

Financial Empowerment Center

A SIGNATURE PROGRAM OF THE NATIONAL URBAN LEAGUE



Our Approach.

The Financial Empowerment Center (FEC) assists low and moderate-income families to reach financial stability, increase their net worth, and become financially secure and upwardly mobile. To that end, we help families to earn more, keep more of what they earn, begin to build savings and assets, and move up the economic ladder.

94%

of participants increased their financial knowledge

75%

of participants made progress with personal financial action plans

75%

of participants increased their savings



2025 EMPOWERMENT GOAL

Every American lives in safe, decent, affordable and energy efficient housing on fair terms.

National Scope.

Since it has become increasingly clear that financial empowerment involves much more than just financial literacy, the Center for Enterprise Development identified the key elements necessary to build financial security over time.

KNOWN AS THE HOUSEHOLD SECURITY FRAMEWORK, THESE FIVE KEY ELEMENTS TO BUILDING FINANCIAL SECURITY ARE:

LEARNING—Household members need to be educated and to become skilled at learning how to enable themselves to earn money and manage their incomes.

EARNING—From there, earned income should be used to cover basic living expenses, pay down debt, and save for future needs and opportunities.

SAVING & INVESTING—As savings grow, they can be invested in assets that appreciate over time, generating income and the possibility of realized wealth.

PROTECTING—Throughout the process, proper access to consumer safeguards and insurance can aid in the protection of these assets for the long term.

Increasingly, organizations are recognizing that financial coaching, when combined with classroom-based financial education, workforce development support, and access to resources, has the potential to level the playing field. This outcome can be achieved by offering the kind of information and support that can help consumers achieve their goals, make sound financial decisions, and build assets over the long term.

Early evaluation of integrated service approaches, like the National Urban League's, emphasized the importance of coaching relationships; communication and knowledge; the understanding that inevitable changes occur in the operating culture of service providers; the necessity of prototyping, testing, and trial and error; and the vital role that intermediaries like the National Urban League play.

Accomplishments.

In the first several years of operation, the FEC has served over 600 participants each year, catalyzing significant impacts on participant progress to financial security.

- 70% ○ Increased their Income through Wages and/or New Public Benefits
- 65% ○ Opened a Checking or Savings Account For the First Time
- 63% ○ Decreased their Total Debt Load
- 75% ○ Increased their Savings
- 42% ○ Increased their Credit Scores
- 40% ○ Became Mortgage-Ready to Purchase a Home

70%

OF PARTICIPANTS INCREASED INCOME THROUGH NEW WAGES AND/OR NEW PUBLIC BENEFITS.

Services.

The four key services of the FEC take a comprehensive and integrated approach based on the Center for Working Families model:

1.

EMPLOYMENT AND CAREER DEVELOPMENT

includes job readiness and placement, occupational skills training, and education and career advancement

2.

INCOME SUPPORT

includes access to public benefits, tax credits, healthcare, and financial aid

3.

COMPREHENSIVE FINANCIAL EDUCATION



4.

FINANCIAL COACHING

establishes goals, provides a pathway to success, and offers access to well-priced financial products and services

+ ADDED VALUE

Urban League affiliates also:

BUNDLE & SEQUENCE SERVICES instead of offering one component at a time

SEAMLESSLY INTEGRATE KEY SERVICES to ensure the best possible experience for families

ADJUST OPERATIONS TO MEET PARTICIPANTS' NEEDS by collecting and analyzing data to help improve their performances

As an overall multi-service organization, complete with workforce and financial education and counseling, the URBAN LEAGUE MOVEMENT has a unique opportunity to deepen the work it already does and to more effectively rebuild and stabilize households and communities.

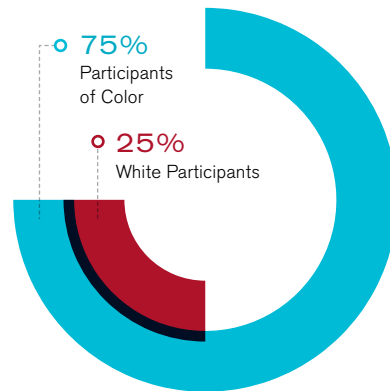
Participants.

All FEC participants were either unemployed or underemployed at the time of enrollment, with an average annual income of \$20,000.

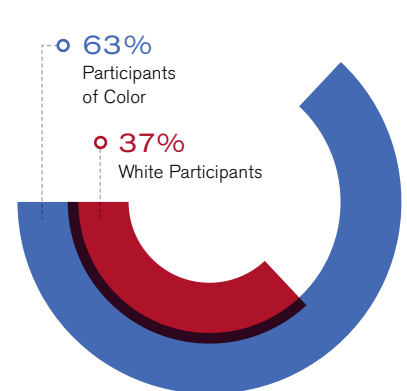
THE RACIAL WEALTH GAP

According to the 2015 CFED Asset Scorecard, African Americans have been excluded from the economic recovery, further deepening the already significant and persistent racial wealth gap in America.

ASSET POOR



LIQUID-ASSET POOR



Success Story.

SHARON T., a 36 year old single mother from Hampton Roads, Virginia, with two young children, had a decent job and was making \$3700 per month but still couldn't pay her bills. She had a monthly deficit of \$470, had amassed considerable debt, and feared losing her home. She was eager to get control of her spending but didn't know where to start.

RESULT: After three months of working with an affiliate FEC financial coach, Sharon managed to reduce her monthly spending and gained a positive cash flow of \$260 per month that she is applying to savings and to paying down debt. She now saves \$75 per month and has worked out arrangements with some creditors for more affordable payment plans that are also helping to better her credit.

IN HER OWN WORDS...

"For the life of me, I couldn't understand how I was so broke all the time. I really thought I was doing all that I could. The FEC staff helped me see what I couldn't see and now I'm on a roll. If it weren't for them, I would have probably lost my home."