

Notes from the February 2, 2021 Financial Education Advisory Team Meeting

Team Members

Present:

State Treasurer Tobias Read, Chair
Laura Aguirre, Financial Advisory Station, Mexican Consulate
Kate Benedict, Executive Director, Financial Beginnings Oregon
Luke Bonham, Neighborhood Partnerships
Scott Cooper, NeighborImpact
David Carlos Garcia, Neighborhood Partnerships
Alisha Langford, Abeona Group
Brent Hunsberger, Financial Planner, Silver Oak Advisory Group
Gina Huntington, Vice President of Programs, Junior Achievement
Bill Ihle, CEO & Executive Director, Consumer Credit Counseling
George Katsinis, Accredited Financial Counselor - Oregon Military
Erin Moore, Financial Ed Program Manager, OnPoint Community
Credit Union
Juanita Santana, AARP & Prior Retirement Savings Board Member
Karen Saxe, Director of Financial Wellbeing, Dev Northwest
Felicia Wells Thomas, Micro Enterprise Services of Oregon
Dave Tovey, Executive Director, Nixyáawii Community Financial
Services (NCFS)
Chabre Vickers, Community Development Officer, Wells Fargo

Treasury Staff:

Amy Bates, Communications Director
Meredith Coba, Legislative & Outreach Coordinator
Kaellen Hessel, Advocacy/Outreach Manager
Michael Parker, Executive Director, OR Treasury Savings Network
Jennifer Peet, Corporate Governance Director
Sabra Purifoy, Operations Director
Missy Simpson, Executive Coordinator
James Sinks, Financial Education Program Manager
John Valley, Policy & Outreach Director

Others Present:

Ken Calhoun
Kevin Christianson

Agenda Item 1 – Welcome and Remarks

Treasurer Tobias Read welcomed the members of the Advisory Team, stating that the Team has many options and that part of the work of the group is to ensure that things aren't missed or overlooked when considering how to improve the state of financial education in Oregon. One thing that is very clear is that the only way to do so correctly is to consider every Oregon community, including rural, urban and under-represented communities.

Agenda Item 2 – Previous Oregon recommendations

Juanita Santana, an AARP volunteer and a former Retirement Savings Board Member, presented the recommendations of the 2016 report *Empowering Oregonians via Financial Literacy*, which were proposed as part of the successful implementation of the OregonSaves program. The recommendations were reached after a series of working groups and discussions with Oregon experts from public and private sectors. Although state agencies and their partners were performing financial education and outreach services, the main finding was that it was happening without the benefit of full coordination and collaboration that could increase the efficiency, reach and impact of those services. Agencies and their partners agreed that better coordination and support of their efforts is key to improving Oregon financial literacy. It was also found that Oregon doesn't have a single entity responsible for the coordination of financial education efforts. The committee made four specific recommendations:

- 1) The Governor's Office should assign responsibility for coordinating statewide financial education efforts to a single entity. The entity would convene a mix of public and private sector experts and stakeholders to bring together disparate resources and expertise to develop a strategy and goals, create a long-term plan, coordinate efforts, and monitor and report on progress.
- 2) A clearinghouse within or outside of state government should develop and manage a more comprehensive network of financial education resources to meet the needs of the broader public. The Legislature could appropriate funding for the development of the clearinghouse, or state government could partner with a non-profit organization to secure grant funding.
- 3) State agencies should provide enhanced support for the asset building and financial knowledge community through cross promotion and more public/private partnerships to share best practices and ensure coordination of financial education efforts. The Legislature could allocate funding to help financial education providers with a track record of success expand initiatives, especially to reach underserved, unbanked/underbanked communities, and non-English speaking communities.

- 4) Improve curriculum-based financial education in the K-12 educational system. To help fund these initiatives, the Legislature could pass legislation to tie civil penalties from financial entities, which currently go the General Fund, to financial education programs.

