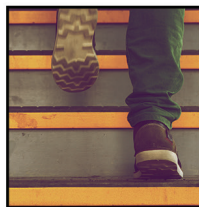




An Introduction to Asset Building in the District of Columbia



Citi Foundation





From CNHED & CAAB

The District of Columbia has experienced unprecedented growth over the last decade. An influx of over 100,000 new residents over the past decade, a booming housing market, the return of large retail, rising foreign investment, and almost recession-proof economic conditions have stimulated the District's growth and development. However, as we are far too aware, many residents, particularly long-term Washingtonians of color, have not significantly benefited from these changing conditions. In fact, our lowest-income residents have seen their challenges grow, not shrink, during this period of economic and population growth. Moderate-income residents are struggling to hold onto the limited gains they have achieved.

High-visibility challenges like access to employment, affordable housing, and education have received significant attention and have remained at the forefront of public, private, and social sector priorities. Unfortunately, the related barriers to gaining assets, savings, and net worth have not garnered mainstream focus, investment, or strategy.

The Capital Area Asset Builders (CAAB) and the Coalition for Nonprofit Housing and Economic Development (CNHED) are proud to spearhead the DC Asset Building Policy Project, and are grateful for the support from the Citi Foundation. Our initiative aims to increase the assets, savings and net worth of low- to moderate-income households in the District of Columbia through outreach, advocacy, policies, and greater public investment.

We are pleased to release this first report today which defines asset building, provides a snapshot of efforts underway in DC, as well as examples of best practices in other communities. Our researcher and project manager Michael Collins, Jr. was fundamental to this effort, and we thank him for his months of outreach, research, and production of this report.

It is our intention that this report will be the catalyst for our efforts to educate many about the importance of this issue, to bring together new allies, and to forge champions for asset building awareness, investments, policy enhancements, and strategies which will lead toward a more inclusive District of Columbia.

Rich Petersen
President & CEO
Capital Area Asset Builders
(CAAB)

Stephen Glaude
Executive Director
Coalition for Nonprofit
Housing & Economic
Development (CNHED)



INTRODUCTION

The Great Recession of the late 2000s and the following economic recovery have exposed deep and systemic fissures in the United States and the District of Columbia. With the further widening of the wealth-income gap, there are many adults, children, youth, and families living day-to-day with the weight of financial insecurity. Lagging income growth, low wages, and underemployment leave 44% of Americans unable to maintain enough savings to survive

without income for three months.¹ At the same time, one in three Americans lack savings accounts or adequate savings that would provide protection during financial emergencies.²

However, concerted efforts to reverse these trends nationally, statewide, and at the local level are increasingly empowering

and equipping individuals and households with information and resources to enable them to weather misfortune or hardship, and to provide them the capability to plan for the future.

In the District of Columbia, one organization in particular, the Capital Area Asset Builders (CAAB), is working to effect change in the lives of local residents and has been a leader on the issue of financial insecurity for well over 20 years. Capital Area Asset Builders has focused on empowering low- and moderate-income residents of the Greater-Washington, DC metro region to take

control of their finances, increase their savings, and build wealth for a better future.

CAAB's work has yielded positive results; however, the organization recognizes that the far-reaching generational shift from financial insecurity to security will require a bold and sustained effort involving the formation of a broad-based coalition of stakeholders comprised of local nonprofit, public, and private organizations that support low- and moderate-income families.

As the cost of living continues to skyrocket in the District, CAAB is calling on local stakeholders to champion the issue of financial security. To achieve this goal, CAAB has forged an alliance with the Coalition for Nonprofit Housing and Economic Development (CNHED), the District's association for community development, to elevate the issue by bringing together local leaders in the nonprofit, public, and private sectors to develop a well-defined strategy to address financial insecurity.

Together, CAAB and CNHED are initiating the DC Asset Building Policy Project (DC ABPP) to increase the assets, savings and net worth of low- and moderate-income households District households through outreach, advocacy, policies, and greater public investment.

The CAAB-CNHEd partnership is made possible by the support that CAAB received from the Citi Foundation's Community Progress Makers Fund. The Fund is a two-year initiative to support high-impact organizations that are driving economic opportunity in their communities.

1. Kasey Wiedrich, Lebaron Sims, Jr., Holden Weisman, Solana Rice and Jennifer Brooks. The Steep Climb to Economic Opportunity for Vulnerable Families. (Prosperity Now, January 2016), accessed 30 March 2017. http://assetsandopportunity.org/assets/pdf/2016_Scorecard_Report.pdf.

2. Ibid.



DC Asset Building Policy Project Overview

The Asset Building Policy Project (DCABPP) was conceptualized as a multi-pronged initiative to foster collaboration among a cross-section of local, public, private, and nonprofit stakeholders to address the issue of increasing financial insecurity in the District of Columbia. For the purpose of the DC ABPP, the term “asset building” refers to strategies (e.g. savings, education, home ownership, entrepreneurship, etc.) that enable greater access to economic security and opportunities, particularly for low-income communities and communities of color.³

Nationally, “asset building” along with “financial insecurity” are widely accepted terms used by practitioners such as Prosperity Now, Asset Funders Network, and Democracy Collaborative.⁴ Through this project, it is envisioned that a well-defined comprehensive asset building strategy will emerge, largely informed and shaped by the research, education and discussions involving a cross-section of community stakeholders.

