



## Financial Empowerment

### Building a Stable Family with Financial Security.

Few would deny that economic stability breaks the cycle of generational poverty, reduces debt, establishes credit, and builds assets. Yet, many women are fighting what they see as an unwinnable economic battle: their family's day-to-day needs take priority over savings and prudent money management.

#### Finding the Paths to Prosperity

Started in 2004 to provide basic financial literacy to low-income women, YW Financial Empowerment has evolved into a broad asset-building initiative that includes IDAs (Individual Development Accounts or matched savings accounts), coaching, and a wide variety of financial educational offerings.

#### Financial Education Workshop Series

Expert volunteers lead a four-to-six week, 12-hour series on setting financial goals and spending plans, effective savings habits, credit, investing, and building assets. These small-group workshops begin with the fundamentals and proceed as the client's understanding grows. By teaching over a series of weeks, clients are better able to apply the skills learned and practice using tools while receiving individual coaching and reinforcement. Three months after completing the YW Financial Education Workshop Series:

- 4 out of 5 graduates report an increase in savings and reduced personal debt
- 4 out of 5 graduates are teaching their children financial literacy
- 4 out of 5 graduates follow a household budget
- 7 out of 10 graduates report an easier time paying bills
- 7 out of 10 graduates have set AND achieved a personal financial goal

#### Continuing Education Workshops

YW Continuing Education Workshops provide supplemental information on topics such as credit, investments, payday loans, identity theft, and small business development. Each workshop is one-to-two hours in length and led by trained volunteers.

#### Individual Development Accounts

YW offers the only public Individual Development Accounts (IDA or matched savings account) in Dallas County. YW IDAs help low-income families save for high return investments such as a house, higher education, or small business development. Savings are matched up to a 4:1 rate with a maximum match amount of \$4,000 for home purchases or

post-secondary education, and 2:1 rate with a maximum match amount of \$4,000 for starting a small business.

#### Self-Sufficiency Calculator

The YW Self-Sufficiency Calculator matches hard-working Dallas families with the appropriate benefits to mend their current financial gaps while they work toward financial independence. Clients meet one-on-one with a YW Coach and report their family's monthly income and expenses. Then, the YW Self-Sufficiency Calculator shows clients exactly how their monthly income is being spent - allowing the creation of a more cost-effective budget - and identifies which of the nine benefits and three tax credits a family may be eligible to receive. YW connects clients to community partners when additional needs are identified through the screening process.

#### Poverty Today in Texas

Having a hard-working parent who works 40 or more hours a week year-round, does not guarantee financial stability:

- 37% of working families in Texas are low-income (compared to 28% nationally).
- One out of every three jobs in Texas is low-wage – paying \$20,000 or less annually.
- Texas remains the state with the highest uninsured rate in the nation at 26% (compared to the national average of 16%) with the total number of uninsured Texans at 6.4 million people.
- 33% of Texans are unbanked (compared to the national average of 26%).

*\*Sources available upon request.*

