



Spring Forum – June 23, 2016

8:30 a.m. to 12:30 p.m.

MassHousing, One Beacon Street, Boston, MA

AGENDA

8:30 – 9:00 **Registration/Networking/Continental Breakfast**

9:00 – 9:10 **Welcome**

9:10 – 10:30

A Holistic Approach to Economic Inclusion

Constance Martin, Deputy Director, Boston Office of Financial Empowerment
Mimi Turchinetz, Assistant Deputy Director, Boston Tax Help Coalition
Antonio Nunes, Program Manager of the Bridge to Hospitality Program, Roxbury Center for Financial Empowerment
Doreen Treacy, VP Career Services, Jewish Vocational Services

Moderator: *Tim DeLessio*, FDIC Area Manager for Community Affairs

10:30 – 10:45 Break

10:45 – 11:45

What Do the Un- and Underbanked Want/Need? -- a behavioral approach to Economic Inclusion

Michael Goodman, Executive Director, the Public Policy Center at UMass/Dartmouth
Maureen Wilkinson, VP Community Education and CRA Officer, HarborOne Bank
Joseph Madaio, Housing/Foreclosure Counselor, NeighborWorks of Southern MA

Moderator: *Jeff Manning*, FDIC Community Affairs Specialist

11:45 – 12:25

Practitioner-generated Ideas to Expand Access to Mainstream Banking

Randy Houk, Executive Director, Raising-A-Reader/Massachusetts
Aida Franquiz, Vice President and Community Investment Officer, Boston Private Bank & Trust
Paul Horwitz, FDIC Community Affairs Specialist

12:25 – 12:30 Close/Adjourn

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- W2 forms from all jobs in 2015
- Proof of health insurance (Health insurance cards, HC-1099, 1095-A, etc.) for taxpayer, spouse, and all dependents*
- Total child care expenses in 2015, and child care provider's name, address, and Employer Identification Number (EIN) or Social Security Number (SSN)
- All 1098T forms (tuition payments), receipts for materials and books and proof of payment
- Total student loan interest paid (1098E) or lender statement
- Proof of all rent paid in 2015
- A copy of last year's tax return
- Bank-issued printed account and routing numbers to direct deposit your tax refund into your account
- Proof of ANY deductible out of pocket expenses (annual BWSC, 1098E, charitable receipts, etc.)
- Any mail from the MA Department of Revenue and/or any mail from the IRS

*Taxpayers who have received or expect to receive health insurance credits need to bring proof of ALL household income.

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The Earned Income Tax Credit in Massachusetts: Alleviating poverty today, increasing opportunity tomorrow

An Opportunity for Massachusetts to Lead in Reducing Inequality

The Earned Income Tax Credit (EITC) is widely considered one of the most effective anti-poverty programs for working families. The Massachusetts EITC was first enacted in 1997. In 2015, both Democratic and Republican legislators in the Commonwealth, along with Governor Baker, successfully increased the Massachusetts EITC to 23 percent of the federal credit. More than 400,000 households in Massachusetts will benefit from the recent increase in the EITC when they file their 2016 taxes. From 1989 to 2011, Massachusetts led the nation in a troubling trend with the second highest increase in inequality. Now we have a chance to lead in reducing that inequality by increasing our EITC to 50 percent of the federal level.

Photo Credit: Boston Globe



"If the EITC were increased to 50 percent of the federal credit amount, it would make a huge difference to me, and it would be a game changer for my kids"

Quanda Burrell, a 29 year-old single mother of two who works full time as a day-care teacher in Boston

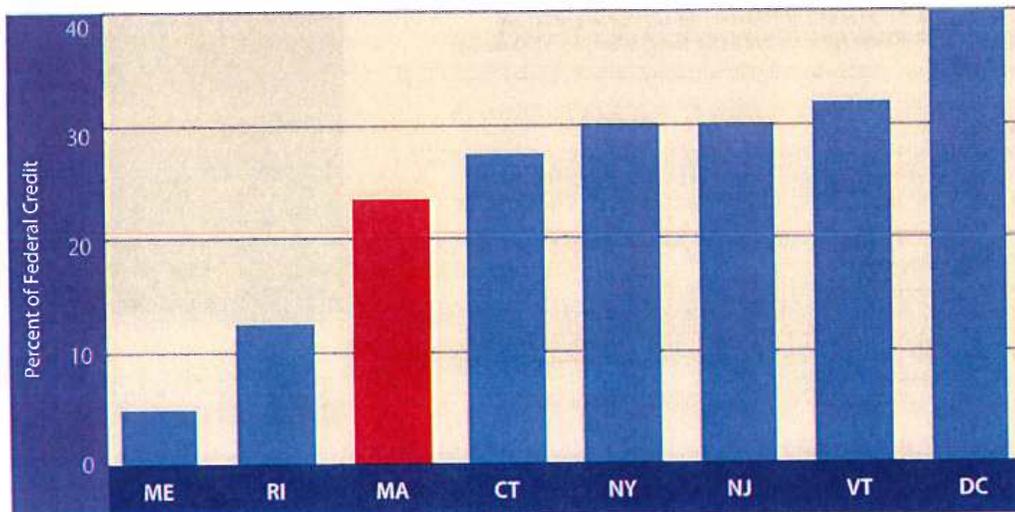
State EITCs

Over the last two decades, state and local governments have enacted a series of EITC reforms. In 1990, only five states had state-specific EITC policies. Currently, twenty-six states and Washington, DC have enacted EITC programs. Most of these states "piggyback" on the federal EITC by using the same eligibility requirements and set state-level credits at some percentage of the federal EITC ranging from a low of 3.5 percent in Louisiana to a high of 40 percent in Washington, DC. EITC recipients in these states receive both the federal and state credit.

The EITC significantly reduces poverty

- The federal EITC lifted 50,000 children and their families out of poverty in Massachusetts annually from 2011 to 2013.
- The Massachusetts EITC lifted approximately 6,000 additional children and their families out of poverty annually in the Commonwealth from 2011 to 2013.
- **If Massachusetts increased the state EITC to 50 percent, 20,000 additional children and their families would be lifted out of poverty annually.**

