



Rural LISC Financial Opportunity Center

Internal Launch with CMCA Board



February 2021

Agenda

- **LISC, Rural LISC Overview**
- **LISC's Financial Opportunity Center (FOC) Model**
- **Why CMCA believes in the model**
- **Questions/Thoughts from the Board**

RURAL
LISC

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LISC

Our Model

LISC is an investor, capacity builder, convener and innovator.



Pool Public and Private Dollars

We raise funds from philanthropies, corporations and financial firms, federal, state and local governments and through the capital markets.

We also generate income from consulting, and lending services.



Work With Local Partners

Through a network of local offices and community-based partners across the country, we provide grants, loans, equity and technical assistance.

We also lead advocacy efforts on local, regional and national policy.



Support People and Places

By investing in housing, businesses, jobs, schools, public spaces, safety, youth, health centers, grocery stores and more, we catalyze opportunities in communities nationwide.

Rural LISC

We are the connector and cross pollinator for our partners, linking them to national opportunities, to each other and aggregating resources they, might not otherwise access without our network.

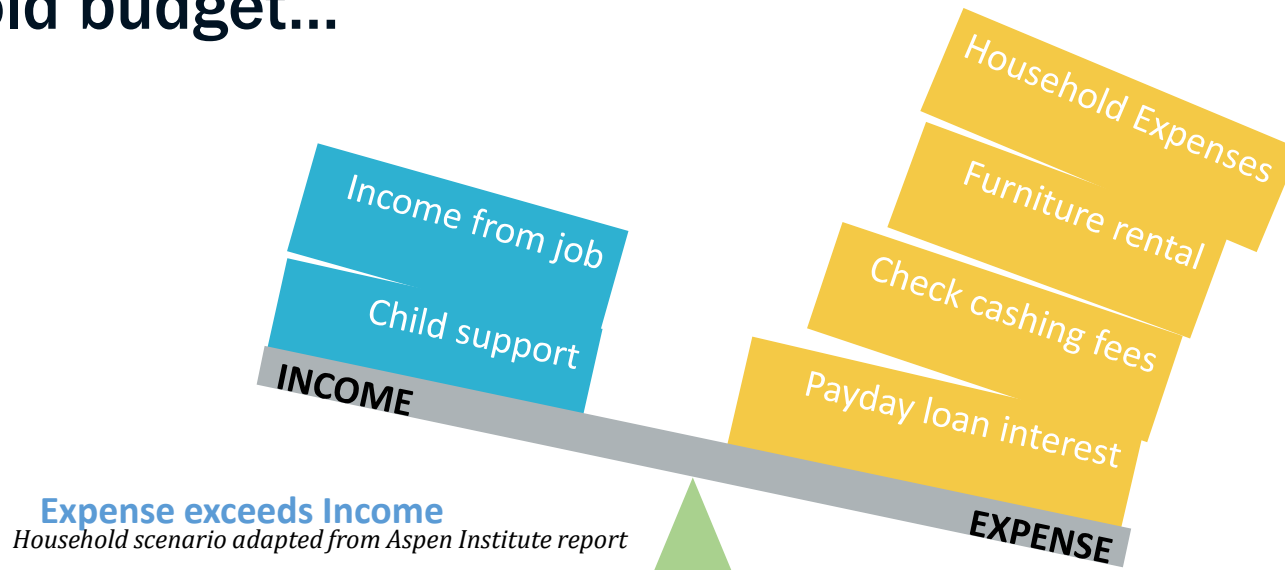


Rural LISC supports the work of 88 rural nonprofit community-based organizations serving residents in more than 2,200 counties across 45 states. In the areas, we help residents identify priorities and opportunities – and deliver the most appropriate support to meet local needs

Financial Opportunity Center (FOC) Model

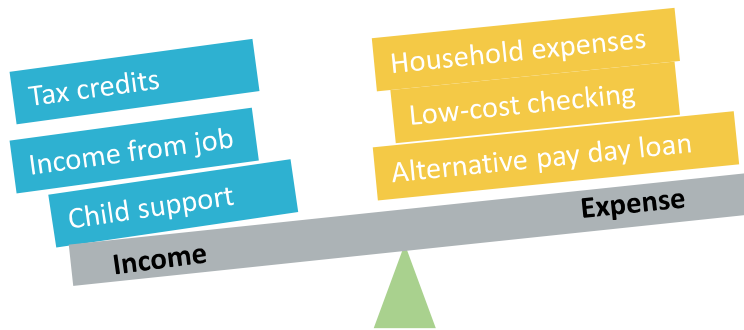


Jobs are not always enough to balance a household budget...



