



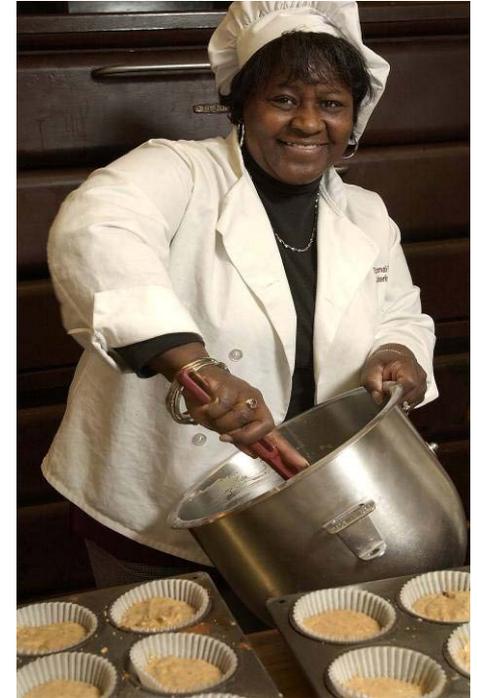
**Jobs Are Not Enough
Promoting Financial Stability**

2/23/2012



Financial Stability Goals

- Sufficient family income
- Transferable job skills
- Manageable expenses
- Smart debt
- Post-secondary education plan
- Real opportunity for retirement
@ 65



Jones Family in Baltimore, MD	Before	Workforce Development	Access to Benefits	Accessing Affordable Financial Services
Income				
Wage	\$ 19,008	\$ 25,344	\$ 25,344	\$ 25,344
Child Support	\$ 2,436	\$ 2,436	\$ 2,436	\$ 2,436
Interest Income from Savings (avg. \$1500 at 1.5%)	-	-	-	23
Total Income	\$21,444	\$ 27,780	\$ 27,780	\$ 27,803
Expenses				
Housing/Utilities	\$ 8,808	\$ 8,808	\$ 7,603	\$ 7,603
Child Care	\$ 8,988	\$ 8,988	\$ 5,842	\$ 5,842
Food	\$ 4,752	\$ 4,752	\$ 4,752	\$ 4,752
Transportation	\$ 3,444	\$ 3,444	\$ 3,444	\$ 3,444
Health Care	\$ 3,108	\$ 3,108	\$ 1,942	\$ 1,942
Miscellaneous	\$ 2,880	\$ 2,880	\$ 2,880	\$ 2,880
Total Household Expenses	\$31,980	\$ 31,980	\$ 26,463	\$ 26,463
Check-cashing	\$ 380	\$ 507	\$ 507	60
Furniture Finance Charges (valued at \$2000)	\$ 1,809	\$ 1,809	\$ 1,809	\$ 70
Emergency Loans (or pay-day)	\$ 596	\$ 596	\$ 596	\$ 85
Total Finance Charges	\$ 2,785	\$ 2,912	\$ 2,912	\$ 215
Earned Income Tax Credit (federal)			\$ (518)	\$ (518)
Child Care Tax Credit			\$ (960)	\$ (960)
Child Tax Credit			\$ (2,000)	\$ (2,000)
Total Expenses	\$ 34,765	\$ 34,892	\$ 25,897	\$ 23,200
Net Income	\$ (13,321)	\$ (7,112)	\$ 1,883	\$ 4,602

Financial Stability Outcomes

- Net income
 - All income- all expenses (monthly)

- Credit report/score improvement

- Employment retention
 - 3, 6, 12 & 24 month
 - Career/wage advancement

- Net worth (annual)
 - Assets – Liabilities



Integrated Service Delivery

❑ Employment Placement & Career Advancement

- Job placement/advancement
- Educational attainment

❑ Financial counseling & coaching

- Financial management workshops
- One-on-one coaching & counseling
- Better priced financial services

