EMERGENCY SAVINGS IN THE FACE OF COVID-19

Strategies for Increasing Emergency Savings in Louisianans

July 23, 2020
PARTICIPATE

During the presentation –
Type your question in the
QUESTIONS BOX
to be addressed during
discussion breaks or
during Q/A
SPEAKERS

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LEIGH PHILLIPS
SAVERLIFE

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JPMORGAN CHASE & CO.
LOUISIANA AFN + PROGRAM OVERVIEW

INTRODUCTION TO THE LA AFN AND THE IMPORTANCE OF SAVINGS

Katie Pritchett
Senior Vice President, Impact & Operations

Assetfunders.org
#Assetfunders
As the only membership organization for grantmakers focused on advancing economic security, the Asset Funders Network connects philanthropic leaders to drive greater impact where it’s needed most.
YES, SAVINGS IS POSSIBLE

HOW TO ENSURE SUCCESS AND CHANGE THE BALANCE

Leigh Phillips
President & CEO

SaverLife®
Change the Balance
Emergency Savings Amidst COVID-19
Leigh Phillips, CEO
Working together to change the balance, SaverLife is in sync to deliver meaningful and systemic change.

Innovative platforms engage and inspire savers

Big Data Analytics spur insight and perspective

Collaborative Ventures across sectors
SaverLife empowers our members to save with an active community of over 350,000.

Engaging savings challenges and financial health tools

Timely resources and financial coaching content
Our Impact

- **3.1x** the savings rate
- **52%** of users deposit $500
- **14.2%** of income into savings

SaverLife works – members triple their savings rate within 6 months
Our 360,000 Members reside across the United States

- 82% women
- 82% Do not have a college degree
- 31K average income
People are saving at higher rates even during this crisis.

Members who received a stimulus payment were 116% more likely to save $100 in April 2020 vs. April 2019.

Savings rates are drastically increasing

Higher demand for financial health tools

Confusion and misinformation around government support
People are reducing their use of small-dollar loans due to stimulus and unemployment checks.

Small-dollar loan borrowing has dropped an average of 29.5% in April and May compared with the average of the previous six months.
Families are spending on essentials, with significant increases on groceries.
Government relief is stabilizing some families, but not all.

No, Everyone Isn’t Earning More Money
Changes in Monthly Income From an Employer + Unemployment Benefits from March to June

21% Earn More
7% $1-2k More
12% Up to $1k More
1% $2-3k More
1% >$3k More

53% Earn the Same Amount

17% Up to $1k Less
3% $1-2k Less
3% $2-3k Less
3% >$3k Less

While 21% of people are earning "more" money than before COVID (from employers and unemployment), 26% are earning less and 53% are earning the same.
People expect to be more satisfied with their financial situation in September due to a hope of being back to work.

26% of SaverLife members expect to be satisfied with their personal financial situations on September 1st, vs. 21% on March 2020.
INNOVATING FOR THE ALICE POPULATION

EXPLORING ALICE AS A VITAL AUDIENCE AND HOW SAVINGS PROGRAMS CAN ADDRESS THEIR NEEDS

Kim Morgan, 
Chief Executive Officer

United Way of Western Connecticut
Who is ALICE?

**ALICE** = **Asset Limited, Income Constrained, Employed**

National project called United for ALICE out of United Way of Northern New Jersey

- Online resources
- Reports in 21 states
- Ongoing research:
  - Consequences of Insufficient Income
  - Impact of COVID-19
  - Financial Hardship in Black Households: The ALICE Data

Go to [unitedforalice.org](http://unitedforalice.org)
Why United Way

United Ways are in a unique position to respond to the needs of ALICE

- **Funder:** Philanthropy is required because governmental support is not sufficient or available to ALICE
- **Convener:** Bring together diverse stakeholders to create systemic change. Can ‘package’ collaborative funder efforts
- **Influencer:** United Ways work closely with business and corporate partners that can make changes for their ALICE employees
- **Direct Service:** United Ways are engaging in direct service in some communities
- **Broad Network:** United Ways are in every community in the US
What’s Different for ALICE?

2015–2018
• 27 Community Conversations
• 520 Surveys
• Individual Interviews & Feedback Loops

2019
• Formation of ALICE Advisory Council
ALICE Saves Program Benefits

JPMorgan Chase & Co.

- Access to local resources
- Services such as VITA Free Tax Prep
- 211 Help Line and other assistance

- Earn $10 for every $20 saved in the first six months
- Ongoing incentives and prizes encourage saving
- Easy enrollment, access to full suite of financial tools and community of savers

- Individualized financial coaching available during and after business hours
- Personal support delivered via phone or video call
- Full suite of financial tools, lifetime enrollment and encouragement
SaverLife

Sign Up
Sign up at CTALICEsaves.org with your name and email.

Connect
Securely connect your bank account to SaverLife.*

Save
Save in your own bank account to earn rewards and prizes.

Keep Saving!
Stay engaged with SaverLife by continuing to save and win.