- Net income (NI) is negative for **20% of all working FOC participants**
- Workforce services alone - not enough to tip the scale
- Most workforce programs don't ask about expense

FOC Priority: Balance Budget



Income exceeds Expense

Household scenario adapted from Aspen Institute report

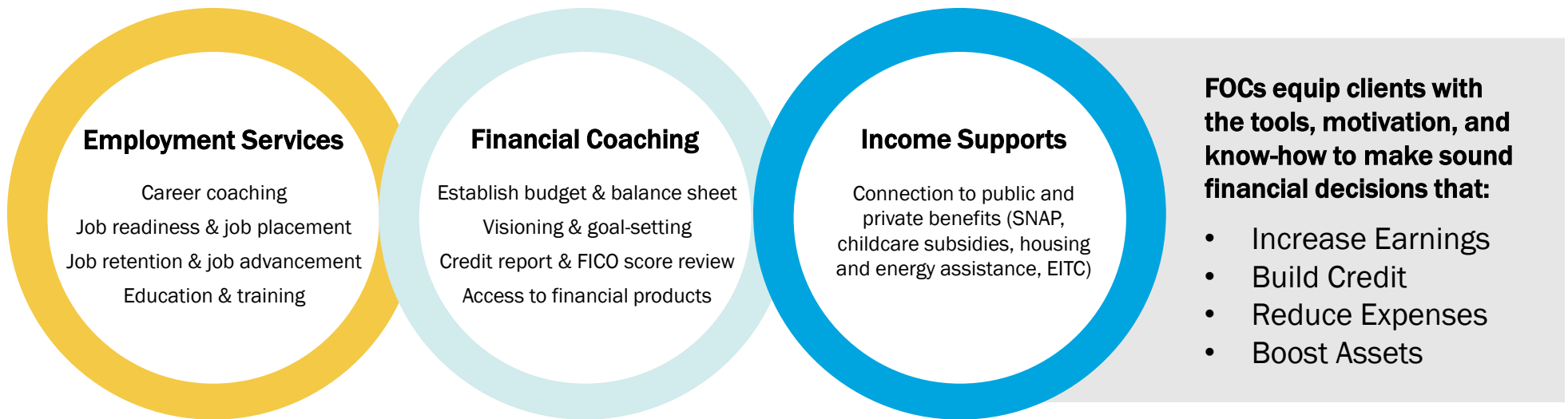
FOC Model: 3 Core Services

*Based on Annie E. Casey Foundation's
Center for Working Families model*

1. **Employment Counseling Services**
2. **Financial Counseling Services**
3. **Income Support Counseling Services**

Financial Opportunity Center (FOC) Model

Financial Opportunity Centers pair individuals with Financial and Employment Coaches to co-create financial freedom plans. Coaches support individuals with tools and resources that allow them to navigate the complexities of increasing income, decreasing expenses, building credit, and acquiring assets.



Bundling All Three Services is Key

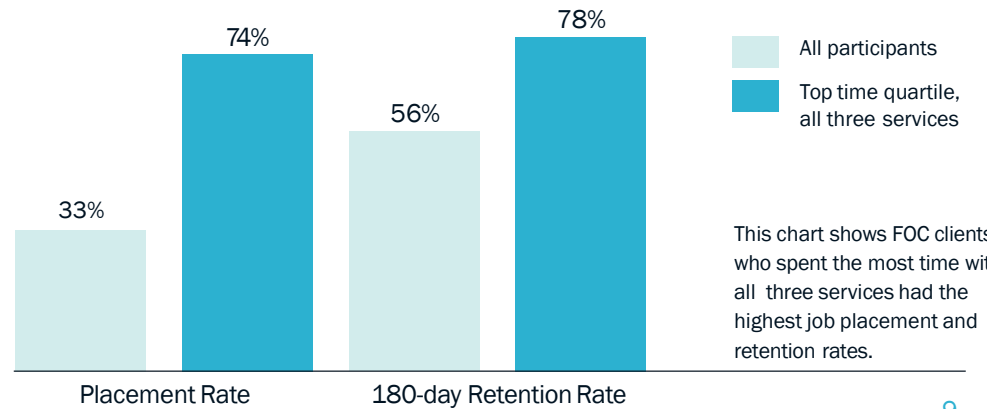


This one-on-one integrated coaching approach provides the tools, motivation and know-how to make sound financial decisions that increase earnings, build credit, reduce expenses and boost assets.