To elevate this issue, the ABPP is structured around a set of pre-defined priorities that will accomplish the following:

- Define asset building to foster greater awareness and tell the story of its generative impact;
- Identify and articulate the barriers to achieving long-term financial capability and to integrate asset building programs and services within District agencies;
- Share best practices from other jurisdictions to inform the development of recommendations to address financial insecurity in the District;
- Convene a public forum engaging public, private and nonprofit sector players to examine how asset building programs and services can be more deeply and effectively integrated into public services;
- Present recommendations and a strategy to guide the integration and monitoring of asset building programs and services in District agencies.

Ultimately, the DC Asset Building Policy Project aims to establish a coalition comprised of nonprofit entities, private sector partners and other appropriate stakeholders that will activate an advocacy agenda and/or campaign to support the asset building recommendations.

This briefing paper, *An Introduction to Asset Building in the District of Columbia*, is intended to address the DC ABPP’s first objective, which is to define asset building in order to foster greater awareness of the issue and its generative impact. As an introduction to asset building, the paper provides context for the DC Asset Building Policy Project’s first stakeholder forum by defining common terms, identifying areas of practice and implementation, and exploring its relevance to low- and moderate-income families.

The paper will also present an overview of the approaches and strategies being employed by states, cities and municipalities nationally. Additionally, it provides a framework to help organize our thinking about asset building and highlight the myriad of ways that the District is already addressing this issue.

More importantly, this briefing paper will, we hope, ignite a multi-stakeholder conversation to explore ways that the community can collectively mobilize to ensure policies and programs are in place and well-coordinated so that all District residents can achieve financial security.

A well-defined comprehensive asset building strategy will emerge.

3. Boguslaw, Janet. “Strategic Philanthropy: Creating Opportunity, Build Wealth, and Driving Community Change” (The Asset Funders Network, 2013), 4, accessed February 9, 2017., http://assetfunders.org/images/pages/Strategic_Philanthropy_2013.pdf.

4. Prosperity Now was formerly known as the Corporation for Enterprise Development (CFED).

A Snapshot of Financial Insecurity in the District

Financial insecurity in the District is a prevalent reality among current District residents that has far-reaching implications for future generations. Roughly one in five residents live below the poverty line, despite a robust area median income of \$109,200. And nearly 110,000 District households (40.8% of the total), do not have enough savings to survive for three months without income.⁵⁶

Roughly one in five [DC] residents live below the poverty line, despite a robust area median income of \$109,200.

These liquid-asset-poor households remain trapped in a cycle of financial insecurity exacerbated by the fact that one in three District households maintain a checking or savings account but still had to utilize check cashing or payday lending services in 2015.⁷ Achieving financial security is only possible through income and access to banking services, if

individuals lack the skills and knowledge in effectively managing and maintaining these resources.

As Table A illustrates, too many Washingtonians — and especially low- and moderate-income earners — are financially insecure and lack even the most basic tools needed to gain financial security. The following section will provide context for the DC ABPP by exploring the concept of asset building and how it can be leveraged to ensure the financial health of District residents.

Table A: Estimates of Household Wealth and Financial Access in DC⁸

Asset Poverty	Liquid Asset Poverty
31.0% Don't have enough savings to live above the poverty line for three months	40.9% Don't have enough net worth to live above the poverty line for three months
Unbanked	Underbanked
11.8% Don't have a checking or savings account	24.8% Have a bank account but still use check-cashing or payday loans



What is Asset Building?

Asset building is not limited to activities like savings and investing, but consists of an array of strategies that equip individuals and families with the necessary resources to cultivate and build upon a financial foundation.

Financial and tangible assets (e.g. cash savings, retirement accounts, good health, social networks, etc.) reinforce a secure and sustainable financial foundation by improving financial well-being and supporting long-term financial capability, or the capacity to manage financial resources effectively.

These personal, human, and social resources enable individuals and families to move beyond making ends meet, plan for the future, and, hopefully, experience prosperity.⁹

5. US Census Bureau 2012 American Community Survey 1-Year Estimates.

6. Prosperity Now, 2016 Assets and Opportunity Scorecard, Census Bureau, Survey of Income and Program Participation (SIPP).

7. Ibid.

8. Ibid.

9. United States Department of the Treasury. Amended Charter: President's Advisory Council on Financial Capability. Washington, DC: Department of the Treasury, 2010. Accessed 9 February 2017. <https://www.treasury.gov/resource-center/financial-education/Documents/PACFC%202010%20Amended%20Charter.pdf>

Achieving Financial Security

Financial insecurity, much like poverty, is a self-perpetuating and multi-generational cycle. The inability of families to save and prepare for the future not only leaves them financially insecure, but also limits the likelihood that they will pursue education, save for their children's education, and increase their incomes. Continually on the brink of financial ruin, they are left without the possibility of savings for the future, pursuing education, or increasing their income. Subsequently, their children and future generations remain in this cycle as well.

Financial security cannot be achieved in a vacuum and is often most impacted by social, political, and economic realities.

on income and income supports like many traditional poverty alleviation tools, but focuses on other factors that impact financial wellness, such as access to capital and healthcare.

To assist individuals and families on this journey, Prosperity Now's Household Financial Security Framework reinforces this approach to asset building based on six key activities: navigating, learning, earning, saving, owning, and protecting.¹⁰ The framework asserts that navigating financial systems and gathering information enables better financial decision making and household resources management. Learning reinforces these experiences by providing the knowledge and skills required to earn income, meet basic needs, and save, which in turn encourages ownership through investment.

