eventually move out on her own.

Champlain Valley Office of Economic Opportunity (CVOEO)—Debt Management Support

NG, a single mother on Reach Up, worked with Financial Futures to meet several goals related to savings, debt, and credit. CVOEO’s Financial Coach found two mistakes on her credit report that she successfully disputed. When she received her 2017 tax refund, she worked with her coach to make a plan to use some to settle high priority debts and put some money in savings. She paid off a \$2,000 debt to CCV, allowing her to access her transcript and continue school and paid down the remaining \$2,400 of her car loan. In addition, she saved \$500, of which \$250 was matched dollar for dollar through the Reach Up Financial Incentive Program.

Northeast Kingdom Community Action (NEKCA)—Budgeting Assistance for Seniors

Seniors in the Northeast Kingdom often live on a limited income and depend on the resources of their local Community Action Agencies. Mary, age 60, had spent her entire career as a nurse and caretaker, and was now unable to work due to back pain. She had already created a network of support for subsidized housing, SNAP benefits, SSDI and medical care. She came to NEKCA for budgeting assistance. She was frustrated as she felt she was doing all she could and still couldn’t make ends meet. She had to use her credit card to pay for medication, and as a diabetic she felt limited using the food shelf. Mary benefited greatly from one-to-one financial coaching: she wanted to maximize her income and ease her cash flow. She had to make some tough choices and compromise on things that most people take for granted. For example, going to the library to borrow a free movie instead of having cable might not seem significant, but it is to someone who has spent their entire life working.

Southeast Vermont Community Action (SEVCA)—Financial Coaching in Recovery

SEVCA’s part-time matched savings program coordinator offers financial fitness classes and workshops to local non-profit programs serving vulnerable populations. SEVCA is currently working with the executive director of Turning Point of Windham county to arrange financial fitness workshops. Turning Point provides services, free of charge, that help improve the health and welfare of people whose lives have been affected by addictions and who are pursuing recovery. Most guests are low to moderate income and not only recovering from addiction, but also may be navigating other life transitions and dealing with the aftermath of their addictions. Financial coaching and workshops are services that can support people who are returning to the community after incarceration, seeking shelter or employment, or reuniting with their families.