LISC partners have found that FOC clients are **50% more likely to land a well-paying job** than people receiving employment services alone and **long-term job retention** (holding a job for a year or more) **nearly doubles** when financial coaching reinforces the work of employment counseling.



*In comparison to clients receiving only employment services at public workforce centers.





Rural Financial Opportunity Center Outcomes

January – December 2020

631

Rural community members have received financial and employment coaching this year

Individuals who have received integrated financial, employment, and income supports coaching, and have baseline and subsequent assessments recorded have achieved the following outcomes:

59%	increased their monthly net income	→	with an average increase of		\$1,203
66%	increased their overall net worth	→	with an average increase of		\$7,170
63%	increased their FICO credit score	→	with an average increase of		61 points
52%	of clients looking for a job, have been placed	→	with an average hourly wage of		\$13.79

Rural Financial Opportunity Center Outcomes

January – December 2020



We also began cross-training our FOC Coaches to address additional barriers...

14

FOC coaches were cross trained as digital navigator coaches

8

FOC coaches were cross trained as disaster case managers

Elements of Successful FOCs



LISC's Family Financial Tracker

Goals

Before you meet with your coach, we want to get a better sense of you! Please take a few minutes to complete this form.

Take a moment and look through these pictures. As you look at the photos, think about how you would like to feel about your financial well-being in the future.



How do you complete this sentence:
The photograph(s) most closely represent how I would like to feel about my financial well-being is/are _____.

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Goals

Of these 8 areas, which are the top 3 you would most like to focus on with your financial coach? *

- Saving for retirement
- Building short-term savings
- Budgeting
- Improving credit
- Getting health insurance
- Earning more income
- Paying off debt
- Completing taxes

I can enjoy life because of the way I'm managing my money

- Completely
- Very well
- Somewhat
- Very little
- Not at all

I am just getting by financially

- Completely
- Very well
- Somewhat
- Very little
- Not at all

I am concerned that the money I have or will save won't last

- Completely
- Very well
- Somewhat
- Very little
- Not at all

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JACKIE GUZMAN SC2

DEMOGRAPHICS

31 years old | High School Diploma
 Primary language: Spanish
 Housing Situation? Rent, subsidized
 Household Size: 1 | No Children
 Marital Status: Separated



PRODUCTS AND PRACTICES

Checking Accounts? YES
 Do you frequently bounce checks (at least 1x/month for past 3 months)? NO
 overdraft? NO

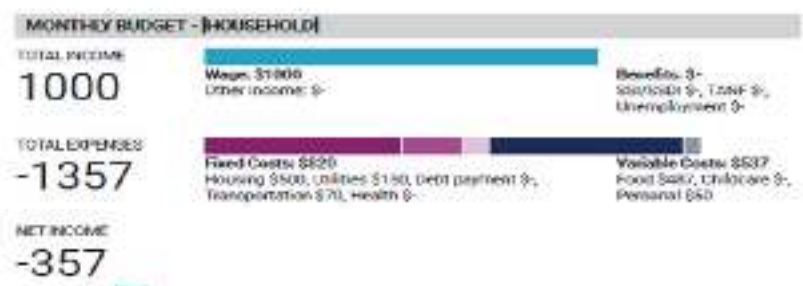
Bills - In the last 2 months, have you been charged a late fee on a loan or bill? NO

Budget? YES
 Personal spending plan or financial plan

If you had an unexpected expense or emergency, how confident are you that your family could come up with money to make ends meet at the end of the month? **SOMEWHAT CONFIDENT**

Savings Accounts? YES
 Do you currently have an automatic deposit or electronic transfer set up to put money away for a future use (such as savings)? NO

Health Insurance? YES
 Public health insurance



Stories from the Rural FOC Network



In the late fall of 2019, when NeighborWorks Umpqua began looking at the framework of integrated and customer focused services offered by being a Financial Opportunity Center, we knew immediately it was something that would benefit our community. When communities across our nation were impacted by the pandemic, we knew that we needed to do it sooner rather than later. Becoming a FOC has allowed us to have a whole new approach to helping our customers, from day one our staff were asking "how" and "why not" instead of saying "we can't" or "we never." It is so exciting to see our staff be excited about going the extra mile to provide customer service! - Michelle Martin, Director, Community & Economic Development, NeighborWorks Umpqua, Roseburg, OR