The ability to diversify and increase one's income is then further reinforced by increased financial capacity and protected by tools such as insurance, consumer protections, federal, state, and local policies, etc. Though this continual and iterative framework is centered on the individual experience, it is dependent on external supports and guidance.

Financial security cannot be achieved in a vacuum and is often most impacted by social, political, and economic realities (i.e. a lack of affordable housing, widening wealth gaps). Nonprofit, public, and private organizations play an integral role in asset building by working to address these forces through strategies that focus on efforts to increase public support for secondary and adult education services, eliminate asset limits on social service programs, and offer affordable access to credit counseling and building services.

Additionally, nonprofit, private, and public organizations can utilize The Household Financial Security Framework to identify how their work supports the financially vulnerable and highlight opportunities for increasing the impact of existing asset building programs and initiatives.

Organizations and groups in the District are working to provide families with the skills, knowledge, and access to resources that support them in achieving financial capability; however, more intentional efforts are needed to address the systemic and structural barriers that restrict families from achieving financial security.

Table A outlines the resources needed to address each component of the The Household Financial Security Framework and the tools and programs available currently to District residents. District organizations, like Community Tax Aid and Washington Area Community Investment Fund (Wacif), play vital and specific roles in supporting the financial wellbeing of residents through various elements of Prosperity Now's framework.

Table B not only highlights the resources required to address each element but also the tools, local programs/ initiatives, and stakeholders that support District residents in gaining these resources. Though not an exhaustive analysis of the current landscape, these examples showcase how asset building programs and services currently are integrated into District programs and agencies. The capacity of these programs and initiatives can only be increased and enriched by harnessing the collective power of local stakeholders to advocate for more effective policies and programs in the District.

The immediate impact of financial insecurity is felt on an individual and personal level; however, if ignored, its prevalence poses a threat to the financial security of the District.¹¹ Financially healthy residents are key factors in the financial health of cities. Financial insecurity can lead to decreased revenue and increased spending as cities navigate unpaid utilities and taxes and combat increasing demand for income supports and social services.

Nationally and locally, nonprofit, public, and private organizations, collaboratives, and task forces are passively and actively embracing asset building programs and initiatives; nonetheless, more intentional efforts are needed to address the systemic and structural barriers that trap families in financial insecurity. There are policies and initiatives that the District can adopt to ensure that this work continues and to support these efforts. It is critical that a cross-section of public, private, and nonprofit stakeholders embrace a more focused and unified approach to asset building.

Financially healthy residents are key factors in the financial health of cities.

10. The Household Financial Security Framework is illustrated in Appendix.

11. Diana Elliott and Emma Kalish. "Technical Appendix: The Cost of Eviction and Unpaid Bills on the Financially Insecure Families for City Budgets." (The Urban Institute, January 2017), accessed 6 April 2017. http://www.urban.org/sites/default/files/cost_of_eviction_and_unpaid_bills_technical_appendix.pdf.

Achieving Financial Security Cont'd

Table B: Assessing the District's Asset Building Landscape

Components	Resources	Tools	Programs/ Initiatives	Stakeholders
Navigate	<ul style="list-style-type: none"> Financial Education & Counseling Asset-Specific Education 	<ul style="list-style-type: none"> Financial Education and Literacy Campaigns 	<ul style="list-style-type: none"> Financially Fit DC Campaign Bank on DC 	<ul style="list-style-type: none"> DC Department of Securities, Investments, and Banking (DISB) Capital Area Asset Builders
Learn	<ul style="list-style-type: none"> K-12 & Postsecondary Education Workforce and Youth Programs 	<ul style="list-style-type: none"> Education Grants and Scholarships Job Trainings and Professional Mentorship Program 	<ul style="list-style-type: none"> DC Tuition Assistance Grant (DCTAG) High School Internship Programs 	<ul style="list-style-type: none"> DC Office of State Superintendent of Education (OSSE) DC Public Charter School Board Urban Alliance
Earn	<ul style="list-style-type: none"> Wage income Business Income Public & Employee Benefits Tax Credits Investment Income 	<ul style="list-style-type: none"> Public Benefits and Tax Credits Tax Preparation and Assistance Programs 	<ul style="list-style-type: none"> DEITC and TANF/ SNAP Voluntary Income Tax Assistance (VITA) sites 	<ul style="list-style-type: none"> DC Office of Tax and Revenue Community Tax Aid, Inc.
Save	<ul style="list-style-type: none"> Net Income/ Wealth Consumption/ Spending Habits Debt/ Debt Management 	<ul style="list-style-type: none"> Credit Counseling and Building Services Financial Inclusion Campaigns 	<ul style="list-style-type: none"> BankOn DC Initiative DC Saves Campaign 	<ul style="list-style-type: none"> The Office of Finance and Treasury (OCFO) DC Department of Investments, Securities, and Banking (DISB)
Own	<ul style="list-style-type: none"> Savings Borrowing Public Incentives 	<ul style="list-style-type: none"> Incentivized/ Tax Advantaged Savings Programs Asset Ownership Programs 	<ul style="list-style-type: none"> DC College Savings Plan Home Purchase Assistance Program (HPAP) 	<ul style="list-style-type: none"> Capital Area Asset Builders (CAAB) DC Housing Authority Washington Area Community Investment Fund (Wacif)
Protect	<ul style="list-style-type: none"> Income and Asset Protections Extraordinary Costs Harmful/ Predatory External Forces 	<ul style="list-style-type: none"> Insurance (Public and Private) Consumer Protections Asset Preservation Programs 	<ul style="list-style-type: none"> Inclusionary Zoning Affordable Housing Program DCHFA Homesaver Programs 	<ul style="list-style-type: none"> DC Department of Housing and Community Development Consumer Financial Protection Bureau

Exploring National Approaches to Asset Building

Asset building is a proven and effective method that cities, municipalities, and states are using to empower financially vulnerable people and communities. Asset building efforts can focus on a range of issues, including free tax preparation and assistance, consumer protection, incentivized savings programs, income supports, financial education and counseling services, etc.

