

Community Impact in Action

Creating Assets, Savings & Hope (C.A.S.H.),

United Way of Greater Rochester (UWGR), Rochester, NY (Metro 1C)



what matters.™

Initiative Name and Year Established: Creating Assets, Savings & Hope (C.A.S.H.), 2002

Initiative Mission & Vision

Mission: Community coalition that provides opportunities to working families with low incomes to acquire, save, and grow their money/assets.

Vision:

- Greater Rochester community promotes the economic well-being of working families with low incomes
- Working families with low incomes, are aware of, understand, and take advantage of available asset-building resources
- Greater Rochester neighborhoods are free of predatory financial practices
- Low income communities have a greater economic asset base

Issue or Problem Being Addressed by Initiative

Many working families living in poverty are not aware of the financial resources available to them; e.g., four million people, nationally, do not take advantage of the Earned Income Tax Credit (EITC).

Thirty-eight percent of children in Rochester live in poverty, which is greater than the state average of 21 percent and the national average of 17 percent. Also, there are financial practices that are prevalent in the greater Rochester community that are considered to be predatory, which tend to take advantage of low income families.

Selected Population & Target Outcome

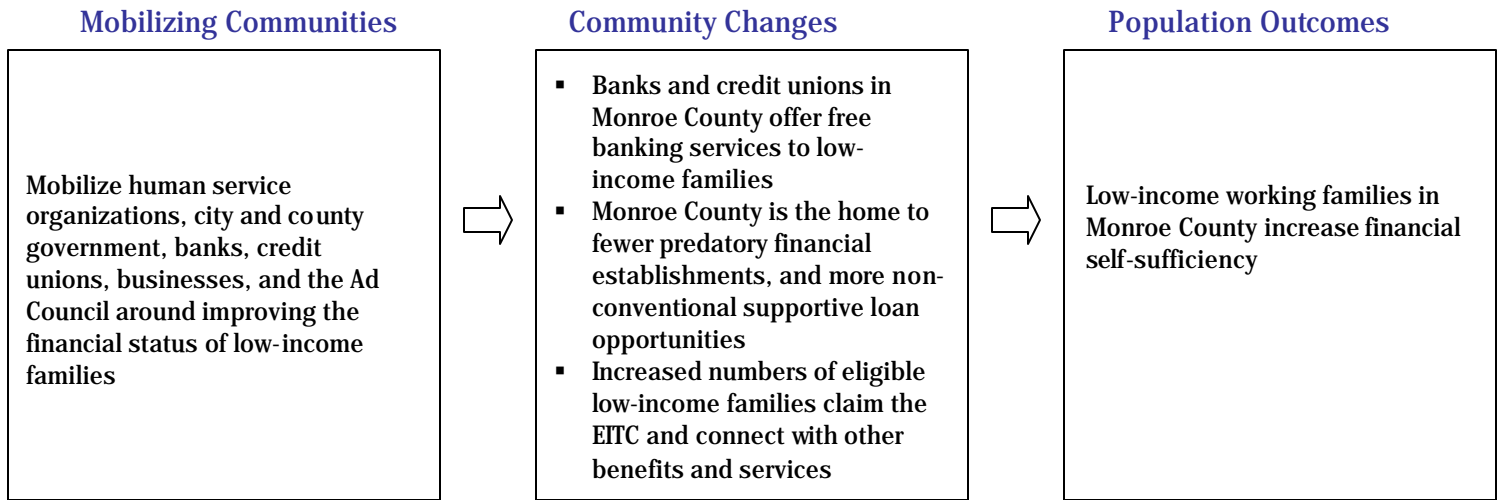
Working families in Monroe County with low incomes [based on Earned Income Credit (EIC) eligibility guidelines] improve their financial well-being (Monroe County includes the city of Rochester)

Catalyst for United Way Becoming Involved

United Way of Greater Rochester spent a year exploring possible strategies to address major community issues. Over 150 community representatives and leaders participated in a series of forums and explored 27 potential strategies that cut across UWGR's six major impact areas (Success By 6; Kids On Track; Strengthening Families; Building Community; Helping Seniors; and Overcoming Disabilities). By applying standard criteria such as "level of impact" and "chances of success" to the 27 strategies, the EITC Outreach/Asset Building strategy was selected.

Simultaneously, the IRS approached United Way to lead the formation and implementation of a community tax coalition. The IRS has a program, Volunteer Income Tax Assistance (VITA) that, through community organizations, provides low income families with free tax preparation. There were a few VITA sites in Rochester but their efforts were small and fragmented.

