

Integrating Financial Capability Services into Tribal TANF: A Case Study

Financial Capability Integration

Financial capability is the capacity—based on knowledge, skills and access—to manage financial resources effectively. Financial capability services include financial education, financial coaching, financial counseling, credit counseling, credit building, access to safe and affordable financial products, free tax preparation assistance, access to federal and state benefits, incentivized savings programs and asset ownership programs.¹ Integration refers to incorporating financial capability services directly into existing services that are being provided, rather than creating a standalone program.

[Building Financial Capability: A Planning Guide for Integrated Services](#) (the Guide) provides a series of tools to navigate key decision points for integrating financial capability services into existing programs. Tools from the Guide are highlighted throughout this brief.

Temporary Assistance for Needy Families (TANF) is a federally funded program administered by the Office of Family Assistance (OFA) that is designed to help needy families achieve self-sufficiency through cash assistance and services to promote job preparation, work, and marriage. Tribes and tribal organizations can apply to receive block grant funding to operate TANF programs. The four purposes of TANF are to help families by providing temporary cash assistance, supporting job skill growth and employment, reducing out-of-wedlock pregnancies, and encouraging two-parent families.

This brief is a companion to [Building Financial Capability: A Planning Guide for Integrated Services](#) (the Guide). The Guide provides a comprehensive series of tools to walk through the key decision points for planning to integrate financial capability services into existing programs. The feature boxes used throughout this brief highlight tools that can be found in the Guide. The brief describes the experience of the Pascua Yaqui Indian Tribe, which has worked to integrate financial capability services into its TANF program. The lessons described in this brief may not apply to all tribes working to integrate financial capability services, since there is significant variation across tribal communities. The brief is organized into three sections: understanding families' current financial lives and selecting services, deciding who will deliver the services, and deciding when services will be delivered.

Understanding Clients' Financial Lives and Selecting Services

TANF programs should plan to assess families' current financial lives before choosing which financial capability services to deliver. An assessment helps organizations gain a better

¹ United States Department of Health & Human Services. "About Financial Capability Services," *Office of Community Services*, March 29, 2016, <https://www.acf.hhs.gov/ocs/resource/financial-capability-services>.



understanding of their clients and how they are navigating financial challenges. Organizations can use this information to decide which financial capability services will have the greatest impact for families.

Lessons from the Pascua Yaqui Tribe

Tribal TANF programs differ from State TANF programs in important ways, which impact the lessons described in this brief. Tribal TANF programs are often serving a more defined and homogeneous population than State TANF programs. Tribal programs are also smaller, and staff from the programs often have strong relationships with each other and with their clients, which can support the integration process. The Pascua Yaqui Tribe's TANF team had a basic understanding of their TANF recipients' financial conditions, but they wanted to better understand why many of the same families return for TANF support.

TOOL 1: How Your Clients Manage Now

Tool 1 from the Guide gives a structure for gathering and distinguishing information about households' financial lives. Appendix B from the Guide gives sample questions organizations can ask households to complete their assessment.

The TANF team collected and reviewed case notes from daily program management to identify trends across client experiences. They also reviewed information typically collected through intake and program management to ground their understanding of families' financial lives in demographic and financial data. This initial scan of existing information revealed that clients are consistently unable to pay for basic needs due to limited income, lack of employment or underemployment, and lack of savings.

To further understand the financial challenges of TANF clients, the team developed a survey to gather information about families' financial attitudes and behaviors, as well as their financial challenges and goals. Because the Pascua Yaqui TANF program serves a smaller population relative to a State TANF program, they were able to achieve a high response rate on the survey. The survey results suggest that families are interested in education to build their money management skills. The TANF team also learned that most of their clients do not receive tax credits and many struggle with debt and building credit. Many clients have no credit history, poor credit scores, and limited access to credit products. With limited or fixed income, TANF clients rely on cash instead of credit to manage their expenses. They want to save but their limited income makes doing so difficult.