While approaches and implementation models vary greatly, they generally are executed through three primary functions:

- facilitating knowledge sharing among nonprofit, public, and private organizations;
- executing public education, marketing, and campaigns;
- supporting policy advocacy efforts.¹²

As part of the DC ABPP, CNHED conducted high-level research on existing programs and initiatives to discover and share the

leading approaches. Based on the broad insights and reflections captured in this research, two primary approaches, government and non-government focused, were identified.

Both approaches support asset building services and policies that focus on the long-term development of individuals, families, and communities.¹³ The key difference, however, is the level of engagement where local and state governments are either actively or passively engaged.

Additionally, these approaches are being implemented in four distinct ways: **1) public sector driven, 2) public sector, coalition driven, 3) organization driven, and 4) multi-stakeholder driven.**

Each are shaped by the organizations and entities championing these efforts. The following is not a definitive and exhaustive exploration of these approaches, but rather examples that will clarify how asset building can be leveraged by local stakeholders collaborating together.

Table C: Approaches and Strategies for Implementing Asset Building

Asset Building Approaches	Strategy for Implementing Asset Building Approach	Key Features of Asset Building Strategy	Models or Best Case Examples
I. Government Focused	1) Public Sector Driven: Initiated and led by Local or state government	<ul style="list-style-type: none"> • Funded directly and indirectly by government agency • Managed by municipal and state employees • Public entities primarily administer programs and services 	NYC Office of Financial Empowerment – A municipal initiative that focuses on financially educating, empowering, and protecting low-income New Yorkers through a robust network of providers, which include 22 financial empowerment centers.
	2) Public Sector Coalition Driven: Collaborative effort initiated by government working with nonprofit entities	<ul style="list-style-type: none"> • Funded by government private, and nonprofit entities • Managed by municipal or state employees • Government-supported partners administer programs and services 	Stand By Me – a state-wide coalition lead by the State of Delaware and United Way of Delaware that helps resident achieve financial security.
II. Non-Government Focused	3) Organization Driven: Initiated by an independent organization or fiscal agent	<ul style="list-style-type: none"> • Funded by nonprofit and philanthropic organizations • Generally managed by part-time or full-time staff • Initiated by one organization lead or fiscal agent 	<p>Florida Prosperity Partnership is the lead organization of a state-wide coalition that focuses on financial stability and economic prosperity for Florida residents.</p> <p>Illinois Asset Building Group is a state-wide asset building coalition, supported by Heartland Alliance that focuses on advocacy and policy efforts such as consumer protections, racial equity, and access to banking.</p>
	4) Multi-Stakeholder Driven: Initiated by a cohort of nonprofit, public, and private entities	<ul style="list-style-type: none"> • Funded and managed directly by multi-stakeholder members • Generally driven by member-lead steering committee 	The North-Carolina Assets Alliance – a largely member-led state-wide coalition that focus on expanding financial opportunity for all North-Carolinians.

12. Brooks, Jennifer. "State Asset Policy Coalitions: State of the Field; Opportunities for Growth" Prosperity Now, January 2009. http://cfed.org/assets/documents/policy/state_coalition_briefing_0109.pdf (accessed February 15, 2017).

13. This is not to say that there is no overlap or evolution from one approach to another. Each is a viable and scalable approach that can be leveraged on the state and local levels to promote asset building services and policies. Further each approach boasts unique attributes that can present both challenges and opportunities for project stakeholders.

Government-Focused Approaches

As the field of asset building expands, government-focused approaches have emerged as a way of leveraging the resources of public entities to implement and integrate asset building strategies into existing programs and services.

This approach involves embedding asset-building strategies into the infrastructure of local and state governments to support the financial well-being of low- and moderate-income residents. This model allows municipal and state governments to execute and manage asset building strategies directly, through staff and the establishment of government agencies or offices. When utilized, local and state-wide nonprofit and private entities are actively engaged and supported by public entities. The implementation of this approach, through public-sector- and public-sector-coalition-driven strategies, is most impacted by the entities involved.

Key Observations of Government-Focused Approaches

- The government-focused approach is the most effective and impactful method for leveraging asset building broadly.
- Municipal and state employees are integral components in the management of the government focused approach.
- Government focused approaches require considerable financial and political support, funding and the support from the highest levels of government (or office), such as a mayor or governor, to be utilized.

1) Public Sector Driven Strategies

Public-sector-driven implementation strategies allow public entities to assume a principal and singular role in executing and managing asset building efforts. The implementation of these strategies, generally, is directly funded by public entities or indirectly through municipal-focused funding sources (e.g. grants). When utilized, this strategy allows public entities to support and engage residents, local nonprofit organizations, and financial institutions directly. Generally public employees and entities guide these efforts and directly administer programs and services. This strategy focuses largely on integrating asset building into existing government services and programs and ensuring that all residents have access to quality and affordable financial education and counseling services.