Figure 1.
The Massachusetts EITC compared to other states



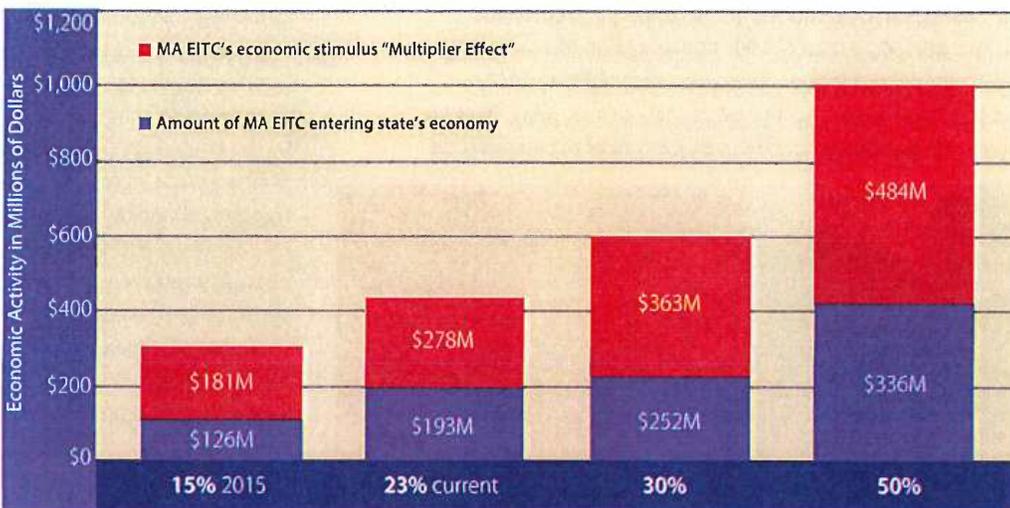
www.childrenshealthwatch.org

Children's HealthWatch is a nonpartisan network of pediatricians and public health researchers with the mission to improve the health and development of young children by informing policies that address and alleviate economic hardships.

The EITC stimulates local economies

- The federal EITC brought \$840 million to Massachusetts workers and their families in 2015.
- The Massachusetts EITC brought an additional \$126 million to Massachusetts workers and their families in 2015.
- Researchers have shown every \$1 increase in consumption directly supported by the EITC generated \$1.44 worth of economic activity in Baltimore, Maryland.
- The federal EITC generated over \$1.2 billion worth of economic activity in Massachusetts in 2015.
- **The Massachusetts EITC generated an additional \$181 million worth of economic activity in 2015.**

Figure 2. Increasing the Massachusetts EITC could generate substantial economic activity



Conclusion

Massachusetts has an opportunity to lead the nation in reducing inequality. An increase in the state EITC to 50 percent of the federal credit would place Massachusetts as an evidence-based leader having the most robust refundable state EITC in the nation. Working in tandem with one of the nation's highest minimum wages (after CA and NY), Massachusetts could aggressively lead the way in addressing inequality, alleviating child poverty, and increasing the opportunity for healthy, successful families in the Commonwealth.

Authors: Richard Sheward, MPP, Senior Policy Analyst - State Policy; Allison Bovell, M.Div, Research, Policy and Communications Coordinator; Stephanie Ettinger de Cuba, MPH, Research and Policy Director; Justin Pasquariello, MBA, MPA, Executive Director; Megan Sandel, MD, MPH, Principal Investigator; and John Cook, Ph.D., M.A.Ed., Research Scientist and Principal Investigator

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For additional information, please contact:

Richard Sheward, Senior Policy Analyst - State Policy Tel. (617) 414-6364/ Email: richard.sheward@bmc.org
Allison Bovell, Research, Policy, and Communications Coordinator Tel. (617) 414-3580/ Email: allison.bovell@bmc.org

¹ Rhode D, Cooke K, Ojha H. The decline of the 'Great Equalizer'. The Atlantic. December 19, 2012. <http://www.theatlantic.com/business/archive/2012/12/the-decline-of-the-great-equalizer/266455/>

² The Brookings Institution. State Estimates of People and Children Lifted out of Poverty by the EITC and CTC Each Year, 2011, 2013. <http://www.brookings.edu/~media/Research/Files/Blogs/2014/12/16-eitc/2013-SPM-State-EITC-and-CTCACTC.pdf> Published December 16, 2014.

³ Internal Revenue Service: Earned Income Tax Credit. Statistics for Tax Returns with EITC. <http://www.eitc.irs.gov/EITC-Central/eitcstats> Updated January 14, 2016.

⁴ University of Baltimore: The Jacob France Institute. The Importance of the Earned Income Tax Credit and Its Economic Effects in Baltimore City. <https://www.ubalt.edu/jfi/jfi/reports/EITC-rept.pdf> Published June 2004.

⁵ City of Worcester, Massachusetts. Cost of Living. <http://www.worcesterma.gov/living-working/cost-of-living>

⁶ United States Department of Agriculture: Center for Nutrition Policy and Promotion. Official USDA Food Plans: Cost of Food at Home at Four Levels, U.S. Average, February 2016. <http://www.cnpp.usda.gov/sites/default/files/CostoffoodFeb2016.pdf> Published March 2016.

⁷ Department of Energy Resources. 2015/2016 Projected Household Heating Costs. Executive Office of Energy and Environmental Affairs Web site. <http://www.mass.gov/eea/energy-utilities-clean-tech/misc/household-heating-costs.html>

⁸ Glasmeier AK. Living Wage Calculation for Massachusetts. Living Wage Calculator: Massachusetts Institute of Technology Web site. <http://livingwage.mit.edu/states/25>

⁹ Child Care Aware of America and Massachusetts. Child Care in the State of: Massachusetts. <http://usa.childcareaware.org/wp-content/uploads/2015/10/2015-State-Fact-Sheets-Massachusetts.pdf> Published October 2015

How would a Massachusetts EITC at 50 percent of the federal credit help working families?

Based on an estimated average EITC return in Massachusetts of approximately \$3,000 (\$2,000 federal, \$1,000 state), more families in the Commonwealth would be able to afford:



First and last month's market rent towards a two-bedroom apartment in Worcester, Massachusetts



Four to five months-worth of groceries for a family of four



Household heating costs for an entire winter



Four months-worth of transportation costs for a family of three (two adults, one child)



Three months of full-time child care in a center-based daycare for a four-year-old



Massachusetts's Earned Income Tax Credit

By Kurt Wise, December 23, 2015



In Massachusetts – one of only four states boasting the term “commonwealth” in the official state name - we seek to build a thriving state economy that delivers broadly shared prosperity to workers and their families. Unfortunately, since the 1970s, wages [have stagnated](#) for low and moderate income workers in Massachusetts and nationally, making it increasingly difficult for many hardworking parents to make ends meet and provide for their children. The state earned income tax credit (EITC) program helps push back against this troubling trend, providing a meaningful boost to the after-tax earnings of low-income working families. When we reward work with policies like the EITC, families benefit over the long-term: children grow up healthier and do better in school, and parents enjoy greater economic security throughout their working years and into retirement.

A strong state EITC, particularly when coupled with a strong minimum wage, moves us closer to being the “commonwealth” declared in our state name. (For more on the interactions between minimum wage and earned income tax credit policies, see MassBudget’s factsheet, [Rewarding Work](#).)

THE EITC DELIVERS LARGEST BENEFITS TO FAMILIES WITH CHILDREN

The state Earned Income Tax Credit (EITC) is a refundable tax break provided by the Commonwealth to lower-income workers in order to increase the after-tax rewards to work. It is available only to tax filers with earned income and provides benefits primarily to workers with children (to learn more about this and other programs affecting Massachusetts children, see MassBudget’s [Children’s Budget](#)).