Agenda Item 3 – Financial Education through an Equity lens

Carlos David Garcia of Neighborhood Partnerships (NP) presented information regarding racial equity at NP in general. One of NP's primary roles is to bring people together, including the Oregon Housing Alliance and Oregon IDA Initiative. The Oregon Economic Justice Round Table was created over a year ago and is a partnership between NP and Black, Indigenous and People of Color advocates and BIPOC-led nonprofits and funders. They believe that racial justice requires new approaches to the creation, transfer and redistribution of wealth and power. Achieving justice requires an end to unequal treatment and current policies and practices that create wealth disparities and generational loss of wealth. Working with its partners, NP has begun to create guiding principals that sustain and inform their work, because continuing to do business in the same way hasn't worked and will lead to the same outcomes. New approaches and frameworks are needed that lead with race. Participants must be centered and met where they're at, so solutions need to be co-created with the communities impacted. Part of meeting people where they're at is delivering the information in a culturally specific or culturally competent service delivery model that is fully resourced. Systemic solutions and advocacy are needed to make real progress, and it needs to be done as a collective effort between government agencies and private organizations.

Luke Bonham of NP explained the Oregon IDA Initiative, which is an investment in asset building for the financially disadvantaged. Neighborhood Partnerships works with IDA participants to help them save for goals such as home purchases, vehicles, retirement, etc. Financial education standards have been developed for all IDA providers so that IDA savers will have access to robust, high quality financial education. This education is provided in a way that is culturally specific and meets the needs of the individual participants. It includes core content of money management strategies and navigating complex financial systems to make informed decisions as well as an economic literacy piece that increases the saver's understanding of economic systems that extract money from or exclude low income and BIPOC communities and how to become involved advocates for the financial wellbeing of their community.

The reality is that dominant narratives about personal responsibility for achieving wealth don't match with the realities of low income individuals. Working hard and budgeting well simply isn't enough to achieve wealth.

Looking ahead, there is a lot of great work that is already happening, and some of the things that need to continue and be built upon are: 1) a supportive financial ecosystem to provide the resources and opportunities needed; 2) coordination and collaboration including financial education that is supportive and can be replicated and provided in a culturally specific and culturally relevant delivery system; 3) being accountable to what the goals are, who is being served, and sharing data broken down by race and ethnicity

to show who's benefiting from the resources; and 4) continuing to take collective action with partnerships to help advance racial and economic justice throughout Oregon's communities.

Agenda Item 4 – Background: The Oregon agency universe

Treasurer Read stated that state agencies can provide value as being connectors to services by amplifying and augmenting services and resources. A number of state agencies currently work with programs related to financial literacy, some focused on consumer protection, providing people with knowledge to advocate for themselves, assisting people in finding stable housing, providing transparent data regarding higher education and some that function as hubs to provide a variety of financial information to people.

Agenda Item 5 – Empowerment programs and Treasury

Michael Parker of the Oregon State Treasury gave a quick overview of Treasury's functions, including managing PERS investments, being the bank for state agencies, and managing and tracking bond financing for government entities and non-profits. Mr. Parker highlighted some of Treasury's past programs geared toward financial literacy and then explained that Treasurer Read has taken Treasury's front-facing programs that work directly with the public and built the financial empowerment network called the Oregon Treasury Savings Network. The Network is made up of three programs: the Oregon College Savings Plan, the Oregon ABLE Savings Plan, and OregonSaves, the nation's first state-administered auto-IRA program for private sector workers. These programs can all be a conduit to the help improve financial literacy. Treasurer Read changed the tax benefit for people who save in the Oregon College Savings Plan to help encourage saving by all Oregonians. The Education Savings Credit gives a refundable credit to people saving for college and is scaled to a person's income, with lower-income people receiving full credit for their contribution of up to \$300 and higher income people receiving a smaller percentage. The program also offers incentives. The Baby Grad and Kinder Grad match of \$25 for accounts opened. The OregonSaves program is helping employees who wouldn't normally be able to save for retirement through their employers to do so, often those earning minimum wage or slightly more. The Oregon Retirement Savings Board is interested in highlighting the availability of emergency savings through the OregonSaves program as well.