The New York City Office of Financial Empowerment (OFE)—established in 2006 under the administration of Mayor Michael R. Bloomberg—exemplifies this strategy.¹⁴ As the first and most successful example of a government-centered and -led strategy, the

OFE has been effectively adapted and modeled in other cities and states (i.e. San Francisco and Delaware). OFE's strategy focused on offering free financial education and counseling services through a suite of programs hosted at twenty-two financial empowerment centers distributed throughout the city.

Though many of its programs (e.g. The Financial Empowerment Centers Program, NYC Free Tax, and NYC Direct Deposit) focus more exclusively on individual residents, the OFE's Financial Education Network engaged local nonprofit organizations and financial institutions to improve the accessibility and quality of all financial services.

This strategy was revolutionary, as it allowed residents to gain personalized, easily accessible, and free financial services and tools that were previously cost-prohibitive or required extensive research or knowledge. These same results, however, can be achieved without public entities taking full ownership of this process.

2) Public Sector Coalition Driven Strategies

Public-sector-coalition-driven strategies are an adaptation of public-sector-driven strategies that enable local and state governments to partner with non-profit and private organizations in executing asset building strategies. Coalitions are vehicles that diverse sets of nonprofit, public, and private partners utilize to assume a shared purpose and collaborate to influence an external institution or target, while retaining their autonomy.¹⁵

This strategy not only ensures that nonprofit and private partners are included in executing this work, but actively involves them in the implementation of asset building strategies. Similar to public-sector-driven strategies, government employees generally manage these strategies, while government-supported partners administer programs and services. The distribution of responsibilities also helps decrease this strategy's vulnerability to changing political landscapes. Shared financial responsibilities allow public entities more flexibility in managing and driving these efforts.

The State of Delaware's embrace of this model, through its Stand By Me program, which showcases how states can adapt and scale this implementation strategy. Led by the state and United Way of Delaware, Stand by Me provides free one-on-one financial coaching and counseling. They do so by collaborating with community partners—such as employers, educational institutions, state agencies, and nonprofit organizations.

This coalition initially was launched with the support of Governor Jack Markell, based on the successful NYC OFE model. The initial support and investment of the state government helped organizers to grow the initiative by offering them a platform and greater leverage among stakeholders. The program engages nonprofit organizations by providing funding and technical assistance, through a grant process managed by Delaware's Office of Financial Empowerment. Stand by Me's ability to replicate the success of NYC's OFE model has cemented asset building as a state priority.

14. The mission of OFE is to educate, empower and protect New Yorkers with low incomes so they can build assets and make the most of their financial resources.

15. Terry Mizrahi and Beth B. Rosenthal. "Complexities of Coalition Building: Leaders' Successes, Strategies, Struggles, and Solutions. *Social Work* 2001; 46 (1): 63-78.

Non-Governmental-Focused Approaches

The non-governmental-focused approach is the most widely and often utilized method for engaging in local and state-wide asset building initiatives. Nonprofit, private, and public partners form asset building coalitions to address key issues and policies that impact state or local populations.

Non-government-focused approaches, unlike government-focused approaches, are implemented through organizational and multi-stakeholder led strategies. Public entities generally have a passive role in executing this approach, which reinforces the need for policy and advocacy efforts. The presence of invested and supportive fiscal agents, investors, and/or sponsors can increase the impact of this approach by providing the resources and manpower required to manage and sustain local and state asset building strategies.

The non-governmental-focused approach is the most widely and often utilized method.

3) Organization-Driven Strategies

Organization-driven implementation strategies are generally initiated through a fiscal agent or an independent nonprofit organization (e.g. 501(c)(3)). This approach can be utilized to harness and leverage the power of a diverse set of nonprofit, public, and private stakeholders, without over relying on one organization through asset building coalitions. Lead organizations with a 501(c)(3) designation may assume full ownership of the management and implementation of an asset building coalition, because they are autonomously managed and independently funded.

However, organization-driven strategies initiated through a fiscal agent can be just as impactful. Organization-driven strategies are generally managed by part- or full-time staff, depending on funding, that guide stakeholders in identifying and pursuing strategies. The centralization of funding and distribution of management responsibilities allows nonprofit, public, and private entities to work more collaboratively in embracing asset building.

Financial security cannot be achieved in a vacuum and is often most impacted by social, political, and economic realities.

By fostering collaboration and engaging a diverse network of partners, the Florida Prosperity Partnership (FPP) has been able to maximize its impact. FPP is state-wide asset building 501(c)(3) organization that supports its members by educating, convening, and developing strategic partnerships to support state-wide organizations in embracing asset building initiatives. Through their advocacy for and support of tax preparation and assistance efforts, they have been able to successfully increase their impact by integrating additional services and programs at service delivery sites. Members of the FPP perceived these sites as an opportunity to maximize their interaction with clients and to offer them an enriched delivery of services. They empowered

clients to better navigate the financial aid process for secondary education by training tax preparers to provide support with Free Application for Federal Student Aid (FAFSA) documentation during the tax preparation process. Further, by engaging partners involved with the BankOn Initiative of Florida at these sites, they were able to increase savings among clients by 20%.¹⁶ Clients were being equipped to pursue higher education and start on the path to savings, resulting in increased savings and the potential outcome of capturing more of their incomes.