United Way of Western Connecticut
uwwesternct.org
TrustPlus Journey

STEP 1: Client texts Neighborhood Trust and receives a link to the digital onboarding tool.

STEP 2: Client receives welcome message and registers using the digital onboarding tool.
Then the client:
- Provides basic information about themselves.
- Gives Neighborhood Trust permission to pull his/her credit report.
- Chooses a counselor that best fits his/her needs and schedule.

STEP 3: First counseling session (30 minutes).
- Conducted by phone/Skype.
- Counselor gets a holistic view of Client’s life demands and finances.
- Client and counselor work together to develop a Financial Action Plan.
- Client leaves the call with a feeling of control over his/her financial life.
## Results to Date

### SaverLife

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<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Number of Current Members</td>
<td>509</td>
</tr>
<tr>
<td>Number of Active Savers</td>
<td>308</td>
</tr>
<tr>
<td>Total Savings for Completers (6 months)</td>
<td>$239,532</td>
</tr>
<tr>
<td>Average Saved @ 6 months /12 months</td>
<td>$1,518/$2,313</td>
</tr>
<tr>
<td>Positive Net Change</td>
<td>54% of savers</td>
</tr>
<tr>
<td>Frequency of Savings $20/month</td>
<td>41% of savers</td>
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</tbody>
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### TrustPlus

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<tbody>
<tr>
<td>Number Served</td>
<td>23</td>
</tr>
<tr>
<td>Number of sessions</td>
<td>54</td>
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as of 7-14-2020
Lessons of COVID-19
Response & Learnings

Shifted to TrustPlus as entry point for ALICE Saves

Work through employers

Direct Cash Giving is valid and critical
**Effect on Emergency Savings**

Small sample of ALICE Households

**Pre-COVID Savings**
- 33% Savings
- 67% No Savings

**Future Saving**
- 26.67% Depleted
- 40.00% Some
- 33.33% None

**Will you save again?**
- 45.00% Next 6 months
- 40.00% Next Year
- 33.33% Not Anticipated

**Advice for Funders from ALICE**
- Create programs for youth to stop the cycle of poverty
- Help people understand how to manage money and lower bills
- Support vocational programs that incorporate childcare and financial assistance
- Support emergency savings and incentives
A SECOND EMERGENCY SAVINGS APPROACH

A FOUNDATION’S PERSPECTIVE ON SUPPORTING EMERGENCY SAVINGS AND THE CRITICAL ROLE OF FINANCIAL COACHING

Ashley McIver,
Senior Philanthropy Officer

COMMUNITIES FOUNDATION of TEXAS
Dallas Data Highlights

SAVINGS
45% OF HOUSEHOLDS DON'T HAVE ENOUGH SAVINGS TO REPLACE POVERTY-LEVEL INCOME FOR THREE MONTHS

CREDIT
2 IN 5 CONSUMERS IN DALLAS COUNTY HAVE PRIME CREDIT SCORES

ASSETS
1 IN 4 HOUSEHOLDS HAVE NO ASSETS OR OWE MORE THAN THEY OWN
More households in Dallas are struggling to save than in the surrounding county, Texas, or the US. Forty-five percent of Dallas households are liquid asset poor, and those most likely to be affected are households of color, low-income households, households headed by single parents, renters, and those without a college degree.
<table>
<thead>
<tr>
<th>Strategies</th>
<th>Working Families Success Model</th>
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<tbody>
<tr>
<td><strong>EMPLOYMENT SERVICES</strong></td>
<td><strong>FINANCIAL COACHING</strong></td>
</tr>
<tr>
<td>Skill assessment, job training, certification programs, job search/placement assistance and retention</td>
<td>Financial education, counseling, access to financial services, support on improving credit and savings/asset building programs</td>
</tr>
<tr>
<td><strong>INCOME SUPPORT</strong></td>
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<tr>
<td>Benefit screening/application assistance, temporary financial assistance, housing assistance, tax pre and food/clothing support</td>
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A CALL TO ACTION

THE IMPORTANCE OF EMERGENCY SAVINGS AS A BUILDING BLOCK AND HOW FUNDERS CAN ACT

Sarah Willis,
Vice President, Financial Health & Corporate Responsibility
JPMorgan Chase & Co.

Assetfunders.org
#Assetfunders
DISCUSSION

Abby Hughes Holscaw
Asset Funders Network

Katie Pritchett
Capital Area United Way

Leigh Phillips
SaverLife

Kim Morgan
United Way of Western Connecticut

Ashley McIver
Communities Foundation of Texas

Sarah Willis
JPMorgan Chase & Co.
Thank you for attending today’s Asset Funders Network presentation.

PLEASE FILL OUT OUR SURVEY

The survey will pop up on your screen momentarily and will also be sent to you via email.

WE VALUE YOUR TIME, AND YOUR RESPONSES WILL INFORM OUR FUTURE PLANNING.
THE WEBINAR HAS CONCLUDED