The Massachusetts EITC operates under the same eligibility rules as the federal EITC, with the state credit value calculated as a straight percentage of the federal EITC amount claimed by the tax filer (also called the “match rate”). A tax filer’s federal EITC eligibility and credit value depend on marital status, the amount of income the filer earned during the tax year, and the number of dependent children. As of January 1st, 2016, the match rate in Massachusetts will rise from 15 percent to 23 percent of the federal credit.

The largest credits are provided to families with three or more children earning between approximately \$14,000 and \$24,000 a year.¹ The value of the credit declines slowly as income rises, and disappears entirely for families earning more than about \$53,000.² Far smaller credits are available to very low-income filers who do not have children.³ The value of the credit is applied toward the filer’s tax liability and any amount that exceeds taxes owed is refunded through direct payment to the filer.

In 2016, the maximum value of the Massachusetts EITC will be \$1,442, a gain of \$502 over the maximum amount available (\$940) had the match rate remained at 15 percent.⁴ In recent years, between 430,000 and 440,000 filers claim the Massachusetts state EITC annually.⁵ With the higher match rate (23 percent), the annual cost of the program will be roughly \$200 million.⁶

EITC BOOSTS WORK HOURS AND INCOMES, IMPROVES OUTCOMES FOR KIDS

The Earned Income Tax Credit leads to a variety of benefits for parents and children, according to a large body of research.

By providing tax credits to people currently in the workforce, the EITC increases employment and encourages people, especially single mothers, to work more hours.⁷ Not surprisingly, the EITC therefore boosts recipients’ long-term earnings and future Social Security retirement benefits. The EITC is likewise widely recognized as an extremely important tool in the fight against poverty. In combination with the federal Child Tax Credit (CTC), the federal EITC lifted some 10 million people out of poverty in 2014, 5 million of them children, and helped another 22 million people who nevertheless remained below the federal poverty level.⁸ In Massachusetts, these two federal tax credits combine to help keep roughly 76,000 Massachusetts kids out of poverty each year.⁹ Notably, on December 18, 2015, with bi-partisan support from Congress, President Obama signed into law H.R. 2029,¹⁰ a budget bill that includes language making permanent several extensions to the federal EITC and CTC that otherwise were set to expire in 2017 (for more

details, see [this CBPP report](#).)¹¹

Research compiled by the Center on Budget and Policy Priorities (CBPP) shows that because the earnings boost affects families in a variety of ways, the EITC has benefits throughout the life-cycle. Specifically, the EITC:¹²

- **Improves the health of children and mothers.** Researchers have found a strong association between EITC participation and mothers receiving prenatal care. This improves both maternal health (e.g. lower smoking rates) and infant health (e.g. fewer children born at low weights).
- **Boosts academic performance.** Children in families receiving EITC support have shown higher test scores, especially for elementary and middle school students; higher high school graduation rates; and higher college attendance rates. Specifically, “a child in a family eligible for the largest EITC expansion in the early 1990’s would have a 4.8 percentage-point higher probability of completing one or more years of college by age 19—an improvement comparable to the effect of major educational interventions such as reducing classroom size.”
- **Increases the earning potential for future generations.** Long-term studies of kids raised in EITC-supported households find that since they tended to grow up healthier and do better in school, they also tend to earn more when they are working adults. In one study “researchers projected that each dollar of income through tax credits may increase the real value of the child’s future earnings by more than a dollar.”
- **Increases Social Security benefits.** By increasing direct earnings during one’s career, the EITC also leads to stronger retirement benefits, including Social Security benefits, since much retirement earning rises proportionally with income.

STRONGER STATE EITC WOULD HELP HARDWORKING MASSACHUSETTS FAMILIES

A stronger state EITC could provide real, near-term help to hundreds of thousands of struggling families, while also laying the groundwork for a more prosperous Commonwealth down the road. Recognizing the benefits of a strong state EITC, at least ten other states offer significantly larger credits than does Massachusetts.¹³ Some states offer credits equal to 30, 40, or even 50 percent of a filer’s federal credit.¹⁴ Several of our neighboring states - including Vermont, Connecticut and New York -offer significantly larger credits than Massachusetts does.¹⁵

If, for example, Massachusetts were to increase its match rate to 30 percent, the maximum state credit available to a married couple with 3 or more children would rise from \$1,442 (in 2016) to \$1,881. For a married couple with two children, the maximum state credit would rise from \$1,282 (in 2016) to \$1,672. Other filers likewise would see meaningful increases.

If instead, Massachusetts were to raise its match rate to 50 percent, the maximum state credit available to a married couple with 3 or more children would rise from \$1,442 (in 2016) to \$3,135. For a married couple with two children, the maximum state credit would rise from \$1,282 to \$2,786. Other filers likewise would see meaningful increases.

Workforce Development + Financial Coaching = Economic Opportunity



BAEI Forum – June 23, 2016

Presenter: Doreen Treacy, VP Career Services

Delivering on the Workforce Development Mission



CareerSolution



Financial Coaching – A Data Driven Model

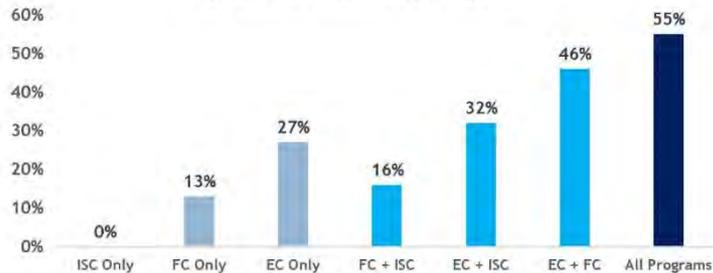
Value of an integrated approach of
Income Supports + Financial Coaching +
Employment

Bundling Works!

Clients engaged in two or more services are:

- 10 times more likely to improve net income
- 3 times more likely to improve credit
- 5 times more likely to improve net worth

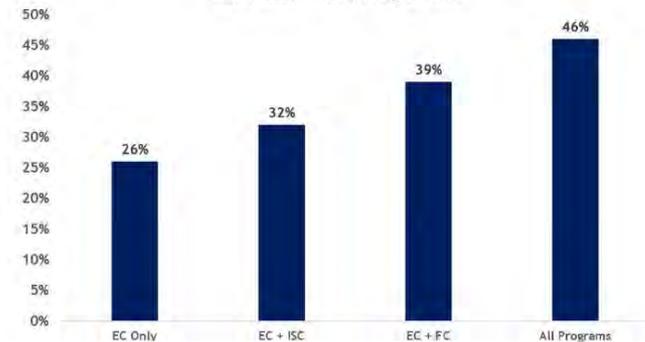
Any Positive Outcome by Program Mix



Value of an integrated
approach for *employment*
outcomes

Bundling Works!

