

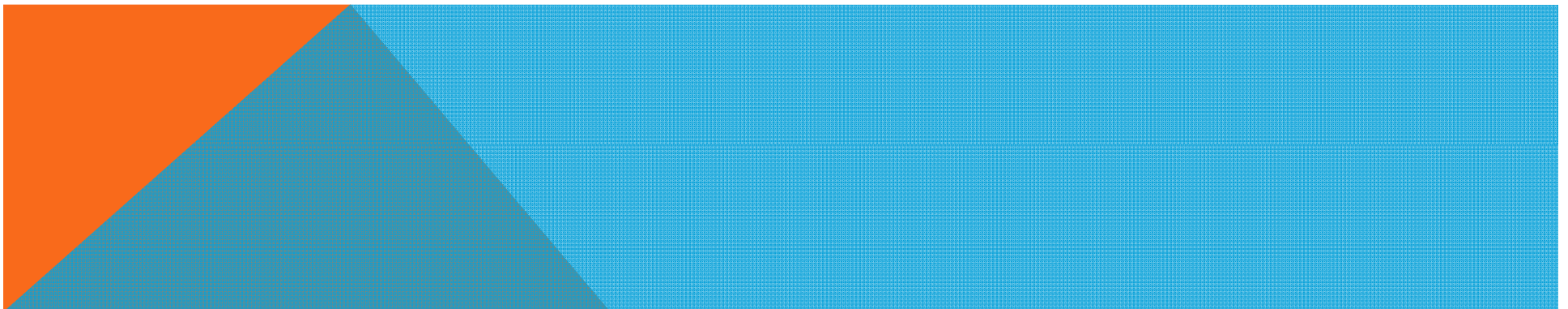


**EXPLORING GOVERNMENT
AND NON-PROFIT
PARTNERSHIPS**

AMBER PAXTON, CITY OF LANSING

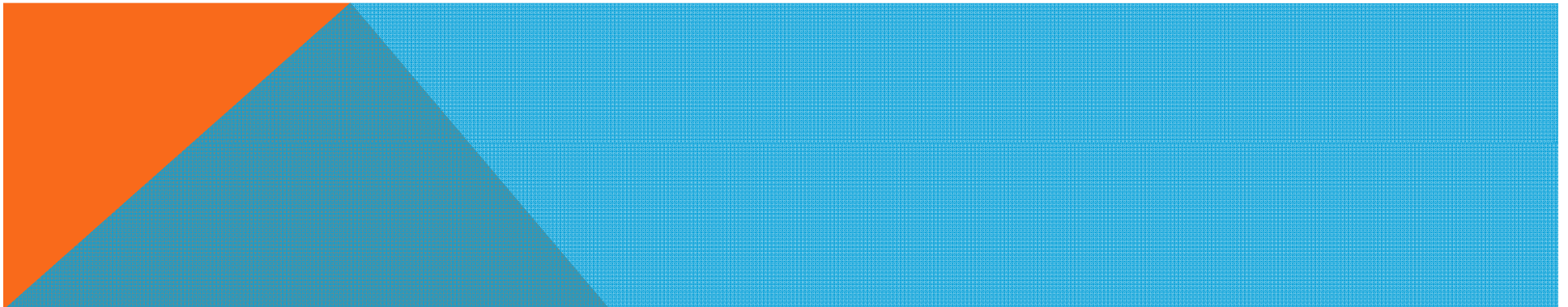
THE FINANCIAL EMPOWERMENT CENTER MODEL

- 2008 – NYC → 2013 – Lansing, Nashville, Denver, San Antonio, Philadelphia
- Public / Private Partnership: One city government, one non-profit “hub”, and “satellite” sites
- Integrated with existing social services, such as emergency assistance
- Collocation and referral relationships
- Personalized (not generally educational) information is presented in a private, one-on-one session



THE FINANCIAL EMPOWERMENT CENTER MODEL

- Four service plans: Banking – Debt – Credit – Savings
- Specific, measurable outcomes
- Serve unique client needs at important transition points (ex: Public Housing)
- Cities are uniquely positioned to be innovative in this field, and to benefit from the innovation
- <http://www.nyc.gov/html/dca/downloads/pdf/SupervitaminReport.pdf>



OUR TYPICAL CLIENT

The typical Lansing Financial Empowerment Center client:

Is Female (66%) and single (51%)

Has a high school / GED level of education (48%)

Has 1.53 children who live with them

Is between 30 and 40 years old (27%)

Rents their home (52%)

Is referred by a community-based organization (56%)

Has an average income of \$16,847

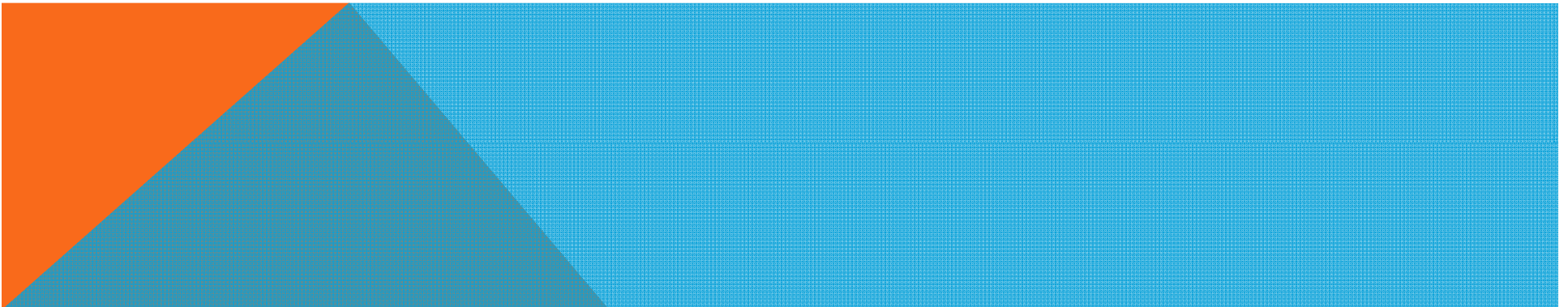
Has non-mortgage debt of \$30,000 or more (29%)