Summary of Theory of Change & Strategies



Strategies and How Chosen

The C.A.S.H. coalition was established to help low-income households make the most of their money and build stronger financial futures. Specifically, C.A.S.H. lifts families above the poverty line by:

1. Increasing the usage of the EITC and other tax credits/benefits
2. Offering alternatives to predatory practices (e.g., check cashers, money wipers, rent-to-own stores)
3. Maximizing financial assets through financial literacy, credit repair, matched savings, and home ownership

With the help of the IRS, UWGR reviewed local and national promising practices geared to increase financial well-being of low-income working families and found:

- Nationally, the EITC has lifted more households above the federal poverty line than any other federal aid program. Yet, up to 20 percent of those eligible fail to claim this refundable credit.
- On average, those claiming the EITC in Monroe County received a credit of \$2,000. A family with two or more children may receive up to \$5,590 in EITC benefits. (This amount includes Federal EITC and the NY State EITC, which is equal to 30 percent of the Federal EITC.)
- Research also shows that predatory financial services help keep families in a cycle of debt.

How it works:

- The C.A.S.H. initiative recruits and trains volunteers to provide tax preparation assistance and information on accessing other financial benefits and services.
- Tax preparation and other financial/asset building services are provided to clients during the traditional tax season of late January through mid-April.
- The C.A.S.H. coalition has two types of tax preparation sites:
 1. Organization-based sites
 - These sites are typically run by agencies or employers, for use by their clients/employees in their own buildings
 - Typically open one or two days per week, these sites serve 100 – 200 families each in the course of the tax season
 2. “Super Sites”
 - These are large sites (10-12 tax preparation stations) in donated storefronts, open 40-50 hours per week throughout the tax season
 - They are managed by a paid seasonal manager

Both types of sites, Organization-based sites and the “Super Sites”, offer a variety of information and services in addition to free tax preparation. The following is a list of the additional services offered.

- Free bank accounts, which can be opened at the sites
- Alternatives to high risk loans and other predatory practices
- Workshops on buying a home, fixing bad credit, making/keeping a budget, buying a car, and paying for college
- Health insurance and health care information
- IDA (Individual Development Accounts) and home ownership program information
- Food Stamp screening
- LifeBridge Insurance information (free life insurance policies)
- Referrals to child care subsidies
- Car buying assistance programs
- Low-cost refurbished computers

UWGR manages the staffing needed to carry out C.A.S.H. Due to the high utilization of the initiative’s services, staffing needs have risen with its success. In addition to the staff below, UWGR provides additional support including accounting, purchasing, and communications.

- Year 1 (2003): One seasonal consultant (provided initial work to bring together partners and outreach plan, and coordinated first-year operations)
- Year 2 (2004): One full-time staff (Director), four seasonal staff (three seasonal site managers and one volunteer coordinator)
- Year 3 (2005): Two full-time staff, five seasonal staff, .2 administrative assistant

Other C.A.S.H. efforts include:

- Use C.A.S.H. volunteers year-round as “financial coaches”
- Increase partnerships to create alternatives to rent-to-own and other predatory practices
- Expand services in the remaining six counties in the greater Rochester community

Partners and Roles

Major Funders

- Charter One/Citizens Bank*
- City of Rochester
- Daisy Marquis Jones Foundation
- Joan & Harold Feinbloom Supporting Foundation
- Halcyon Hill Foundation
- HSBC – North America
- M&T Bank
- Monroe County Department of Human Services*
- Rochester Area Community Foundation
- United Way of Greater Rochester*

Technical Support

- Academy for Career Development/Community-Tech: Provided computer set up and support
- Internal Revenue Service: Provided equipment, software, and technical support

Free Bank Accounts

- Charter One/Citizens Bank*
- ESL Federal Credit Union
- HSBC Bank
- Key Bank NA
- M&T Bank
- The Summit Federal Credit Union*

Financial Workshop Trainers

- Catholic Family Center*
- Charter One/Citizens Bank*
- Consumer Credit Counseling Service
- Credit Education Bureau
- HSBC Bank*
- M&T Bank*
- Neighborhood Housing Services
- Primerica
- Providence Housing
- Public Interest Law of Rochester
- The Summit Federal Credit Union
- Urban League of Rochester