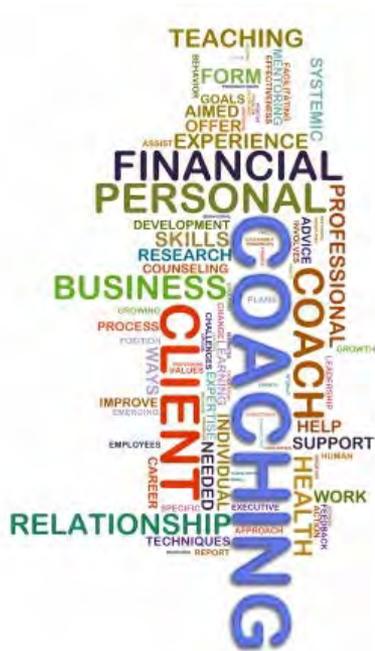
Job Placement by Program Mix



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Why does financial coaching work at JVS?



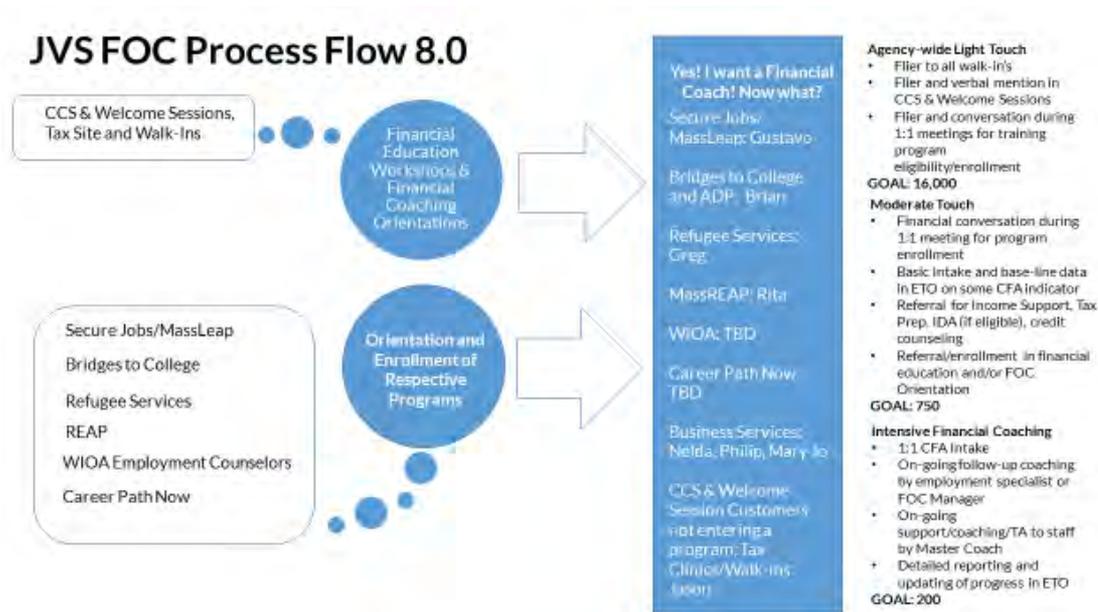
- The leadership of JVS understands that economic opportunity results from employment plus financial capability and prioritizes financial coaching
- Embedded into programs in which client participation is continuous over a significant length of time
- The coaches are integrated into the individual programs at JVS and the clients and the teams they work with
- Integrated with EITC Tax Site
- Start-up support – both financial and training -- from United Way and LISC with on-going investment from financial institutions and private funders



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JVS Pathways to Financial Empowerment



Example: Client Enrollment Process



1. A group orientation prior to enrolling in Refugee Employment Services program
2. At the one-on-one intake with a client's career coach, the option to access financial coaching services is presented again. If interested the client is referred to the Financial Coach embedded in the Refugee department.
3. In the VESOL (Vocational English for Speakers of Other Languages) level 2 and 3 classes, the teachers provide financial education lessons. Financial Coaching is introduced and the enrollment process explained



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Outcomes: Financial Coaching Works!



At JVS the FOC is way of doing business – a *verb*, not a noun!

FOC model produces quantifiable results!



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Understanding the Unbanked

Michael D. Goodman, Ph.D.
Executive Director, the Public Policy Center (PPC)
Associate Professor of Public Policy
University of Massachusetts Dartmouth
Co-Editor, *MassBenchmarks*

<http://www.umassd.edu/ppc>

Twitter: @Mike_Goodman

June 23, 2016



In 2015, nearly 3 in 10 American were unbanked or underbanked

Figure 15. Unbanked and underbanked status

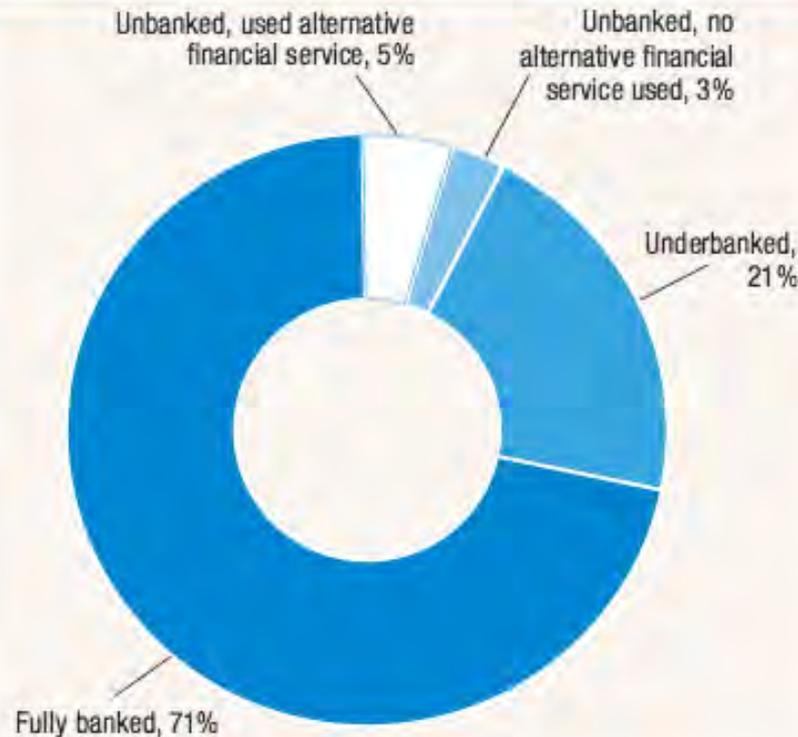


Table 12. Unbanked and underbanked status (by family income)

Percent

Income category	Unbanked (no AFS used)	Unbanked (used AFS)	Underbanked	Fully banked
Less than \$40,000	5.8	10.1	26.9	56.3
\$40,000–\$100,000	0.9	1.5	19.5	78.0
Greater than \$100,000	0.5	0.4	11.1	87.7
Overall	2.9	4.9	20.6	71.1

AFS Alternative financial service.