An engaged and active network of partners can also utilize organization-led strategies to drive a coalition. The Illinois Asset Building Group (IABG) highlights how an engaged fiscal sponsor can empower coalitions to engage in policy advocacy work. As an extension of the Heartland Alliance, a multi-national, nonprofit, nonpartisan, nonsectarian organization, based in Chicago, IL, the IABG has been able to actively pursue policy issues and become an authority respected by state legislators.¹⁷ As a statewide coalition, the IABG advocates for policy and program solutions that address the growing racial wealth gap and provide technical assistance to help organizations across Illinois build and strengthen their financial empowerment programs.

Since its inception, the focus of IABG has been policy advocacy; though, the issues they support are constantly changing based on Illinois' social and political climate. The IABG is supported by a diverse network of partners; however, the support of their fiscal sponsor, the Heartland Alliance, bolstered their effectiveness by funding a staff member who is a full-time lobbyist. The first big win for the group was working with the Heartland Alliance to advance legislation that removed the asset limit on TANF in Illinois, which staff attribute to IABG's ability to inform legislatures and reframe issues. After this win, the IABG was viewed as an authority and expert on "asset-building" policies and issues. Further, this notoriety helped to bolster and encourage member engagement and build momentum for their continued work. While staff or a fiscal sponsor can play an important role, they are not always necessary for asset building coalitions to be effective.

16. BankOn is a national platform that supports local coalition and financial institution efforts to connect consumers to safe, affordable bank accounts.

17. Heartland Alliance is a multi-national, nonprofit, nonpartisan, nonsectarian organization, based in Chicago, IL that focuses on ending poverty and healing communities.

4) Multi-Stakeholder Driven Strategies

Multi-stakeholder driven strategies rely heavily on the support and engagement of nonprofit, public, and private partners. Though the least commonly utilized implementation strategy, this strategy can be utilized to mobilize an asset building coalition without the need for considerable outside support and involvement.

This strategy can be utilized to mobilize an asset building coalition without the need for considerable outside support and involvement.

The absence, or loss of, a fiscal sponsor and autonomous funding for this strategy requires coalition members to collaboratively embrace full ownership and execute asset building strategies directly.

The loss of funding leads to limited staffing and support. This, in turn, can lead to a coalition's demise or members to take a larger role in managing and driving efforts.

The distribution of financial and management responsibilities among partners underscores the importance of ensuring that strategies are aligned with the interest of its partners.

The North Carolina Assets Alliance (NCAA), based in Raleigh, NC, has pursued its mission of expanding economic opportunity and building a more stable financial future for all North Carolinians since 2006. Originally formed with support from the Mary Reynolds Babcock Foundation, NCAA was established when a state-wide nonprofit, The Collaborative, partnered with

other nonprofit organizations to educate community members and policymakers on the importance of asset-based strategies that promote economic security and prosperity.¹⁸ NCAA, however, was left unable to maintain direct funding for its lobbying and public engagement efforts when the economic and political climate of North Carolina shifted in 2010.

In response, members of its steering committee began to re-invent the group by focusing on more non-partisan issues, such as pay-day lending, the creation of a housing trust fund, and Medicaid expansion. Additionally, members were able to find and secure funding for research-based reports and a state-wide series of economic forums, which helped to increase their notoriety and engage a wider network of partners.

Utilizing a multi-stakeholder strategy, NCAA continues to function with the support and guidance of its members by harnessing the power of their coalition and through the support of members and a volunteer steering committee.

Further, NCAA was instrumental in the adoption of legislation recently that limited the presence of pay-day lenders in the state of North

Carolina. The members of the North Carolina Assets Alliance were resilient, but their story highlights the importance of strong membership engagement and participation.

[The NCAA's] story highlights the importance of strong membership engagement and participation.

Key Observations of Non-Government-Focused Approaches

- Asset building coalitions are widely utilized to mobilize non-government focused efforts.
- The initial focus and specificity of non-government-focused initiatives can be beneficial in building consensus and encouraging deeper partner engagement, but if too narrowly focused can cause the movement to lose steam as political and social environments change.
- While staff or a fiscal sponsor can play an important role, they are not always necessary for an asset building coalition or strategy to be successful.
- A central driver of sustainability is ensuring that asset building strategies align with the interests of the nonprofit, public, and private entities involved.

Regardless of the approach utilized, it is paramount that those pursuing asset building initiatives are intentional and invested in advocating, supporting, and collaborating to improve the financial outcomes of low- and moderate-income families.

18. The Temporary Assistance for Needy Families program is funded nationally, but states have the autonomy to administer the funds at their own discretion. Though many states have eliminated asset limits for receiving this benefit, the District still maintains one.

19. The Collaborative is a private, statewide nonprofit organization serving all of North Carolina. As the lead agency for the North Carolina Saves campaign, the Collaborative works to achieve its mission promoting programs and policies across North Carolina that build family economic security and individual financial capability.