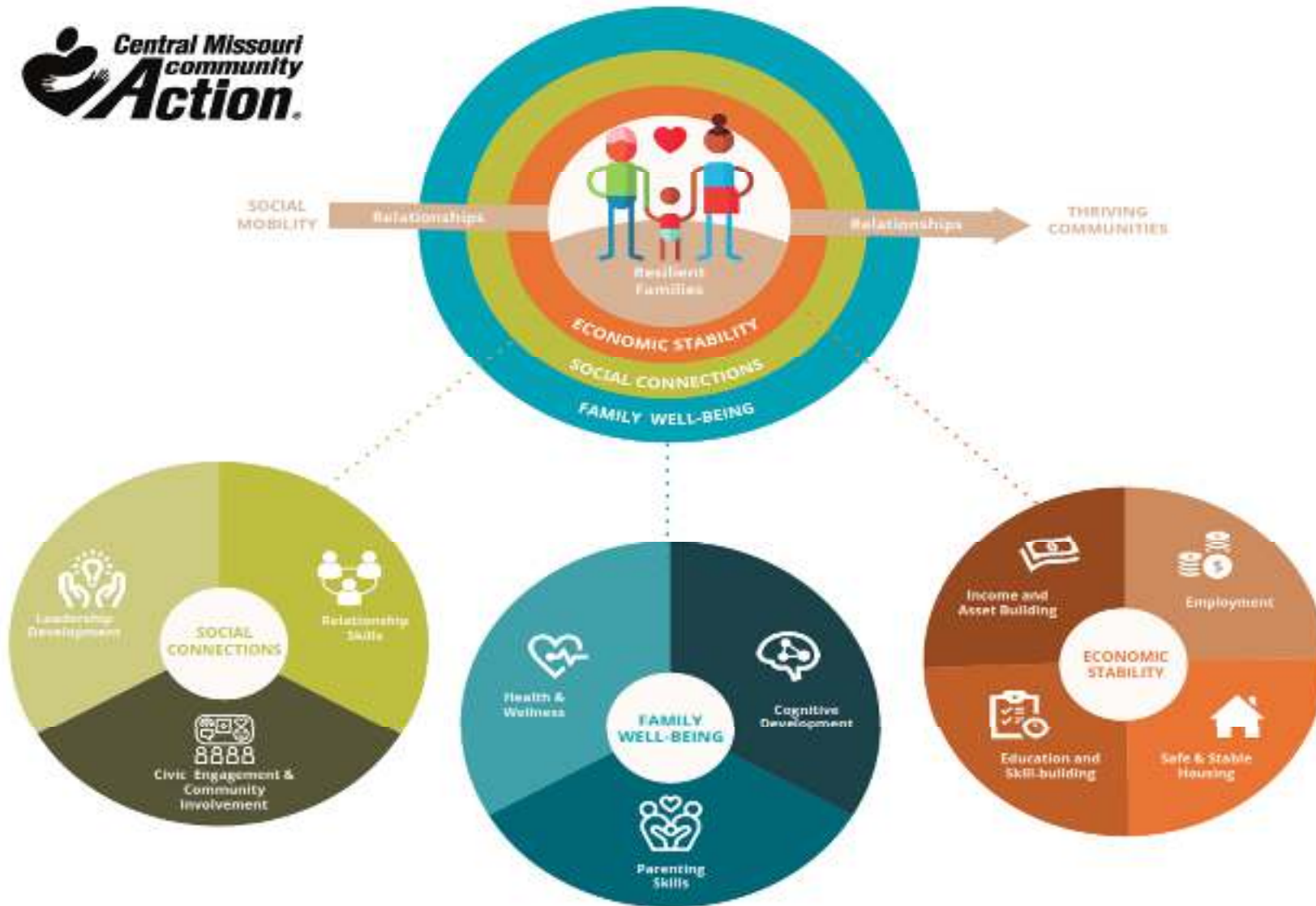
In the beginning, we thought we were starting a Financial Opportunity Center but what really happened is that we became a Financial Opportunity Center. Once we really embraced the concept it transformed how we do business and opened up opportunity to expand our services and partnerships. Another big bonus is we can now tell our story in a way that is backed up by data. Instead of saying we helped 100 families, we can say that of our active Financial Opportunity Center families 74% have improved credit scores, 75% have increased their net worth, 61% have increased income and 68% have steady retention in new jobs. - Lindy Turner, Executive Director, Rutledge, TN