Source: Federal Reserve Board

“Underbanked is defined as having a depository account but having used at least one alternative financial service in the past year.”



Substantial numbers of American households are under serious financial pressure

Figure 4. Concerns cited in open-ended question on self-reported financial challenges (by family income)

A. Respondents with a family income less than \$40,000



B. Respondents with a family income between \$40,000 and \$100,000



C. Respondents with a family income greater than \$100,000

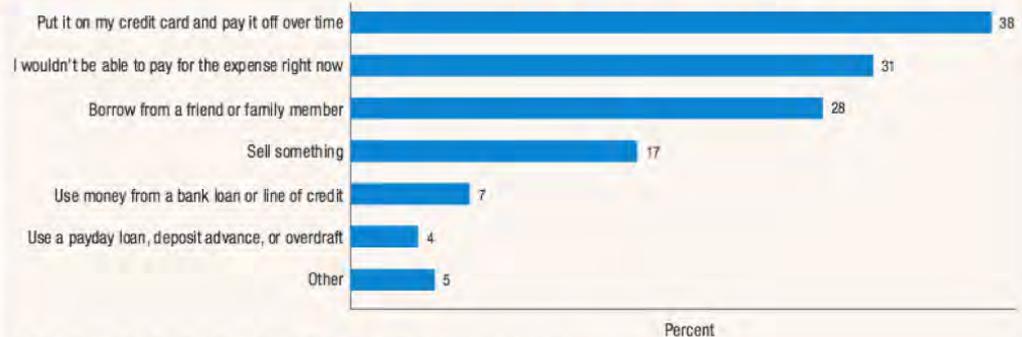


Note: Among respondents who report any concerns. Word clouds include the 75 most common words referenced, plus ties. The larger the word, the more frequently it was cited by respondents. Common stop words are those that do not provide information about financial challenges, such as "the" and "are." Results for the open-ended text response question are unweighted.

Figure 12. Respondents who would completely pay an emergency expense that costs \$400 using cash or a credit card that they pay off at the end of the month (by family income, race, and ethnicity)



Figure 11. Ways that individuals will cover a \$400 emergency expense when not using cash or its functional equivalent



Note: Among those who would not pay the expense in-full using cash or its functional equivalent.

Source: Federal Reserve Board



Why be unbanked?

- A 2011 survey of 173 low income residents of Greater New Bedford reveals that, despite the disadvantages, being unbanked can be a rational choice for those with very low incomes and a short-term perspective.

Reported Reasons for Being Unbanked	
	Percent (%)
Don't have enough money	23.6
Don't trust or like banks	8.7
Don't need this type of account	8.2
Fees are too high	6.7
Bank staff does not speak my language	6.7
Fees are unpredictable	5.8
Don't have proper ID/SSN	5.8
Fees are too confusing	5.8
Fear of overdrawing my account	5.8
Poor banking history/bank would deny me	5.8
Not sure how to open an account	3.9
Other	3.9
Minimum balance is too high	2.4
Don't have money banks require to open account	2.4
Interest rates are too low	1.4
Don't know how to manage this type of account	1.4
No bank has convenient hours or locations	1.0
Banks take too long to clear checks	1.0

Source: Survey by authors.



Many low-income households live in a cash economy

- As many as 32.9 percent of renters reported paying their rent in cash. Some (15.4 percent) said that their landlords do not accept personal checks. Significant numbers of low-income residents rely on informal networks to access credit. Nearly 4 in 10 (38.6 percent) report family and friends as their preferred source of credit. Notably, an additional 19.8 percent have no desire to borrow money.

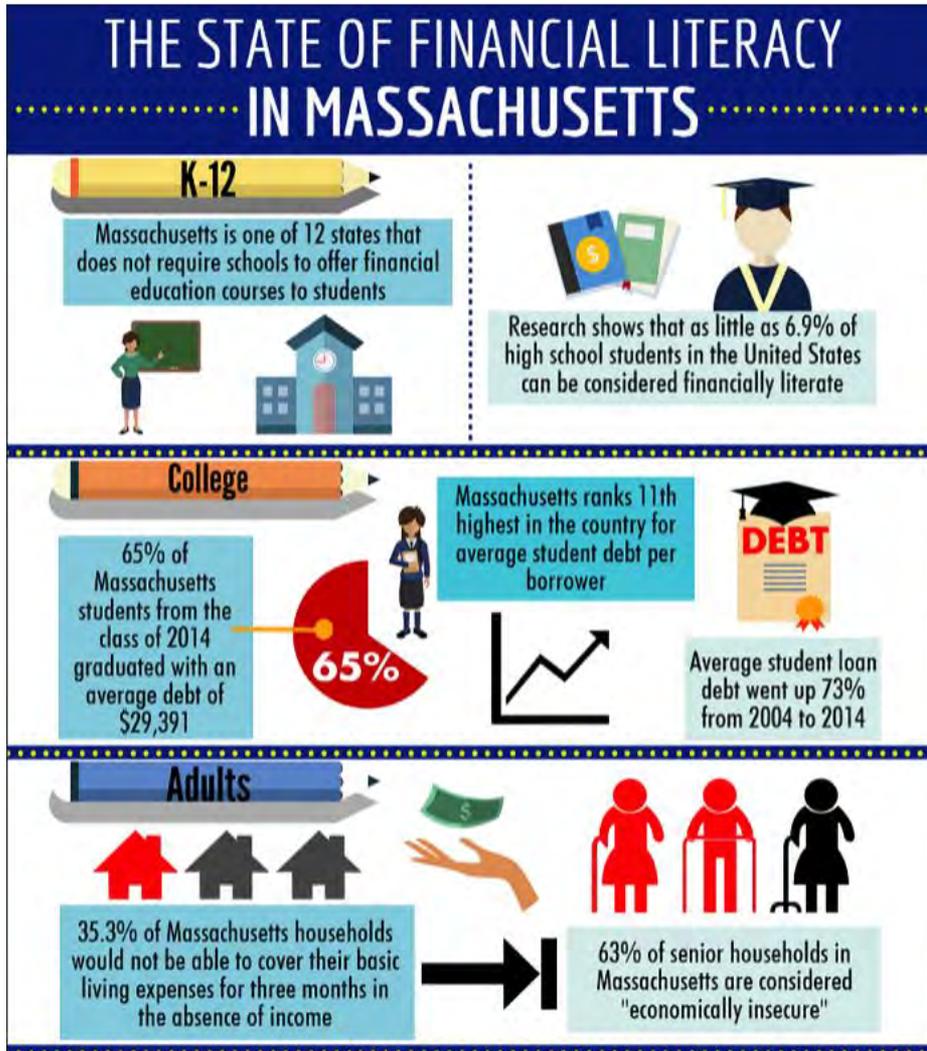
Sources of Credit	
	Percent (%)
Family or friends	38.6
I don't want to borrow	19.8
Credit card	11.6
Auto/home/boat/school loan	10.1
Personal loan	8.2
Home equity loan/other credit line	5.8
I can't get credit	5.3
Community members	0.5

Source: Survey by authors.

