



AFI

Creating a Pathway to Financial Stability

De-mystifying Financial Capability: Theory and Practice

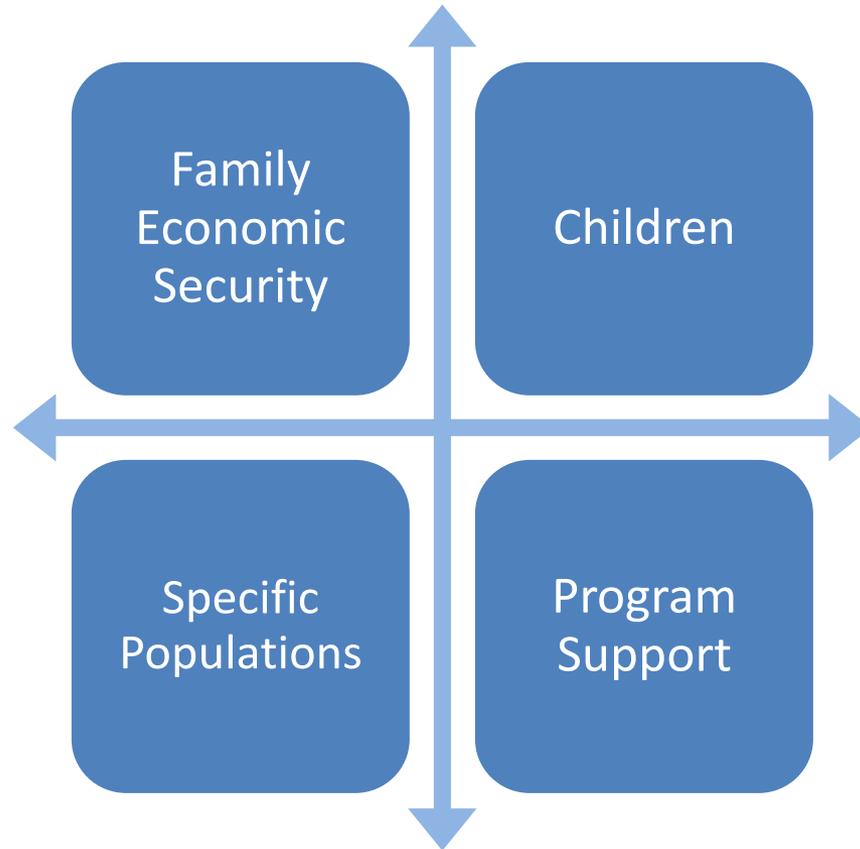
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Director

Office of Community Services
Administration for Children and Families

50th anniversary of the War on Poverty



Four Sections of the Administration for Children and Families (ACF)



Office of Community Services (OCS)

- ▶ Partners with states, tribes, territories, community-based organizations to eliminate poverty through:
 - Low Income Home Energy Assistance Program
 - Social Services Block Grant
 - Community Economic Development Program/Healthy Food Financing Initiative
 - Rural Community Development Program
 - Community Services Block Grant
 - Assets for Independence



In FY 2013, for every \$1 of CSBG, the Community Action Network leveraged \$7.46 from state, local and private sources.

Assets for Independence (AFI) program

- ▶ Asset-building demonstration program.
- ▶ Funds projects that provide Individual Development Accounts (IDAs) and related services to low-income people.
- ▶ IDAs are matched savings accounts that can be used by low-income individuals to acquire an asset:
 - first home,
 - small business, or
 - post-secondary education or training.
- ▶ OCS is the largest federal funder of IDAs.



Financial Capability Strategies



Source: CFED website

Why integration?

- ▶ **Scale:** How to reach more people?
- ▶ **Cost:** How to stretch tight budgets?
- ▶ **Timing:** How to reach someone when they are ready and need the service?
- ▶ **Client-centered:** How to reduce obstacles and streamline the client experience?
- ▶ **Holistic:** How to reduce stress in households and to improve overall well-being?
- ▶ **Outcomes:** How to improve client outcomes for the long-term?

Leveraging AFI for Integration

- ▶ AFI has been **developing knowledge** related to supporting asset building for low-income people since it began in 1999.
- ▶ ASSET Initiative
 - 2009 - AFI begins **partnering within ACF** to **expand access** to financial capability strategies.
 - 2012 - AFI partners with CFED for the next phase of the ASSET Initiative, continuing to work with ACF programs and also looking for other **integration opportunities**.
 - Our current work is focused on the following areas:
 - Head Start
 - Community Health Centers
 - Opportunity Youth
 - Temporary Assistance for Needy Families (TANF)
 - Foster/independent living youth

OCS Integration Efforts and Resources

- ▶ Field scan of integration efforts
- ▶ Learning clusters around Head Start and community health centers
 - Practice briefs are being developed in these areas to share lessons learned from innovators
- ▶ TA for a few state/local TANF programs exploring integration options
- ▶ Foster Youth Financial Empowerment Toolkit, in partnership with ACF's Children's Bureau
- ▶ Financial Capability Integration Toolkit

Interdepartmental Integration Opportunities

- ▶ Leveraging our connections to other federal partners in the **Financial Literacy and Education Commission (FLEC)**.
- ▶ Partnered with the Consumer Financial Protection Bureau on *Building Financial Capability in Youth Employment Programs*.
 - This report provides an overview of lessons drawn from a 2013 roundtable that focused on efforts to help youth build financial capability through employment programs.