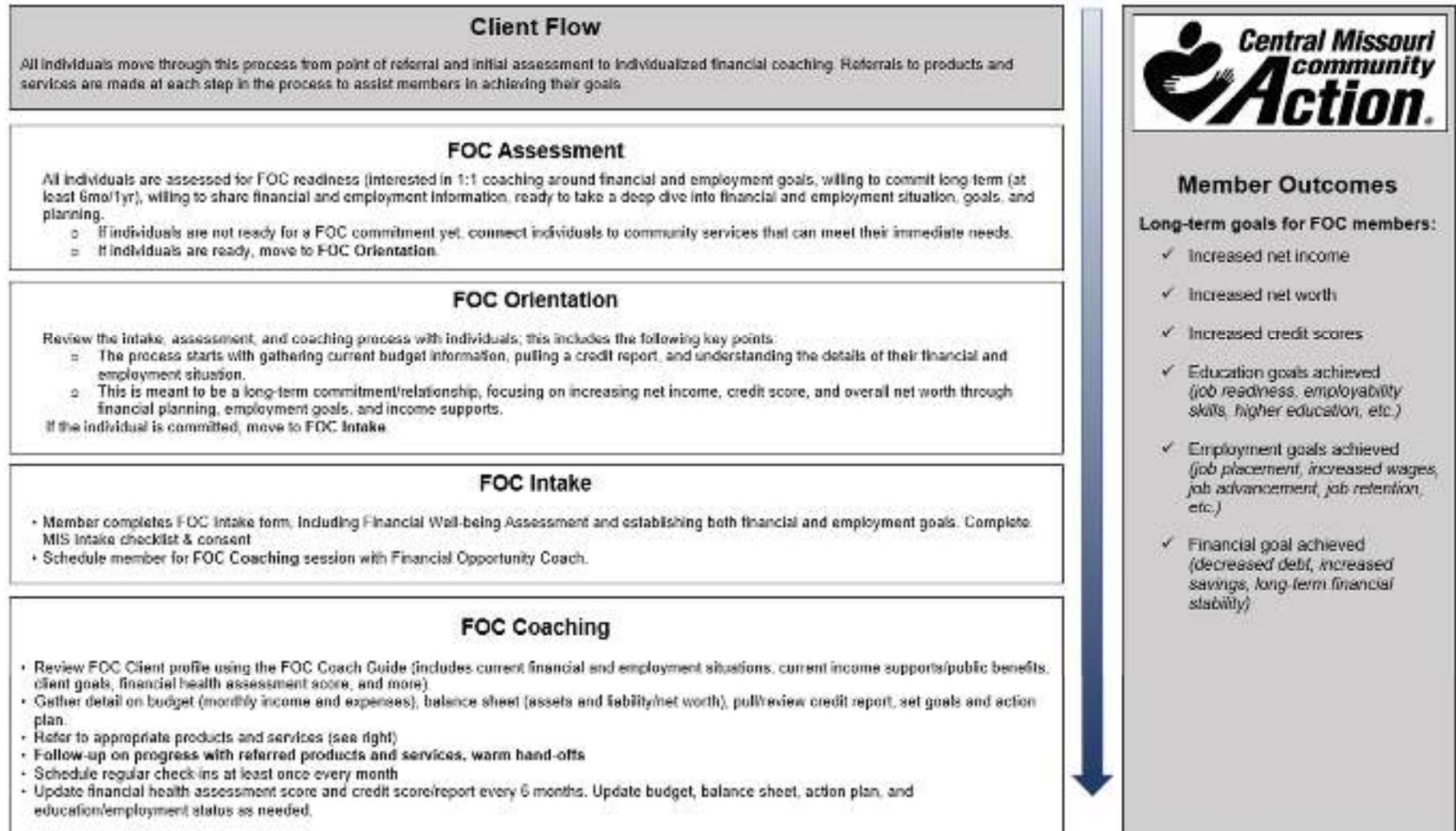
Why the FOC Model

- A national, research based, data-driven model with proven results
- A network of like-minded rural community organizations integrating services
- 15 years of resources and national partnerships and tools (Accenture, TWIN Accounts, CLIFF Benefits Tool, etc.)
- Training and technical assistance
 - 1:1 Support
 - Annual FOC Conference
 - Ongoing webinars
- Funding and/or support in fundraising

<http://www.foc-network.org/>



Central Missouri Community Action Financial Opportunity Model (FOC) Client Flow



Thoughts from the Board

- **What questions do you have?**
- **What would you like to make sure we consider?**
- **Is there anything you are particularly excited about?**

A wide-angle landscape photograph showing rolling green hills and mountains. The foreground is dominated by a dense, vibrant green forest. The middle ground features several rounded hills, some in shadow and some in bright sunlight. In the background, more mountain ranges are visible, appearing in shades of blue and purple due to atmospheric perspective. The sky is filled with large, white and grey clouds, with some blue patches visible. The overall scene is peaceful and natural.

Thank you for your time!