Has \$0 in savings at first counseling meeting



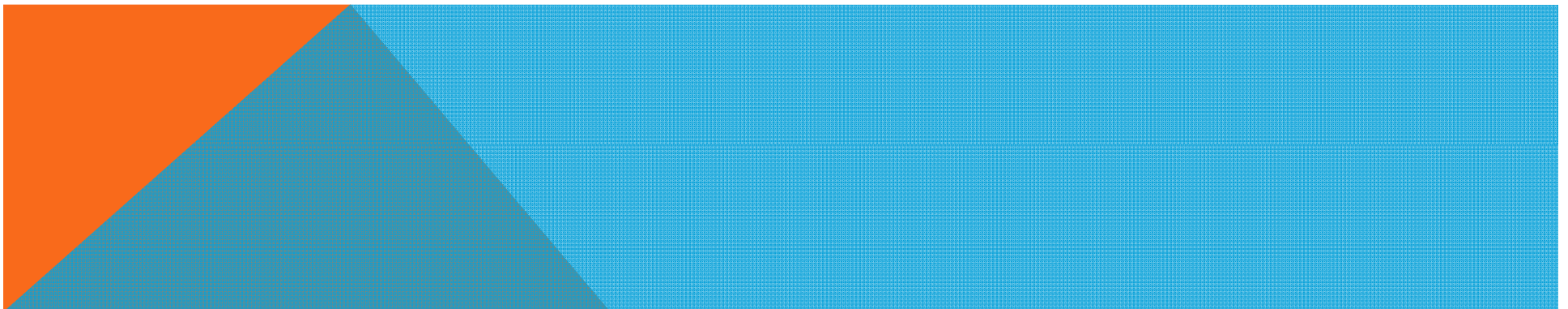
CLIENT ISSUES

- 25% of our clients come to us homeless (18%) or couch homeless (7%)
- 39% come to us with no relationship with a mainstream financial institution
- 65% report being short on cash before payday
- 53% report being “extremely worried” or “very worried” about their finances
- 18% have no health insurance
- 26% have trouble purchasing adequate food for their household



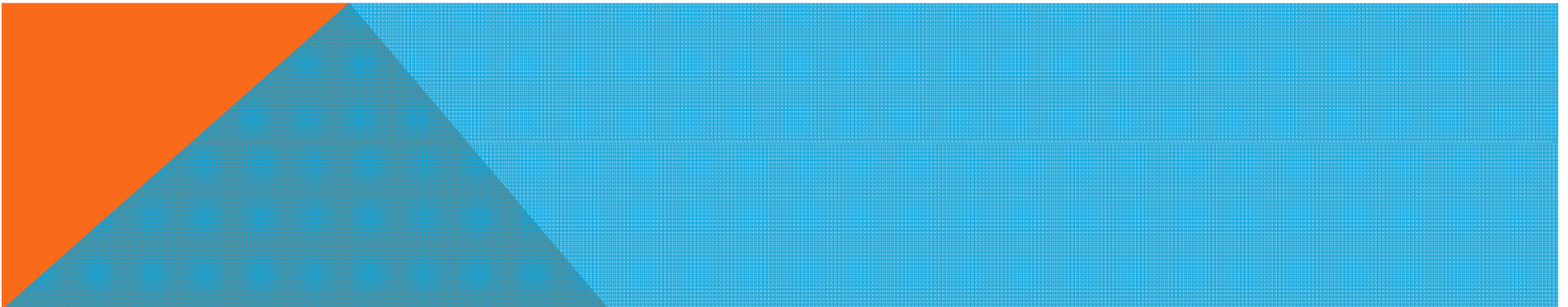
WHAT DO OUR CLIENTS NEED?

- **POLICY:** Protection from predators
- **PRODUCTS:** Access to safe, affordable bank products
- **KNOWLEDGE:** How to navigate unfamiliar, often unfriendly systems, and what the law says and does not say
- **A FISH, AND A FISHING LESSON:** The safety net is critical. So is the ability to achieve the level of stability that eliminates the need for it.



WHAT DO WE NEED?

- **SAVINGS:** To spend less on direct services
- **ECONOMIC DEVELOPMENT:** Of both business, and the individual
- **ANSWERS:** To know we're really helping



BENEFITS TO THE NON-PROFIT PARTNER

- Bully pulpit
- Funding
- The service is distinct, but complimentary (ex: Housing Counseling)
- Decrease in repeat requests for assistance (ex: HRCS)
- Efficiencies (especially around funding requirements) and Savings (ex: VOA, Parole)



RESULTS TO DATE:

March 13, 2013 (Launch) – December 31, 2014

1,799 clients

4,702 counseling sessions

2,156 credit reports reviewed

Over \$2.4 million debt reduction

Over \$171,000 in savings increase

487 credit report errors reported to credit bureaus

126 unbanked clients who opened bank accounts

**Every month, four of our
clients become debt free.**

LET US HELP YOU.



**Financial
Empowerment
Center**

*Free One-on-One
Financial Counseling*



Virg Bernero, Mayor



VISIT LANSINGMI.GOV/OFE OR CALL 2-1-1 TODAY!

CONTACT

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