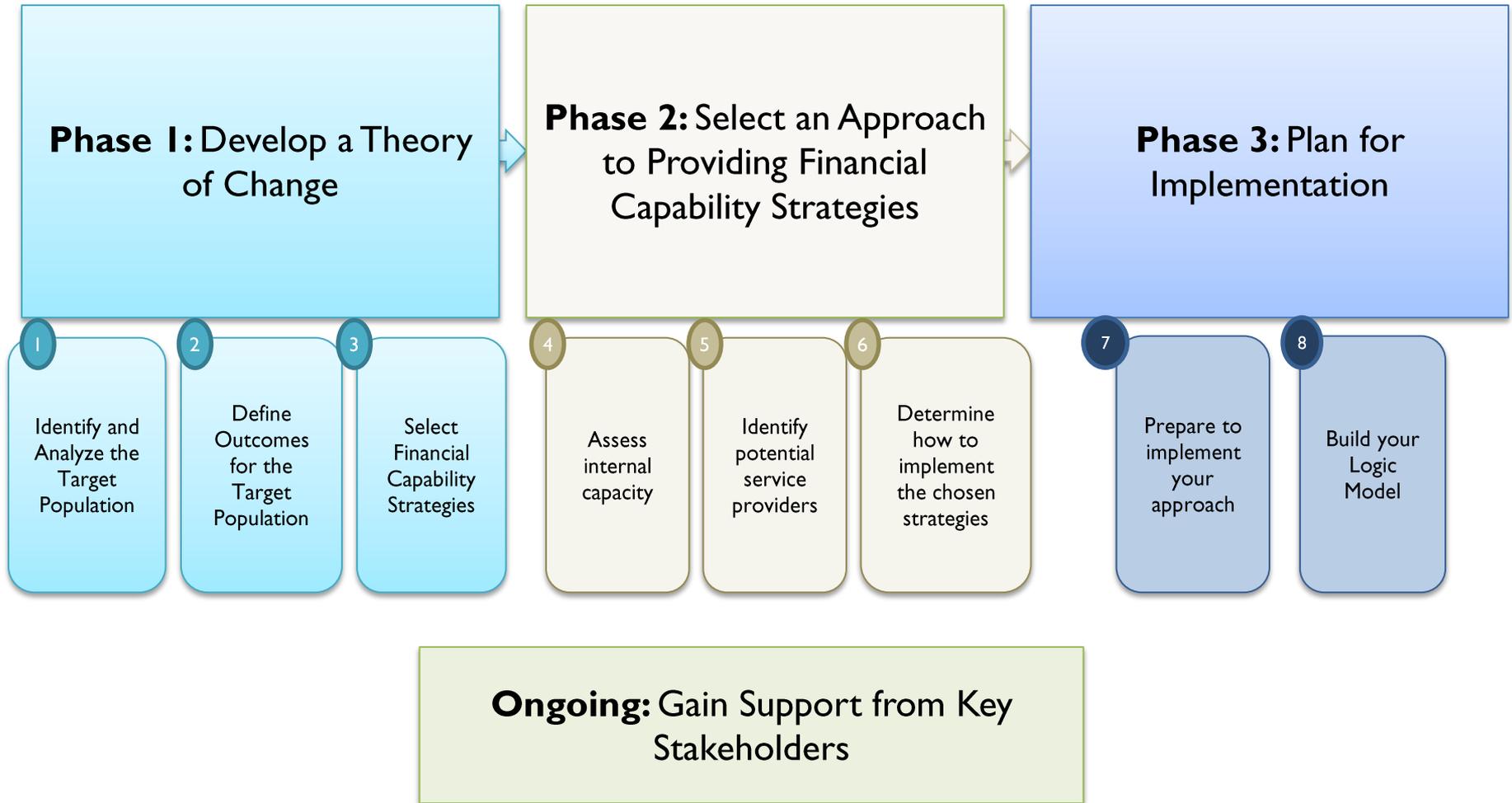
Financial Capability Integration (FCI) Toolkit

- ▶ This toolkit is for organizations that serve low-income and/or vulnerable populations. Examples:
 - Social services
 - Affordable housing
 - Health
 - Education/training
 - Domestic violence
 - Workforce development
- ▶ The toolkit aims to provide both structure and flexibility.
 - It can be used as a whole, taking an organization through a full planning process.
 - It can be used in part, with organizations picking out individual tools that meet their needs at any given time.

FCI Toolkit: Pilot/Beta Phase

- ▶ The toolkit is currently in a pilot phase.
 - Six organizations are testing it this summer. They will provide us with feedback to refine and improve the toolkit before it is finalized.
 - Other networks and organizations have been invited to provide feedback on the draft toolkit as well. There is an ALC session tomorrow previewing the toolkit.
- ▶ This fall, we will revise and finalize the toolkit.
- ▶ Target for release is early 2015.

FCI Toolkit Overview





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