



Increasing Financial Security

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Commerce

Family Financial Assets

Increase the financial stability of your household

- ▶ Home
- ▶ Savings account
- ▶ Retirement/investment account
- ▶ Post secondary education
- ▶ Small business ownership

Home Ownership

Typically the largest investment a family will make

- ▶ Leads to wealth creation
- ▶ Potential tax advantages
- ▶ Payment stability
- ▶ Equity incase of emergency
- ▶ Secure retirement
- ▶ Increase quality of life
- ▶ Pride

Home Ownership

According to Habitat for Humanity, studies indicate children who live in a family owned home perform better in school, their graduation rate is 19% higher than that of renters and they are twice as likely to attain some post secondary education. The studies also report home owners are more involved in their community than renters.

Home Ownership leads to:



Increases in:

- Graduation rates
- Children's good health
- Net family Wealth



Decreases in:

- Children's behavioral problems
- Reliance on government assistance
- Asthma



Savings Accounts, Retirement Accounts

- ▶ Rainy day and emergency funds
- ▶ Maintain standard of living during retirement





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According to the FDIC Report on the Economic Well-Being of U.S. Households in 2017, 4 out of 10 adults in 2017 would either borrow, sell something, or not be able to pay if faced with a \$400 emergency expense. And almost 40% of American households are liquid asset poor, not having enough savings to replace income at the poverty level for 2 months.



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Small Business Ownership



Additional Household Income

Pursue passion

Flexibility

Equity

Tax Benefits

Post Secondary Education

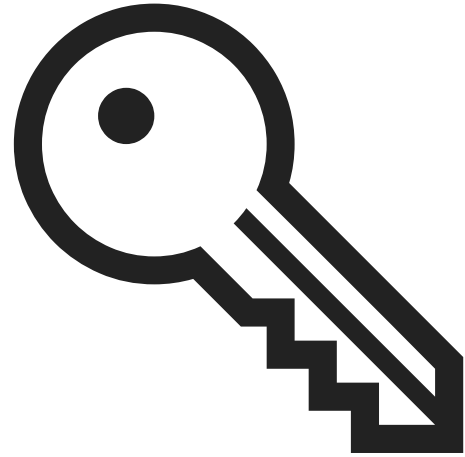
- ▶ Increased income potential
- ▶ Lower unemployment risks
- ▶ Personal and social benefits

People with post secondary education tend to make healthier choices, have a higher sense of accomplishment, and enjoy the ability to pursue their passion.



Why are family financial assets important?

- ▶ **Stability**
- ▶ **Improved mental and physical health**
- ▶ **Weather emergencies or temporary setbacks**
- ▶ **Build wealth**
- ▶ **Change your family's future**



How to help families build assets...

Financial Education



Credit Coaching



VITA



Down Payment Assistance




IDA



Financial Skills

- ▶ **Financial skills – making responsible basic financial decisions**
- ▶ **Not just for “poor” people – financial illiteracy spans across income brackets**






an underlying belief is that lower-income Americans don't know how to manage their money as well as the rich do -- when the exact opposite is true. The very nature of poverty means that the poor are often the savviest budgeters of us all. This is borne out of necessity. If you have limited income, the daily tradeoffs you face prompt you to watch your finances more closely. People who are better off financially, on the other hand, have little need to count every penny.

Matt Darling, *What the Poor Don't Need: Financial Literacy Training*





Personal financial skills are important because without them, people usually spend their entire lives slaving for money, always in debt, never able to catch up and get ahead. This is bad enough, but the issue goes far deeper. When children watch their parents slaving for money, always owing more than they get from their hard work, the children usually repeat that behavior as adults. Why is personal finance important? Because without it, generations of people will most likely continue to live unfulfilling lives as slaves to money.

National Financial Educators Council



Financial Skills

- ▶ Wells Fargo study reports 54% of millennials state debt is their biggest financial concern.
- ▶ Society for HR Management reports 83% of HR professional indicated financial challenges had at least some impact on employee performance.
- ▶ Financial illiteracy: costs money, causes stress, and can prevent employment.
- ▶ Remove barriers related to asset attainment

Credit Coaching

- ▶ Confidential
- ▶ One on One
- ▶ Credit report review
- ▶ Establish goals
- ▶ Create action plan
- ▶ Referrals to other resources
- ▶ Regular follow up



Volunteer Income Tax Assistance

- ▶ Free tax preparation and filing
- ▶ Significant savings to tax payers
- ▶ No predatory fees or products
- ▶ Use as an opportunity for financial education
- ▶ IRS grant available for program operation



Individual Development Accounts



- ▶ **Matched savings accounts**
- ▶ **Use for home purchase, home rehabilitation, post secondary education, small business**
 - ▶ **Rewards savings**
 - ▶ **Creates a saving habit**

Down Payment Assistance

Funds used for the purchase of a home

- ▶ **Models:**
 - ▶ **Flat amount**
 - ▶ **Percentage of purchase price**
 - ▶ **Closing cost assistance only**



Measuring Outcomes

Why?

- ▶ Document your Success
- ▶ Funding applications
- ▶ Inspire others to participate in your program
- ▶ Motivate staff

How?

- ▶ Pre-assessment
- ▶ Post-assessment
- ▶ Success stories

What?

- ▶ Banking relationships
- ▶ Savings balances
- ▶ Debt to income ratios
- ▶ Financial skills
- ▶ Net worth



Cherokee Nation Impact since 2015



684 families purchased a home, with an average 20% in equity

1,036 participants utilized \$1,910,934 in match funds

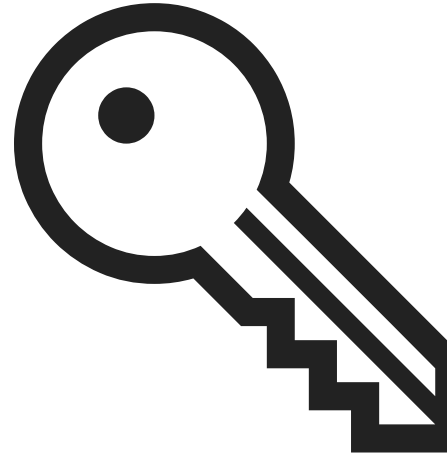
7,748 families received financial education

171 businesses received \$9,880,909 creating 825 jobs

8,615 tax returns provided \$11.3m in refunds

Lessons Learned...

- ▶ **Be flexible**
- ▶ **Clear policies**
- ▶ **Incremental successes and incentives**
- ▶ **Word of mouth**
- ▶ **Document, document, document**
- ▶ **Invest in staff training**



Thank you!

Any questions?

You can find us at www.cherokee.org