Source: Goodman et.al., "The Need for Financial Education in New Bedford" Communities and Banking



Bottom Line



So what to do?:

More and better financial education is needed.

So is better marketing of no fee, no minimum balance account options (e.g., "Basic Banking").

But, unless we can create improved opportunities to earn higher incomes, our neighbors who live in a state of near constant financial crisis can be expected to continue to struggle, even if we can manage to educate them on the value of banking relationships, good credit, and high financial literacy.



For more information:

The Public Policy Center at UMass Dartmouth:
umassd.edu/ppc

MassBenchmarks, the Journal of the MA Economy:
massbenchmarks.org

Twitter:

@Mike_Goodman

@PublicPolicyCtr

YOU HAVE GOALS? WE CAN HELP

NeighborWorks® SOUTHERN MASS

Serves the Southern Mass area with offices in Quincy, Brockton and New Bedford



Working Together for Strong Communities

How well do you manage your finances/money?

What is your relationship/behavior with money?

How satisfied are you with your financial goals?

Do you know your personal challenges regarding your money habits and reaching financial goals?

Financial Power – Your personal ability to manage your financial goals, now and into the future.

We are pleased to offer individual and group coaching for anyone desiring to achieve personal financial goals, such as:

- credit improvement (increasing score/eliminating debt)
- increase savings (for home purchase, college fund, other major purchase, etc.)
- better use of formal financial services

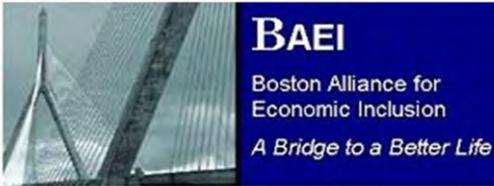
This program is a series of client-driven classes and one-on-one sessions. You will set a plan to achieve your financial goals.

Registration: Go to www.nwsoma.org

Our mission is to create housing opportunities by educating and assisting first time home buyers to purchase their own homes, developing affordable housing for those in need and offering financial coaching to help people reach their financial goals. NeighborWorks®SOUTHERN MASS is a non-profit counseling agency and believes that affordable housing and stable neighborhoods help individuals and families realize their full dignity and potential. We are a partnership of residents, businesses and local governments.

We are a Proud Member of:





BAEI Forum, June 23, 2016

Suggested Action Steps for Community Organizations and Financial Institutions
in Response to Rising Rates of Black and Hispanic UN- and UNDERbanked Households in Massachusetts

as discussed by the *BAEI Open Work Group* on March 24, 2016

Paul Horwitz, FDIC Community Affairs
Randy Houk, Raising-A-Reader/MA
Aida Franquiz, Boston Private Bank & Trust

BACKGROUND

The March 24th Open Work Group (“OWG”) Meeting had 14 participants – seven from community organizations and 5 from financial institutions (and two more from FDIC).

They considered the:

Correlation between Minority and *UNbanked* / *UNDERbanked* Status of Massachusetts Households Across the FDIC *Un-* and *Underbanked* Surveys (2009, 2011 and 2013)

FDIC National Surveys – Home Page

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Surveys & Data

As part of its ongoing commitment to expanding economic inclusion in the U.S., the FDIC works to fill the research and data gap regarding household participation in mainstream banking and the use of alternative financial services. The FDIC surveys help inform the efforts of financial institutions, policymakers, regulators, researchers, academics and others.

[FREQUENTLY ASKED QUESTIONS](#)

National Survey of Unbanked and Underbanked Households

2013

2011

2009

The 2013 household survey results show that more than one in four households (27.7 percent) are either unbanked or underbanked, conducting some or all of their financial transactions outside of the mainstream banking system. Many of these households rely on alternative financial services (AFS) providers, while others use cash or other financial arrangements.

[EXPLORE 2013 SURVEY](#) →

[CREATE CUSTOM DATA TABLE](#) →

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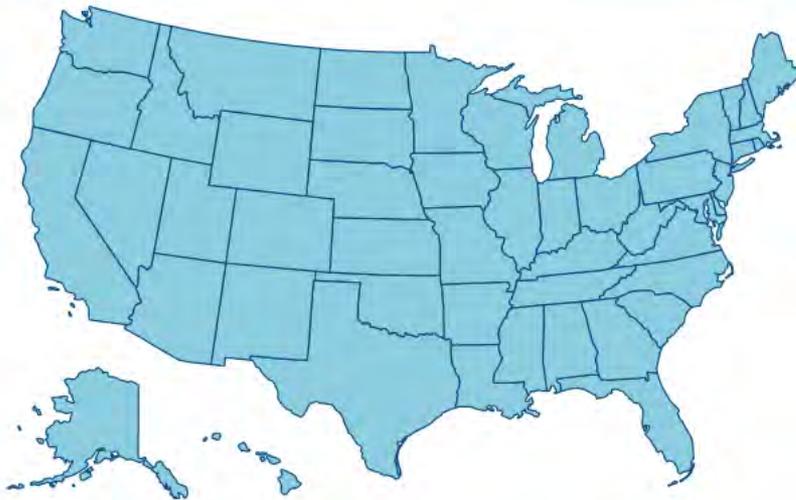
Drill Down...

Home / 2013 Household / 2013 Household Survey Results

2013 Household Survey Results

The 2013 National Survey of Unbanked and Underbanked Households

- KEY OVERALL FINDINGS
- UNBANKED AND UNDERBANKED FINDINGS
- BANK ACCOUNT OWNERSHIP AND AUTOMATIC TRANSFER FINDINGS
- PREPAID CARDS FINDINGS
- ALTERNATIVE FINANCIAL SERVICES FINDINGS
- TECHNOLOGY AND BANKING METHODS FINDINGS
- CREATE CUSTOM DATA TABLE



SELECT GEOGRAPHY: **REGION** **STATE** **MSA**

VIEW STATE DATA

This is what a comparison of the three FDIC surveys told us:

FDIC UU *Household* Surveys 2009 - 2013

**PERCENTAGE of HOUSEHOLDS UN- and UNDERbanked
Massachusetts State-wide**

	Percent Change 2009 - 2013	
	UNbanked	UNDERbanked
	MA	MA
Black	+ 76.5%	+251.6%
Hispanic	+81.0%	+81.6%
White	-25.0%	+18.9%

What did the March OWG participants think about this?

After a lively discussion...

...the OWG meeting participants were asked to suggest **potential action** that community organizations and financial institutions might take to actively promote greater access to mainstream banking, both **individually** *and* **jointly**.

