

Emily De Maria

Senior Director of Programs, Capital Area Food Bank

Board Member, RAISE Texas



The mission of the Food Bank is to nourish hungry people and lead the community in ending hunger.



Capital Area Food Bank

Mission: To nourish hungry people and lead the community in ending hunger.

- Largest hunger relief organization in Central Texas, working with a core network of nearly 300 Partner Agencies throughout 21 counties to distribute nutritious food;
- Serve nearly 46,000 people every week – 40% of which are children or the elderly
- 75% of our client households had at least one working adult; Only 7% of our clients report being homeless
- 80% of our client households report choosing between paying for food and paying for medicine or medical care; 66% of our client households report choosing between food and paying the rent
- Provide broad array of programs and services including year-round children's meal programs, groceries for older adults, assistance in applying for SNAP (food stamps)

What is Asset Building

What are assets?

Assets are tangible and intangible economic resources – a home, savings in a bank account, a college education – that can produce value for their owner

What is asset building?

Asset building refers to strategies to help families escape poverty - strategies that move beyond a focus on income to include a focus on assets and long-term economic success.

(CFED, Why Assets Matter)

Income AND Assets

- Asset Building is important because Income by itself – is necessary, but not sufficient, to allow families to escape poverty, achieve financial stability and move up the economic ladder
- 15% of American households have incomes that fall below the federal poverty level

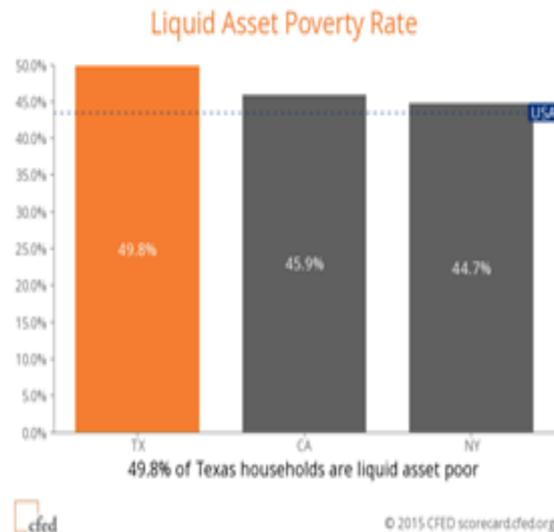
BUT:

- 26% of American households are asset poor – meaning they do not have enough resources (i.e., net worth) to subsist at the federal poverty level for three months if their income were interrupted
- Reality: When you exclude assets that are not easily converted to cash such as a home or car then the 'liquid asset poverty rate' increases to 44% of households

(2013 Assets & Opportunity Scorecard, CFED)

Asset Poverty in Texas

An astonishing **50.0%** of Texans are below the Liquid Asset Poverty Line (\$4,773), meaning that they do not have sufficient savings to live three months at the poverty line without income. Many times this sudden lack of income results from loss of job, medical emergency or some other unforeseen crisis, leaving the individual or household having to choose between paying for certain essentials, including food.



The mission of the Food Bank is to nourish hungry people and lead the community in ending hunger.

Strategies

- Core strategies that include a focus on both increasing income and building assets
- Three core components: Increase Income, Build Savings, Gain/Maintain Assets
- Over time – CFED developed the Household Financial Security Framework
- Assets and Opportunity Scorecard – 50 state+ assessment on 135 outcome and policy measures

CFED: Household Financial Security Framework

- Helps to clarify the many factors that contribute to building family financial security and/or eroding it
- Recognizes dynamic and iterative process by which families gain skills, increase income, save, leverage into assets and protect gains made along the way
- LEARN, EARN, SAVE, INVEST and PROTECT

Household Financial Security Framework



LEARN

Knowledge and skills that enable navigation of and success in markets (labor, financial) have a direct bearing on financial security

- **K-12 & Postsecondary Education:** Basic literacy and math skills, plus commitment to lifelong learning are critical for employment and advancement
- **Financial Education & Counseling:** Timely, relevant, accurate information on basic budgeting, taxes, financial products and services, and use of credit
- **Asset-specific Education:** Preparation for homeownership, business ownership, postsecondary education, and financial investments

Assets can increase income and earning capacity



PROTECT

Gains must be protected against loss of income or assets, extraordinary costs, and harmful or predatory external forces

- **Insurance (public or private):** Protects against loss of income or assets as well as against extraordinary costs (e.g., unemployment, disability, life, health/medical, property)
- **Consumer Protections:** Protect consumers from discriminatory, deceptive and/or predatory practices (e.g., redlining, predatory mortgage lending, payday lending, banking practices)
- **Asset preservation:** Depends on government policies (e.g., community investments, blight ordinances, foreclosure prevention) and market conditions

The mission of the Food Bank is to nourish hungry people and lead the community in ending hunger.

