Financial Education Advisory Team Presentation

Neighborhood Partnerships

February 2, 2021
Guiding principles:
- What we’ve done hasn’t worked, including race neutral policies
- Leading with race: new approaches and frameworks needed
- Center participants and meet them where they are at
- Culturally specific or culturally competent service delivery
- Systemic solutions and advocacy
- Collective action
The Oregon IDA Initiative is an investment in asset building

This investment recognizes the history of the role of state and financial systems and structures that were intentionally and inequitably structured to the advantage of those already holding wealth and power.

The investment is:

1. Cash to build assets
2. Community-based service delivery
3. Knowledge sharing and access to resources and power
IDA participants plan and save for a variety of asset-building goals that provide on-ramps to financial stability.

- 34% Home Purchase
- 29% Education
- 20% Microenterprise
- 10% Vehicle
- 3% Home Renovation
- 2% Assistive Technology
- 2% Rental Housing
- 1% Retirement
The IDA Financial Education Standards were developed to serve as a guide for IDA Providers, so that all IDA Savers, no matter their location, have access to robust, high quality education.

Financial Education Standards

YOUR FINANCIAL COMPASS..........................................................TOPIC 1
SPENDING & SAVINGS PLANS.......................................................TOPIC 2
BUILDING SAVINGS.................................................................TOPIC 3
UNDERSTANDING YOUR CREDIT REPORT & SCORE....................TOPIC 4
FINANCIAL INSTITUTIONS............................................................TOPIC 5
LOAN PRODUCTS.........................................................................TOPIC 6
DEBT REPAYMENT..........................................................................TOPIC 7
CONSUMER RIGHTS.......................................................................TOPIC 8
UNDERSTANDING TAXES..............................................................TOPIC 9
INVESTING TO ACHIEVE GOALS..................................................TOPIC 10
ASSETS, LIABILITIES, & NET WORTH............................................TOPIC 11
PROTECTING ASSETS.................................................................TOPIC 12

It is not a one-size-fits-all formula
Economic Literacy: the identification and evaluation of economic legacies as they relate to personal finance, wealth, the economy, and political systems.
Core Content
Savers learn money management strategies that work for their household
Savers understand how to navigate complex financial systems and make informed decisions

Economic Literacy
Savers increase understanding of economic systems that extract money from or exclude low income and BIPOC communities
Savers become informed and involved advocates for community financial wellbeing

MORE
FINANCIALLY
RESILIENT AND
EMPOWERED
HOUSEHOLDS
AND
COMMUNITIES
We know from the data that communities of color have been and continue to be underserved, exploited, oppressed, and excluded by financial systems and institutions.

Not talking about the ways that our economic system is built to work (max profit & growth at any cost) perpetuates the false narrative that the individual is to blame for their financial situation.
Switching the Mental Model

Are we teaching people to swim in a pool... when they are actually swimming in a river?
Access financial education, coaching & counseling

Socio-cultural context

IDA saver's financial situation

Political context

Build a practice of saving

Economic context

Build assets
https://FinancialEducationStandards.org/
Narrative Change

● Dominant narratives about personal responsibility doesn’t match with the realities of low income individuals.
● How might we create a counter narrative that is supportive of our goals?
The Work Ahead

- Supportive financial ecosystem
- Coordination and collaboration
- Accountability
- Collective action
Questions?

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