Kellen Hessel of Oregon State Treasury explained that the disabled community had been financially disadvantaged for years due to asset limits required in order to receive critical services. Launched in 2016, the ABLE program now allows disabled individuals to save up to \$100,000 in an account without losing SSI or other benefits, which has the potential to greatly improved their quality of life. Recent research from the National Disability Institute found that the most financially vulnerable population in America are those that live at the intersection of disability, race and ethnicity. In order to qualify for an ABLE account, the disability must have onset by age 25, which excludes many, since many mental illnesses develop later than that and veterans are often older than 25, among others. The ABLE Age Adjustment Act proposes to federally raise the onset age to 46, and Treasury has been supporting it for a few years now, as it has not been successfully passed by Congress. Ms. Hessel explained the benefits of the ABLE

prepaid bank card in helping a person learn financial skills. She also stated that people with disabilities typically weren't expected to acquire wealth, so haven't been taught financial literacy skills. Financial Beginnings and Oregon's Transition Network have made the Financial Beginnings curriculum more applicable to young adults with disabilities aged 16-21 to use as lecture materials, and the prepaid card on their ABLE accounts will be used to implement financial concepts that have been taught. Lastly, a monthly webinar series is being held for adults with disabilities where experts talk with them about financial skills and topics.

Agenda Item 6 – Focus Questions

The following questions were discussed by individual panels of the Financial Education Advisory Team members:

1) What three or more things should we keep in mind to help ensure relevance of financial education resources and increase accessibility in under-represented and BIPOC communities?

- a) More financial education materials available in writing and spoken in Spanish in all financial institutions, organizations and on government webpages.
- b) Provide support in Spanish in the current programs to be able to access the resources.
- c) Prepare materials to develop a baseline financial education, covering topics like financial lingo, household budgeting and how credit works.
- d) Keep in mind that if people can't access the financial products they need, they will lose interest and trust in the financial system and financial education efforts will be wasted.
- e) Centering the voices of the community that we want to serve in the services being provided, but there needs to be a consistent feedback loop to hear from clients served about what's working, what's not, ideas for improvement, etc. to ensure that financial education (and financial tools) is meaningful, impactful and relevant to their lives.
- f) Be more intentional about embedding financial education and access to financial tools within systems/organizations where BIPOC and other historically marginalized communities are already engaging. We often require that people navigate to other, new agencies where the same level of trust may not exist in order to receive services. How can DHS case workers, Head Start teachers, business development organizations, food banks, etc. be empowered to provide tailored financial education services to clients they're already working with? Or at least developing a robust referral network to support clients in receiving these services.
- g) Do ITIN filers have access to the credit discussed for folks participating in the college savings account? Are accounts for that, and other programs, set up at financial institutions that have a presence in and commitment to working with communities of color? Can we systemize existing culturally-specific savings programs (i.e. lending circles) into financial institutions/programs to support community-based work already happening?
- h) See people where they are and where they can go, and build relationships with them.

- i) Mirroring the people you serve and being in their community.
- j) Having advocates who have come through the programs and actually experienced the empowerment that came from that.
- k) Gear programs to both men and women.
- l) Using collective resources in efforts to reach BIPOC and under-served communities.

2) What three or more specific outreach strategies will be more effective to reach people who live in rural areas, retirees, veterans and people with disabilities?

- a) There is much more interest in IDAs than there are resources. Matching up resources to the demand is key, and there is also enormous demand in schools and dealing with young people.
- b) Marketing online is very important and must be clean and precise, because people won't spend a lot of time making the decision of whether or not they're interested.
- c) ABLE education for children with disabilities who are receiving tribal trust funds.
- d) Specific outreach to individuals with disabilities who are in the transition age group of 16-21 by someone who is like them.
- e) Educating parents about how to support their children as they reach transition age.
- f) Establish new collaborative and coordination approaches and the sharing of resources with organizations that already has the trust of these communities, such as Head Start and AARP.
- g) Social media

3) As developers of financial advice and content, what works today and how do your organizations move people towards actionable financial knowledge?

- a) Inviting people to give feedback prior to the content and programming being totally finalized, such as a pilot group. Provide some type of compensation that makes sense for the program while thanking participants for their time and encouraging participation.
- b) Developing resources that connect people with the content that they've requested but allows them to take it outside of the presentation or interaction space and share it with their families or their support groups and structures so they can continue the conversation.
- c) Making programs accessible and flexible.
- d) Systemic solutions, such as K-12 sequential education where children are learning that can be built upon and experiential learning opportunities as well.
- e) Representation matters – the person educating should look like and have shared lived experiences to those being educated in order to be fully heard.
- f) Fellowship programs that train people from under-represented communities to be advocates for their community.
- g) Adjusting content to be relevant to the receiver.
- h) Having a safe space for people to ask questions, etc., when learning.
- i) Forging partnerships with the financial advisor associations to provide free one on one financial advice and follow ups.

Next meeting is scheduled for March 2, 2021.