Operators of C.A.S.H. Tax Preparation Site

- Action for a Better Community
- Catholic Family Center*
- Family Service of Rochester
- Heritage Christian Services (employer)
- Monroe County Department of Human Services*
- Rochester Institute of Technology
- Rural Opportunities, Inc.
- Unity Health System (employer)
- Urban League of Rochester*
- Wilson Commencement Park

Marketing

- Ad Council of Rochester: Provided communications support
- Buck & Pulleyn (through Ad Council): Provided designs and communications
- H&R Block: Underwrote printing of community service brochures
- Medical Motors Service: Provided distribution of C.A.S.H. brochures
- Monroe County Department of Human Services*: Direct mail to public assistance clients
- Signs by Tomorrow: Window signage
- St. Vincent Press: Printed volunteer recruitment brochure
- United Way of Greater Rochester: Communications staff support

Other In-Kind Support:

- Hispanic Leadership Development Program: Provided Spanish translation of C.A.S.H. materials
- Ibero American Action League: Provided Spanish translation of C.A.S.H. materials
- Micrecycle: Provided computer equipment
- Monroe Community College: Provided computer labs for volunteer training
- Merkel-Donohue: Moved office furniture & equipment
- National Council of Jewish Women: Provided toys for C.A.S.H. waiting areas
- PDQ Tops, LLC: Donated storefront for Super Site
- Preferred Care: Provided Americorps staff
- Sutherland: Provided call center services for appointment scheduling
- The Stereo Shop: Provided waiting room TV/DVD's
- United Way Gifts in-Kind: Provided furniture, equipment, supplies
- Wilmorite: Donated storefront for Super Site

* Indicates partners with multiple roles. Partners are listed with each of their respective roles. These partners/volunteers are in addition to the nearly 500 "super heroes" from all parts of the community who volunteered over 18,400 hours as tax preparers, "C.A.S.H. Advisors" and Front Desk Managers.

Implementation

Communication Strategies

- The Rochester Ad Council provided posters, brochures, and other print publications that are displayed in targeted communities and distributed through city elementary schools and health/human service agencies
- The internal communications team produces press releases, organizes press conferences and appearances on local news/talk shows, assists with copy for all marketing materials, etc. and highlighted C.A.S.H. in the 2005 UWGR campaign film
- Paid advertising on bus rails and two radio stations

Annual Budget

The projected annual budget for 2005/2006, which is the fourth year of the initiative, is \$275,000; \$100,000 is funded by UWGR.

Non-financial Resources Mobilized (e.g., volunteers, in-kind services, etc.)

Major in-kind donations from over 40 businesses and organizations—see Partners and Roles section: (space, call center services, computer labs for training, moving services, brochure delivery, printing, advertising, etc.)

Long-term Plan for Sustainability

UWGR anticipates that the local foundation support will decrease dramatically, but will be replaced by increased support from banks/credit unions (this has been steadily rising), major private donors, and possibly participant donations/fees. In addition, the coalition anticipates continued support from UWGR and local government.

United Way Involvement & Implications

United Way Role

UWGR is the lead agency that convenes over 40 community partners including, banks, credit unions, businesses, local government, local Ad Council, and other community-based organizations to carry out the mission of C.A.S.H. UWGR's role includes strategic planning and direction, hiring the staff, providing approximately 1/3 of funding, soliciting funders and in-kind donations, and managing the overall operation. UWGR also recruits and trains the volunteers who perform the services offered by C.A.S.H.

Relationship to Community Impact Goals

The C.A.S.H. initiative is directly aligned with "Financially Secure Families," one of the community-wide outcomes for UWGR's "Strengthening Families" impact area.

How United Way Departments Align to Support Initiative

- **Community Impact:** Developed and carried out the initiative's strategic plan, mobilizes area service providers and recruits volunteers.
- **Finance:** Provides accounting and purchasing services to C.A.S.H.
- **Human Resources:** Helps with hiring of year-round, seasonal staff, and interns for the C.A.S.H. initiative.
- **Marketing:** Communications staff works closely with C.A.S.H. and the Ad Council. They produce press releases, organize press conferences, assist with production for all marketing materials, etc. As a result, C.A.S.H. was featured in the 2005 UWGR campaign film.
- **President's Office:** Connects and brings awareness of C.A.S.H. to major donors and community leaders. Previously, recruited a bank president to be the volunteer chair of the coalition. Also, helped to garner key in-kind donations, such as space for tax preparation sites.
- **Resource Development:** In 2005, with C.A.S.H. as a feature story in the UWGR campaign film, the campaign staff took C.A.S.H. brochures and information to area employers.
- **Volunteer Center:** UWGR's Volunteer Connection lists C.A.S.H. volunteer opportunities and links potential volunteers to C.A.S.H. (although C.A.S.H. staff also does extensive volunteer recruitment)

United Way Board Member Involvement

UWGR's Board of Directors is not heavily involved but is supportive and kept informed of the initiative's progress.