Potential Action for **Community Organizations**

- Invite bankers to attend staff meetings to talk about what their institutions do and stand for; hear about needs, etc.
- Build and then leverage trust-based relationships
- Use bank charitable-giving programs as an entrée to seek out personnel to talk about other instances where mutually beneficial collaborations might arise
- Add or strengthen financial education/capability/counselling services
- Add a credit-builder program

Potential Actions for **Community Organizations**

- Leverage the strengths of any case management services to create a pipeline of motivated banking-ready clients, and engage local financial institutions to build account relationships
- Understand and adopt deposit accounts that let clients *Learn to Earn*. For example, simple accounts that give people the opportunity to apply what they have learned in financial education classes, Individual Development Accounts, etc.

Potential Actions for **Community Organizations**

- Advocate for accounts with trust structures that permit depositors to safely build assets while recovering from serious financial problems
- Help clients understand the holistic nature of living a healthy life – financial education or a savings account alone are not enough to help develop durable financial stability

Potential Actions for **Financial Institutions**

- Offer responsive products and services; promote if they currently exist; develop if they do not
- Be consistently present and visible in the community (“one and done” activities do not promote strong relationships)

Potential Actions for **Financial Institutions**

- Engage employees who live in, or have deep ties to, vulnerable communities to be ambassadors for their institution
- Seek out training for those employees willing to play this role (sources of such training might include key community organizations)
- Consider an in-house community advisory group to provide regular feed-back, identify needs and opportunities, etc.

Potential Actions for **Financial Institutions**

- Build or seek out a compelling “business case” get the entire bank’s attention
- Host periodic seminars for community leaders on a broad range of interests, such as non-profit management, rather than just about specific bank products
- Be knowledgeable about a broad scope of issues and programs important to the community

Will the 2009 - 2013 trends continue?



The 2015 FDIC Survey results will be released in October.



BOCommunityAffairs@FDIC.gov



BAEI FORUM

JUNE 23, 2016

TODAY'S SPEAKERS

TIMOTHY DELESSIO

Tim DeLessio is currently the FDIC Area Manager for Community Affairs in the Boston Area Office. He began his career with the FDIC in the New York Region in 1985 and has significant experience leading both compliance and risk management examinations, including serving as the Compliance Field Supervisor for the Boston South Field Office. Since becoming Community Affairs Officer for the Boston Area Office, he has worked on the FDIC's *Economic Inclusion* efforts and established two Alliances, in Worcester and Boston, to foster collaboration amongst bankers and community organizations. He is the lead contact on community development issues and promotion of the Corporation's Money Smart curriculum in New England.

Mr. DeLessio holds a B.S. in Finance Cum Laude from Siena College, and graduated from The Graduate School of Retail Bank Management. He served in the United States Air Force before starting his career at the FDIC.

AIDA FRANQUIZ

Aida is Vice President and Community Investment Officer at Boston Private Bank & Trust. For over 22 years, she has been involved in seven CRA exams with FDIC, OTS and the Massachusetts Division of banks, taking leadership roles in many aspect of the examinations.

She is involved with numerous organizations and initiatives in the area. Prior to joining Boston Private in 2006, she served as the Community Liaison Officer at the TD Bank Group, and before that, held a similar position at Boston Federal Savings Bank.

MICHAEL GOODMAN



Department: Public Policy
Office: Chase Road Center (128 Chase Road, Dartmouth)
Voice: 508-910-6986
Fax: 508-999-8374
Email: mgoodman@umassd.edu

Michael Goodman is Executive Director of the Public Policy Center and Associate Professor of Public Policy at the University of Massachusetts Dartmouth.

The Public Policy Center is the University's applied social science research, technical assistance, and public service unit based in the College of Arts and Sciences and affiliated with its Department of Public Policy. An interdisciplinary applied public policy research and technical assistance provider, the Center seeks to inform evidence-based policymaking at the state, regional, and local level through collaborative engagements with public, private, and non-profit partners.

Professor Goodman joined the faculty at UMass Dartmouth in 2009 after serving for eight years as the Director of Economic and Public Policy Research at the UMass Donahue Institute. Between 2009 and 2014 he served as the Chair of the Department of Public Policy and the Graduate Program Director of the Master of Public Policy (MPP) program.

A leading analyst of the Massachusetts economy, he has authored or co-authored over fifty professional publications on a wide range of public policy issues including regional economic development and housing policy as well as demographic and other applied social science research topics. He has supported this research by generating over \$5 million in external grant and contract funding from a diverse array of public and private sources.

An economic sociologist, Professor Goodman is a three time past president of the New England Economic Partnership, a nonprofit organization made up of leading regional analysts that produces semi-annual economic forecasts of the economic outlook for each of the six New England states. He currently serves as Co-Editor of MassBenchmarks, the journal of the Massachusetts economy published by the UMass Donahue Institute in cooperation with the Federal Reserve Bank of Boston.

RANDY HOUK

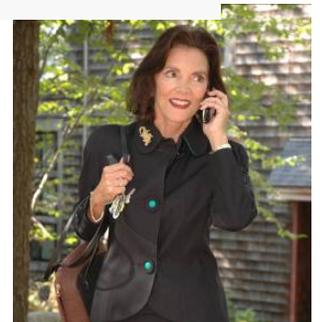
(DOROTHEA RANDOLPH HOUK)

EXECUTIVE DIRECTOR – RAISING A READER, MA

9B HAMILTON PL, BOSTON, MA 02108

781-385-9790

RANDY@RAISINGAREADERMA.ORG



Expertise

For the last 1½ years, Randy has been Executive Director for *Raising A Reader, MA*, a self-standing, award-winning nonprofit that provides a dual intervention program for parents from low-income communities in the gateway cities in MA. RARMA served 12,000 children last year, distributing over 48,000 books for at-home shared-reading, and provided workshops for parents that coach even those who cannot read or speak English, in how to share a book with children 0-6, asking questions and engaging the children in dialogue.

For the previous 3+ years, Randy Houk was Senior V.P. of *More Than Wheels*, a nonprofit that helps lower income families repair their credit, learn financial literacy, and get a low-interest, reliable vehicle, so they can get and keep a good job. She has been CEO of three organizations, most recently her own multi-media publishing company, The Benefactory, with licensing agreements with 18 nonprofit organizations such as The Humane Society of the U.S. She has extensive experience as the public face of the organizations she has represented, and has raised over \$15 million for her companies.

She is also an Author / Illustrator, whose works include:

2011 Author, Illustrator, In Wheelwright Park, Don't Bite! Don't Bark!

2013 (pending) Author, Illustrator with Judy Oliver, Ashley Oliver: The Womp and the Wigwam: The Missing Wigwam

2009 Author, Rico's Hawk: A Green Chimney's Tale

1996 Author, Chessie, The Travelin' Man (winner of the 1997 silver NAPPA award)

Randy received her BA cum laude from Wheaton College in Norton, MA,

PAUL HORWITZ

Paul joined the FDIC's Community Affairs Program in 1991. His responsibilities include:

- Project Manager for the Boston Alliance for Economic Inclusion
- Public Outreach and Consumer Education
- Research, Analysis, and Training
- Development of Analytical Tools, and
- Other activities designed to promote community development and financial literacy, and foster compliance with Fair Lending, Consumer Credit Protection laws, and increased access to Mainstream Banking.