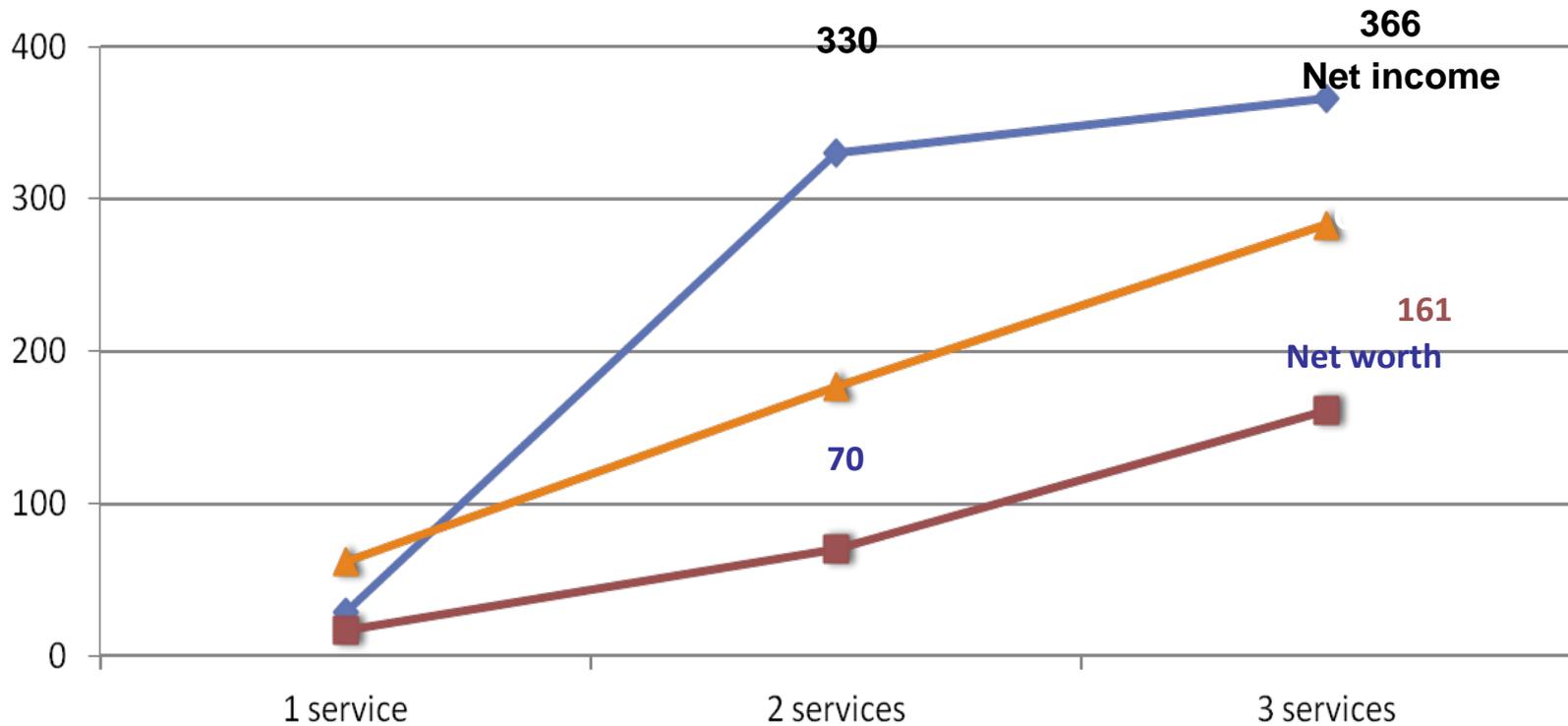
❑ Income supports

- Public benefits
- Tax credits



Three services better than one

Number of clients with improvements in past 12 months



Findings

- ❑ Positive net income matters most to long term client engagement
- ❑ Positive monthly cash flow leads to job retention and work on personal finances
- ❑ Employment programs (short-term) cannot raise income enough make cash flow positive
- ❑ Credit scores matter to daily living expenses & improvements indicate financial behavior
- ❑ Composite outcomes are more complex to track, but lead to improvements in program service delivery and client outcomes

LISC Financial Opportunity Centers



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