



**Testimony of Linda Easley Stroman, Director of Financial Education  
Capital Area Asset Builders**

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Committee on Housing and Workforce Development

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Good morning Chairman Brown and thank you for allowing me to testify today. My name is Linda Easley Stroman, and I am the Director of Financial Education for Capital Area Asset Builders (CAAB). For the past 14 years, CAAB has been an advocate for low-income individuals and families, with a concentration on changing attitudes and behaviors surrounding wealth and assets.

DOES' mission strives to empower and sustain a diverse workforce, enabling all sectors of the community to achieve economic and social stability. CAAB's programs are in conjunction with that mission, and demonstrate that low-income families, when provided with effective financial education and savings incentives, are able to enhance their economic security and build wealth. Many families are struggling, and are in need and in search of financial balance. Without the exposure to financial literacy and coaching, this vicious cycle will continue to overwhelm our residents and the future of our city.

In-depth financial education programs designed to facilitate behavior change, especially those targeted to working adults, are in short supply in DC. To meet that void, for the last four years CAAB has offered a 10-hour financial education series called "Money Management 101" to scores of residents at sites throughout the city and neighboring suburbs, we have touched over 500 individuals, with 296 graduating from the program in the past two years alone.

CAAB believes in bringing our programs and services to the community; essential components of making participants feel comfortable and receptive to the sensitive issue of personal finances. We have been able to successfully partner with many community-based organizations throughout the region, tying financial education and behavioral changes to a variety of different programs including, but not limited to, homeownership preparation, small business development, post-secondary and vocational education and nonprofit leadership training.

The opportunity to offer a series of basic financial education classes and coaching to individuals and families is vital to gaining employment, obtaining insurance, decent interest rates on installment and revolving credit, homeownership, and the chance to qualify for lower interest rate mortgages, saving for emergencies, college, and other major life goals. We want to make sure that residents have the opportunity to:



- ✓ Understand their money behaviors and habits and how they can make changes in order to build and balance their finances;
- ✓ Understand how budgeting is an art that only leads to a well-thought out plan to capture their needs, wants, and the foundation for ways to save money;
- ✓ Understand how credit works and how they can work in their favor;
- ✓ Understand our financial rights which govern our use of credit and changes made to the laws to make sure we are treated fairly;
- ✓ Understand how paying yourself first can produce a healthy mindset regarding saving money for emergencies, vacations, and retirement

One key method to improve the quality of life for residents of the District is to grant DOES contracting authority in order to better provide wraparound services. These wraparound services should include financial education and other services such as credit coaching.

Financial education is a vital component of a person's journey to their overall health and wealth. CAAB is ready, willing, and most definitely able to educate and coach individuals and families, and allowing DOES the opportunity to serve jobseekers with a full range of support services that will ensure their success.

Thank you for the opportunity to testify today, I'm happy to answer any questions.

Respectfully,

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