Prior to joining the FDIC, Paul served as:

- *Special Assistant* to the Massachusetts Secretary of Consumer Affairs and Business Regulation
- *Principal Bank Examiner*, Special Analysis Section at the Massachusetts Division of Banks
- *Chief Director*, Consumer Assistance Section, Massachusetts Division of Banks

He is received his BA, with honors, from the University of Massachusetts/Amherst

JOSEPH MADAIO, Housing/Foreclosure Counselor
NeighborWorks of Southern MA

At NWSOMA, Joe works with at risk borrowers assisting with foreclosure mitigation and first time homebuyers providing education in the home purchase process.

He currently serves as the:

Brockton Area Workforce Investment Board's *Director & Marketing Committee Chair*

Brockton Housing Partnership's *Treasurer & Marketing Chair*

Downtown Brockton Association's *Treasurer*

Prior to joining NWSOMA, Joe spent many years in retail banking leadership positions at banks and credit unions in the south shore.

Joe received his BA with honors, from Clark University in Worcester MA, and did his post graduate work at the University of Colorado Boulder, School of Bank Marketing

JEFFREY MANNING

Presently, Mr. Manning serves as a Community Affairs Specialist for the Boston Area which encompasses all six New England states. In this position he assists with planning of area activities, to achieve the overall mission of the Community Affairs Program. Jeff works with financial institutions to promote compliance with the spirit and letter of the Community Reinvestment Act (CRA), the Home Mortgage Disclosure Act (HMDA), the Equal Credit Opportunity Act (ECOA), and the Fair Housing Act (FHAct). He serves the community and the public through outreach, education, and technical assistance activities. He also works with area no-profits encouraging inclusion of all individuals in banking and financial literacy.

Mr. Manning began his career with the FDIC's New York Region in 2009 as a Mid-Career Compliance Examiner in the Boston North Field Office in Lexington, MA. He was promoted to Commissioned Compliance Examiner in 2011 and to Senior Compliance Examiner in 2014. During that time Jeff served as Examiner-in-Charge of several large and complex Compliance and CRA examinations. Further, he participated in multiple examinations in the North-East, Mid-West, and West Coast.

Prior to joining the FDIC Jeff worked in three Community Banks located on the North Shore of Boston for more than 25 years. He has a background in Retail and Residential Lending, Deposit Operations, Branch Operations, Audit, Compliance and CRA.

Mr. Manning is a graduate of Suffolk University, Boston, MA, receiving a Bachelor's of Science/Arts in Business Management.

CONSTANCE MARTIN

Constance Martin is the Deputy Director of Mayor Walsh's Office of Financial Empowerment, which is part of Boston's Office of Workforce Development. The OFE includes the Roxbury Center for Financial Empowerment, the Boston Tax Help Coalition, and other programs that facilitate Boston residents' ability to develop assets and financial capabilities, such as Children's

Savings Accounts and Youth Credit Building. She performs special projects such as consumer protection development and other initiatives on behalf of the Office of Workforce Development and Economic Development Cabinet, as needed. She is a lawyer with a background in compliance, grant management, and litigation

ANTONIO NUNES

Antonio Nunes joined Mayor Walsh's Office of Financial Empowerment in March as the Bridge to Hospitality Program Manager, developing and implementing the OFE's first workforce development program, which graduated its inaugural class earlier this month. Antonio has substantial experience in budgeting and finance for SEIU Local 888 where he was a member and the Finance and Administrative Director. He also worked in Compliance for the City of Boston's Department of Neighborhood Development. He is the Treasurer for CVC Unido, a nonprofit that works closely with the Cape Verdean community

DOREEN TREACY

As Vice President of Career Services at Jewish Vocational Services' Career Solutions Division, Doreen is a member of JVS' senior management team, and responsible for setting vision and leading her unit. Responsibilities include:

- Daily operations, strategic staffing, budgeting, reporting and evaluation
- Ensuring high quality customer services to job seekers and cutting-edge workforce development/labor exchange practices to Boston area employers
- Goal setting and outcomes evaluation
- Cross integration of internal divisions, products, and services

Doreen also serves as:

- a Steering Committee Member for the MassSaves Collaborative
- and on the Midas Collaborative Advisory Board

Previous experience includes:

- Massachusetts Community & Banking Council's Interim Executive Director
- Director of the DotWell Civic Health Institute, and a
- Boston EITC Coalition Founding Member

Doreen is an honors recipient of a:

- Master of Divinity from Boston University, and a
- Bachelor of Arts in Marketing/Journalism from the University of Massachusetts, Amherst

MIMI TURCHINETZ

Mimi Turchinetz is the Assistant Deputy Director of Mayor Walsh's Office of Financial Empowerment and is also the manager of the Boston Tax Help Coalition, now entering its fifteenth year of successfully providing free tax preparation for Boston residents. Mimi is also responsible for fundraising to support the Coalition's work and, in addition to working on asset development initiatives, manages legislative issues for the OFE.

Mimi also spearheads work on facilitating access to OFE's services for non-English speaking residents and the disabled community.

MAUREEN "MO" WILKINSON

VP of Community Education and CRA Officer for HarborOne Bank, Maureen Wilkinson, known to most as "Mo," brings many years of valuable experience to lead HarborOne U[®], the Bank's unique education program which helps foster community and economic development throughout Southeastern Massachusetts.

Prior to joining HarborOne in 2009 through a merger with NationsHeritage Federal Credit Union, Maureen held the position of President/CEO of the Attleboro, MA based institution. Originally from Portsmouth, New Hampshire, Ms. Wilkinson has worked in financial institution industry for 31 years in a variety of capacities including President/CEO of Warren Federal Credit Union in Cheyenne, Wyoming and Hewlett Packard Rocky Mountain Federal Credit Union in Loveland, Colorado. Previously, Ms. Wilkinson was also the Chief Financial Officer of Justice Federal Credit Union in Washington, DC.

Ms. Wilkinson's educational background includes an Executive MBA from Loyola University, Maryland as well as a Bachelor's degree in Finance with a minor in English Literature from Anna Maria College, Paxton, Massachusetts. Maureen is a past recipient of the international ATHENA award. In 2002, Maureen was named Outstanding Young Alumnus of Anna Maria College for attaining significant professional achievements at a young age and an impressive record of mentoring many others along the way who quickly went on to become successful senior executives themselves. Ms. Wilkinson's noted passion for education and creating opportunities for others translates to a great fit for HarborOne U[®] which was established with the intention of enriching lives through education.

A resident of Plainville where she lives with her husband and three children, Ms. Wilkinson is a volunteer director for the Hockomock Area YMCA and a Trustee at Anna Maria College, serving as the Secretary of the Board for both organizations.