Benefits to United Way

Perception of United Way's Value:

- Improved perception as a community impact United Way
- Increased media visibility

Growth of Resources:

- Increased volunteer involvement
- Direct and in-kind funding to this initiative

How Initiative is Packaged and Marketed to Attract Financial Resources (Investment Product)

- The C.A.S.H. initiative was used in the UWGR 2005 annual campaign film.
- Companies view this initiative as an additional opportunity to give back to their employees.
- UWGR is currently exploring ways to further utilize the potential of C.A.S.H. as a means to attract additional financial resources.

Additional Community Impact Work Catalyzed

UWGR is currently piloting an effort to use seasonal C.A.S.H. volunteers throughout the year as individual financial coaches for interested families. In addition, UWGR's plans for the coming year include convening high-level leaders in the legal, commercial, and financial sectors interested in developing alternatives to the predatory rent-to-own household appliance/furniture business.

Lessons Learned

Key Success Factors

- Support of agencies and individuals throughout the community
- Bringing human service organizations and banks/credit unions to the table
- Creation of a centralized volunteer recruitment and training
- Maintaining both small and large service sites to accommodate the number of clients in various communities
- Establishing a systematic volunteer role ("C.A.S.H. Advisor") to connect participants with non-tax-related financial opportunities such as free bank accounts
- A strong, consistent organizational leader to keep effort focused and moving forward

Challenges

- Engaging participants BEYOND free tax preparation to get to asset building
- Tax preparation effort is time consuming
- Carving out time/energy to address larger, systemic issues

Course Corrections & Lessons Learned

In the first three years, success was measured by growth in numbers of families served and amount of tax refunds/credits received by participants, using aggressive goals. However, in Year 4, UWGR will adjust its "value proposition" from free tax preparation to financial improvement to include job counseling, subsidized health insurance enrollment, credit counseling, free tax preparation etc. The new services will require participants to spend more time at the sites, but they will leave with more benefits.

Advice to a United Way Looking to Establish a Similar Initiative

ETTC/Asset Building initiatives provide a rich and rewarding area for United Way involvement. They benefit the community and families financially, provide measurable results that can be shared with the community, and require the kind of partnership creation that United Way is uniquely positioned to do. There are many resources, such as the National Community Tax Coalition and the IRS SPEC Division, available to help United Ways interested in starting this type of initiative.

Tracking Progress and Results

Intended Community changes

Community change

Financial institutions in Monroe County provide free banking services to families with low incomes.

Community change

Banks and non-profit organizations in Monroe County more effectively provide financial education and tax assistance to families with low incomes.

Community change

Financial institutions in Monroe County offer non-predatory, supportive loan opportunities.

Population change

Working families with low incomes in Monroe County receive tax assistance.

Population change

Working families with low incomes in Monroe County that claim the EITC or benefit from other tax refunds or credits connect with supplemental financial services.

Target outcome

Working families in Monroe County with low incomes [based on Earned Income Credit (EIC) eligibility guidelines] improve their financial well-being.

Evidence of success

In 2005, over 8,000 households received \$10.5 million in refunds and credits through C.A.S.H., of which \$5.9 million were Federal and NY State EITC.

Note: Data on overall community usage of EITC lags nearly two years behind.

Evidence of success

Evidence of success

Six banks and credit unions offered free, no-minimum-deposit accounts to C.A.S.H. participants; In 2005, over 150 accounts were opened. These accounts are only offered to C.A.S.H. clients during the tax season.

Evidence of success

Participants received coordinated financial planning and benefits education. Due to bank and non-profits partnerships, existing services were made more accessible to low income working families through C.A.S.H.

Evidence of success

Non-predatory refund anticipation line-of-credit developed, and offered by mainstream credit union at C.A.S.H. sites.

Planned for 2005/06: Establishment of at least one alternative model to rent-to-own household goods stores.

Evidence of success

Within three years, the number of households receiving tax return assistance rose from just over 1,000 to roughly 8,000 households.

Evidence of success

All C.A.S.H. participants receive information and referrals for financially related community services. Data on increased participation in these services is currently unavailable due to long lag times and concurrent factors.