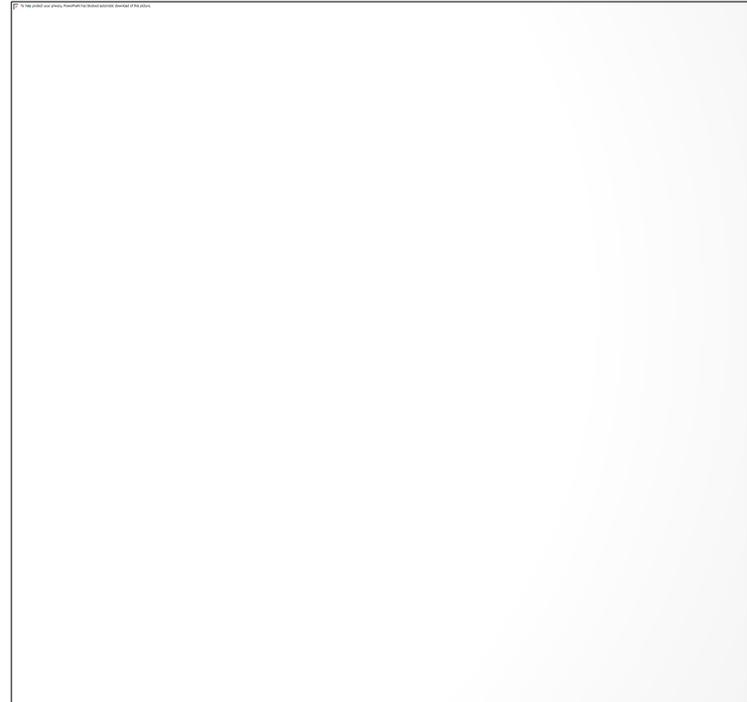




RAISE Texas
Building Financial Success

Who Is RAISE Texas?

A statewide network of non-profit organizations, for-profit corporations, and public institutions that expands and supports asset-building activities, tools, resources, and provides technical expertise throughout Texas, focusing on low-and moderate-income areas.





Areas of focus:

- Financial coaching
- Payday loan alternatives
- Opportunity Texas



Opportunity Texas™

LEARN. EARN. SAVE.

*Fueling economic mobility
for Texas families and
children*

Sign up for our email
updates at
www.opportunitytexas.org

“Like” us on Facebook

WHAT IS OPPORTUNITYTEXAS?

OpportunityTexas is a joint statewide initiative of the **Center for Public Policy Priorities** and **RAISE TEXAS** to invest in innovative grants that integrate financial and asset building activities into statewide platforms, including education, social services, and the workplace.

Initiatives:

- Texas Children’s Savings Partnership
- Tax-Time Savings Project
- Employer-based asset building





Opportunity Texas

Texas Children's Savings Partnership: *In School Banking*

Purpose: What is the impact of financial education and in-school account access, alone and in combination, on students:

- Financial knowledge
- Attitudes towards savings and financial institutions
- Behavior, e.g. opening and using bank accounts

Tax-Time Savings Project

Purpose: Leverage tax-time to build savings: Over 2,100 families split their refund into checking and savings with 1,100 families purchasing savings bonds totaling almost \$145,000.

Employer-based asset building

Purpose: Engage employers in asset-building strategies for employees

- Payday loan alternatives
- Savings accounts through daycare center employers



Our Policy Agenda

- **Savings Programs and Post-Secondary Education/College Access:** Assist families and youth with planning and saving for higher education.
- **Payday, Auto Title, and Consumer Loans Regulations:** Support bills to regulate consumer loans.
- **Financial Education, Financial Accounts and Related Services:** Support financial education programs, financial accounts and other related services for all Texans.
- **EITC and Tax Preparation:** Encourage support for Community Tax Centers and support legislative efforts to increase Earned Income Tax Credit (EITC) uptake in our state and to regulate the issuance of tax refund anticipation checks.

Asset Building Organizations and Resources

CFED: www.cfed.org

- Asset Building FAQs: http://cfed.org/about/asset_building_faq/
- CFED's Assets and Opportunity Scorecard: <http://assetsandopportunity.org/scorecard/>
- Household Financial Security Framework: http://cfed.org/knowledge_center/household_financial_security_framework/

RAISE Texas: www.raisetexas.org