After reflecting on the information gathered from existing data, case notes, and survey responses, the Pascua Yaqui TANF team concluded that clients could benefit from a variety of financial capability services. First, the TANF team decided to prioritize connecting clients to free tax preparation services to help clients gain access to state and local tax credits to maximize their incomes. They also identified financial education, light-touch financial coaching, credit counseling, and education as services that can support clients' ability to meet financial goals and work toward self-sufficiency. Lastly, the team decided to build a partnership with a local credit union that many of the members already used, which was familiar with the needs of the tribe and low-income communities, and was willing to send staff to the reservation to connect clients to safe and affordable financial products that support financial needs now and in the future.



Deciding Who Will Deliver Services

There are different approaches organizations can use to provide financial capability services within existing programs. These approaches are:

- **Refer:** Finding organizations that provide financial capability services and setting up a process for referring clients to those services
- **Partner:** Developing partnerships with other organizations to deliver financial capability services in one convenient location or with a shared brand
- **Do-it-Yourself (DIY):** Building the internal capacity to deliver financial capability services

Organizations can also combine these approaches to create a tailored integration plan.

Lessons from the Pascua Yaqui Tribe

The Pascua Yaqui TANF team took a blended approach to providing the financial capability services they identified: building their own capacity to deliver some services, finding partners, and referring clients for other services. They decided to integrate financial coaching and financial education by using the “Do-It-Yourself” (DIY) approach and utilized referrals and partnerships to connect clients to free tax preparation services, banking services, and credit counseling and education. By taking this blended approach, the TANF team will make the best use of existing staff capacity and gain the additional capacity of partnerships to deliver a wide range of services.

TOOL 7: Deciding Who Will Deliver Services

Tool 7 can help organizations decide on the right integration approach for each financial capability service they decide to integrate.

The TANF team decided to provide light-touch financial coaching and financial education using the DIY approach because these services align closely with existing services provided by staff. For example, since TANF staff already meet with clients regularly, integrating more intentional conversations about financial matters into case management will be the most efficient and effective way to help clients make and achieve financial goals while also meeting them where they are. Similarly, since tribal members—including TANF clients—already access financial education through the Tribe’s job and life skills training provided by the Adult Services and Employment Services departments, the TANF team decided to strengthen existing financial education rather than refer or partner to provide financial education. The team decided to shift their current financial education workshops and computer-based financial literacy program to a more up-to-date financial education software that allows staff to track and monitor progress. As a result, frontline staff will be able to encourage and support clients’ financial education goals in a way that is already familiar to everyone. Additionally, by using a DIY approach to financial education, the TANF team was able to ensure that the curriculum and examples were relevant to the Pascua Yaqui community.

The TANF team chose to provide free tax preparation assistance using the referral method because it learned that Volunteer Income Tax Assistance (VITA) is already being delivered by the Tribe through a different tribal department. VITA is a program that offers free support to people who generally make \$54,000 or less, persons with disabilities, and limited English-speaking taxpayers



who need help preparing taxes.² Free tax preparation services help households not only avoid costly tax preparation fees, they also increase access to critical tax credits that boost income, like the Earned Income Tax Credit and Child Tax Credit. By referring TANF clients to VITA resources within the Tribe and on the reservation, TANF households will be able to access free tax preparation services without having to travel.

Finally, the TANF team chose to provide banking services and credit counseling and education through a partnership and referral approach with its financial institution partner since it does not have capacity to provide these services in-house. The TANF team conducted a scan of financial institutions in the Tucson area with the aim of finding a banking partner that would be a good fit for TANF clients who would like to open checking or savings accounts or who want to receive credit counseling. It was important for the TANF team to find a partner that had previously worked with Tribal populations and was attuned to the needs of their population, including family structures and financial obligations within the Tribe. In addition, the partner needed to be comfortable working with clients who had low levels of literacy, numeracy, and digital literacy, given the needs among their TANF clients. The Pascua Yaqui Tribe sought a partner that will not only be able to provide access to safe and affordable financial services for TANF clients, but also provide credit workshops on the reservation and one-on-one credit counseling. They conducted a community scan of financial institutions and are developing a formal agreement with between one of the financial institutions and the Pascua Yaqui Tribe.