CONCLUSION

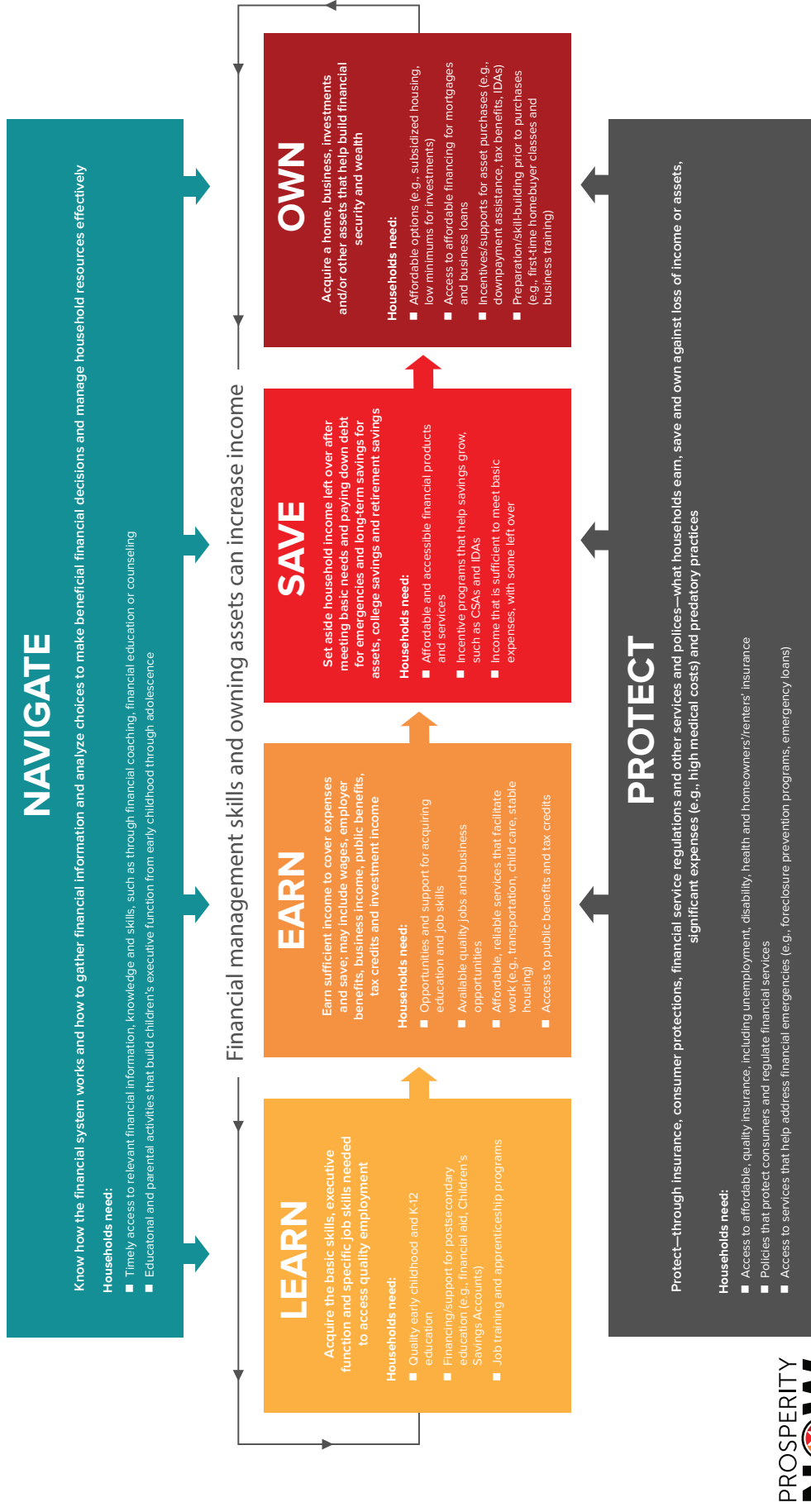
The DC Asset Building Policy Project was launched to change the lives of District residents through asset building policies by harnessing the collective power of local stakeholders. Asset building strategies are a proven intervention that effectively and efficiently benefit individuals, community organizations, and the fiscal health of the District. The lessons and strategies explored in this briefing illustrate the power and the ability of an organized, mobilized asset building strategy. Targeted and comprehensive initiatives aid in this process by harnessing and mobilizing the intensity of efforts to further policies and increase the effectiveness of the limited resources leveraged to improve the financial wellbeing of households. Asset building has the opportunity to positively affect residents in the District, and by laying the foundation in this briefing, we encourage further research and discussions.

The DC Asset Building Policy Project is intended to inspire and mobilize a diverse representation of District stakeholders to actively participate in a District-wide coalition and collaborate around asset building policies and strategies. Local public, private, and nonprofit stakeholders have the ability to play an instrumental role in addressing the financial insecurity of residents and supporting the District's most vulnerable in achieving economic stability and mobility. District residents find their financial future progressively more threatened by numerous issues, ranging from a lack of affordable housing to exclusion from mainstream banking services to asset limits on income supports.

This project calls on local stakeholders to participate in future engagements and to share their experiences around addressing financial insecurity. CAAB and CNHED also seek to galvanize these efforts by identifying and analyzing the barriers that residents face in achieving financial security. Ultimately, by evaluating both government and non-government programs, priorities, and opportunities, the culmination of the DC Asset Building Policy Project should result in a set of recommendations for the District. These recommendations will not only include suggestions for new or reformed policies and programs but will also lay out a path for our collective actions to address and alleviate some of the barriers to financial security. Join us in reversing the trend of financial insecurity and advocating for the financial well-being of low- and moderate-income families.



HOUSEHOLD FINANCIAL SECURITY FRAMEWORK



References

Boguslaw, Janet, Martha Cronin and Elizabeth Paulhus “State Asset Building Coalitions: Perspectives from the Field” Institute of Assets and Social Policy, 2013. https://csd.wustl.edu/OurWork/FinIncl/InclAssetBuild/AssetBuildLearnCoalition/Documents/Perspectives_from_the_field.pdf (accessed February 22, 2017).

Boguslaw, Janet, Elizabeth Paulhus “Strategic Philanthropy: Creating Opportunity, Build Wealth, and Driving Community Change” The Asset Funders Network, 2013. http://assetfunders.org/images/pages/Strategic_Philanthropy_2013.pdf (accessed February 9, 2017).

Bowen, Rita, Kori Hattemer, and Kate Griffin. “Building Financial Capability: A Planning Guide for Integrated Services” (CFED, March 2015). https://www.acf.hhs.gov/sites/default/files/ocs/afi_resource_guide_building_financial_capability_final.pdf (accessed March 3, 2017).

Brooks, Jennifer. “State Asset Policy Coalitions: State of the Field; Opportunities for Growth” Prosperity Now, January 2009. http://cfed.org/assets/documents/policy/state_coalition_briefing_0109.pdf (accessed February 15, 2017).

Building Financial Security in the District of Columbia: A Data Snapshot. Family Asset Count, 2015. http://familyassetscount.org/pdf/District%20of%20Columbia_Family%20Assets%20Counts_%20A%20Data%20Profile.pdf (accessed February 20, 2017).

Edwards, Karen. “Asset-Building Policy Coalitions in the United States” Washington University in St. Louis, 2008. <https://csd.wustl.edu/publications/documents/pr08-09.pdf>, (Accessed 15 February 2017).

Elliott, Diana and Emma Kalish. “Technical Appendix: The Cost of Eviction and Unpaid Bills on the Financially Insecure Families for City Budgets.” (The Urban Institute, January 2017), accessed 6 April 2017, http://www.urban.org/sites/default/files/cost_of_eviction_and_unpaid_bills_technical_appendix.pdf.

Friedman, Robert. “Building the Opportunity Economy” in What It’s Worth: Strengthening the Financial Future of Families, Communities And the Nation, ed. Laura Choi et al. (Federal Bank of San Francisco and Prosperity Now, 2015), 383 – 393.

Thomas, Hannah, Janet Boguslaw, Alexis Mann, and Thomas Shapiro. “Leveraging Mobility: Building Wealth, Security and Opportunity for Family Well-Being” (Brandeis University, November 2013). <https://iasp.brandeis.edu/pdfs/2013/LM1-building-wealth.pdf> (accessed February 9, 2017).

Mizrahi, Terry and Beth B. Rosenthal. “Complexities of Coalition Building: Leaders’ Successes, Strategies, Struggles, and Solutions. Social Work 2001; 46 (1): 63-78.

NYC Office of Financial Empowerment. Municipal Financial Empowerment: A Supervitamin for Public Programs – Strategy # 1 Integrating Professional Financial Services. <https://www1.nyc.gov/assets/dca/downloads/pdf/partners/Research-SupervitaminReport1.pdf> (accessed March 17, 2017).

Portfolio of Research in Welfare and Family Self-Sufficiency, OPRE Report # 2016-93, Washington, DC: Office of Planning, Research and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services.

Prosperity Now. “Asset Building FAQ.” http://cfed.org/about/asset_building_faq/ (Accessed 6 February 2017).

United States Department of the Treasury. Amended Charter: President’s Advisory Council on Financial Capability. Washington, DC: Department of the Treasury, 2010. Accessed 9 February 2017. <https://www.treasury.gov/resource-center/financial-education/Documents/PACFC%202010%20Amended%20Charter.pdf>.



DC Asset Building Policy Project Interviewees

Alice Coday, Director, Financial Empowerment Network of Seattle King County

Bill Mills, President and CEO, Florida Prosperity Partnership

Cynthia Zwick, Executive Director, Arizona Community Action Agency

Darren Liddell, Senior Director of Community Wealth, Catalyst Miami

Dave Snyder, Coordinator, Minnesota Asset Building Coalition

Donna Gallagher, Executive Director, The Collaborative of North Carolina

Jennifer Johnson, Director of Public Policy, Southern Bancorp

Kalitha Williams, Policy Liaison, Policy Matters Ohio

Karama Neal, Chief Operating Officer, Southern Bancorp

Lauren Gates, Project Director, RAISE Texas

Lucy Mullany, Senior Project Manager, Heartland Alliance

Margaret Miley, Strategic Advisor, The Midas Collaborative

Mary DuPont, Director of Financial Empowerment, The State of Delaware

Ona Porter, President and CEO, Prosperity Work

Robin McKinney, Director, Maryland CASH Campaign

Rosalyn Epstein, Income and Asset Development Program Coordinator, Urban Strategies Council

Ross Yednock, Program Director, Michigan Economic Impact Coalition

Tamara Lindsay, Principal, Cities for Financial Empowerment

Report designed by **Alyse Creative**
www.AlyseCreative.com



DC Asset Building Policy Project

A CALL TO ACTION

 **BUILD AWARENESS**

 **BUILD THE WILL**

 **BUILD A MOVEMENT**

To join the movement or for more information, please contact:

Evette Banfield
Coalition for Nonprofit Housing and Economic Development
(CNHED)
727 15th Street, NW, Suite 600, DC 20005
ebanfield@cnhed.org | (202) 745-0902 x 203

Joseph Leitmann-Santa Cruz
Capital Area Asset Builders (CAAB)
1100 H Street NW, Suite 200, Washington, DC 20005
jleitmann-santacruz@caab.org | (202)419-1440 x102