Delivering Services

To meet people where they are, financial capability services are best delivered when the content is most relevant and at a place that is convenient for clients. When financial capability services are truly embedded into existing programs, clients are better able to take advantage of what is being offered because the additional services are offered in tandem with services they are already accessing. Furthermore, integrated services allow the client to receive more services in a way that is familiar.

Lessons from the Pascua Yaqui Tribe

The Pascua Yaqui TANF team wanted to integrate services in a way that would be appropriate and accessible for clients. To achieve this, they mapped out a typical client's experience participating in the TANF program and identified when and how clients access different services being offered. Since the TANF program has rolling entry with clients cycling in and out throughout the year, the TANF team decided to offer financial capability services during case management sessions and to tailor the services based on clients' goals.

TOOL 8: Current Program Workflow

Organizations use Tool 8 to understand clients' experience of the program and identify opportunities to offer financial capability services.

² The Internal Revenue Service (IRS) is the administrator of the VITA grant program and is responsible for the certification process for tax volunteers. This brief should not be viewed as guidance on VITA grants or tax volunteers. Information on the VITA grant program is available at <https://www.irs.gov/individuals/irs-vita-grant-program> and information on tax volunteers is available at <https://www.irs.gov/individuals/irs-tax-volunteers>.



The TANF team decided that frontline TANF staff will provide light-touch financial coaching by incorporating more intentional financial goal setting and goal achievement conversations as part of its regular case management. Similarly, for tax preparation, frontline staff will regularly encourage TANF clients to use the VITA services the Tribe already provides as part of ongoing case management. They will make direct referrals just prior to and during tax season when TANF clients are thinking about their taxes. Additionally, the VITA team will provide workshops throughout the year and encourage TANF clients to attend as they are able.

Given that financial education through computer-based modules has always been available, the frontline TANF staff will more intentionally encourage TANF clients to access the new financial education software as a part of ongoing case management. The education is meant to be self-paced and self-guided, though staff will be able to check progress or make suggestions about completing specific sections that align with clients' financial goals. Because TANF clients are already working on a variety of program requirements, providing access to financial education at the same time lets them learn tools and skills at a pace that works for them. Additionally, the Pascua Yaqui Tribal TANF program is planning to have the financial education classes count toward participants' Work Participation Rate.

The TANF team is still deciding how to integrate banking and credit counseling into its services. They expect that frontline staff will regularly recommend that their TANF clients open accounts with their financial institution partner or seek credit counseling as part of ongoing case management, especially for clients who don't have a bank account, use alternative financial products like high-interest payday loans or high-cost check cashing services, or those who set a financial goal related to credit. The team expects that their financial institution partner will come to the reservation and provide workshops on accessing and using financial services and credit. Once their partnership agreement is established, the TANF team plans to think more critically about how they will connect TANF clients to this service.

About this Brief

The primary audience for this brief is tribal organizations who administer TANF. The secondary audience is tribal organizations who administer financial support programs. This brief is a companion resource for the Guide, intended to provide real-world examples of financial capability integration efforts. This practice brief was produced by Prosperity Now (formerly the Corporation for Enterprise Development) under contract to the Office of Community Services in the Administration for Children and Families, a division of the United States Department of Health and Human Services.

The Pascua Yaqui Tribe received technical assistance from Prosperity Now and First Nations Oweesta Corporation to support their planning efforts to integrate financial capability services into services they already provide.

Pascua Yaqui is a federally recognized tribe of Yaqui Native Americans located in Southern Arizona. The Tribe provides a broad array of supportive services as part of its mission to protect, assist, and empower tribal families by collectively building a resilient and thriving nation. The Adult Social Services Department and the Adult Social Services Center for Employment and Training are committed to helping tribal families achieve financial well-being. Staff from this department



embarked on an integration planning process to provide TANF clients with financial capability services.

