



# Step Up Savannah, Inc.

Financial Capability  
at Work

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June 29, 2016

# Who we are

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## Our vision

We believe Savannah is a community where all people have hope and opportunity, where we challenge injustice, where all community members Step Up to reduce poverty.

## Our mission

Step Up Savannah, Inc. engages all sectors of the community to improve the economic mobility and financial stability of families in Savannah, Chatham County.

# Poverty matters.

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- Savannah's poverty rate is 26%
- In some neighborhoods, the poverty rate jumps to 50% or higher
- 10% of households in Savannah are unbanked
- More than 40% of Savannah's households pay greater than 30% of their gross income on housing
- Less than 1% of our population is on welfare financial assistance (TANF)
- Concentrated poverty impairs the economic development of the entire community

# What We Do

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Step Up Savannah works in four strategic areas:

1. Workforce Development
2. Wealth Building
3. Advocacy & Education
4. Capacity Building

Workforce  
Development

Wealth Building

Advocacy & Education

Capacity Building

# Financial Capability at Work

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## Why should employers care about employee financial wellness?

- 81% of workers state that financial problems have affected their productivity.<sup>1</sup>
- A 2012 study by MetLife found that 1 in 5 workers had skipped at least one day of work in the past year to deal with a financial problem
- 39% of workers who are concerned about their finances spend at least 3 hours each week either thinking about or dealing with their financial problems at work.<sup>1</sup>
- Financial problems are an important stress factor that show up indirectly as a health care expense. A recent report in Health Affairs analyzed the health risks and medical expenses of more than 92,000 employees over a three-year period. Those reporting high stress were \$413 more costly per year on average than workers who were not at risk from stress.<sup>1</sup>

<sup>1</sup> [http://files.consumerfinance.gov/f/201408\\_cfpb\\_report\\_financial-wellness-at-work.pdf](http://files.consumerfinance.gov/f/201408_cfpb_report_financial-wellness-at-work.pdf)

# Financial Capability at Work

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## Partnership between Step Up and Consumer Credit Counseling Service

### Financial Education (One-off or serial)

- Preventative
- Group setting, topic-based, provide small steps for change

### Financial Counseling (30-60 minute sessions)

- Addresses financial crisis and/or immediate needs
- Individual action plan developed, advice given

### Small dollar loan – Life Line Loan

- Low-risk tool to practice responsible lending, credit building and saving
- Partnership with Georgia Heritage Federal Credit Union

# DIRTT case study

## Before the Workshops



of participants had pulled their credit report in the last 12 months.



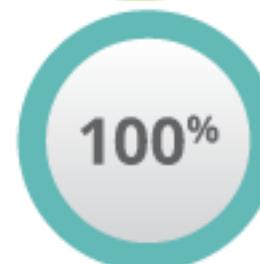
of participants had a written financial goal.



## After the Workshops



of participants had obtained copies of their credit report.



of participants had a written financial goal.



of participants reduced debt.



of participants increased savings.



**76%**



of participants talked to their family about working together toward financial goals after the workshops.

# Participant Feedback

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- “I never took any classes on personal finances. It was great that it happened at work. I am now more attentive to where my money is going. I am not as carefree with my spending.”
- “Loved taking classes at work. We are busy and do not have time to take classes outside of work. Since the class, now working to save 20% for house.”
- “Anything is possible. Since taking the class, I have the confidence to take control of not just my money, but my life. Since the class, I have reduced spending in various ways by quitting smoking and not buying cigarettes to going to buy groceries instead of going out to eat. I want to make better decisions not just for me, but for my son so that I can be a better example.”

# Life Line Loan

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- Partnership between Step Up, CCCS and Georgia Heritage Federal Credit Union (GHFCU)
- Employer-based loan for emergency needs – alternative to predatory loans or withdrawing from retirement account
- Seven employers participating:
  - City of Savannah, Chatham County, Chatham Area Transit, Goose Feathers Café, Senior Citizens, Inc. Fulfillment.com, and Hospice Savannah
- Employers sign simple MOU with GHFCU to participate
  - Agree to promote the program, facilitate applications and communicate with GHFCU

# Life Line Loan

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## How it Works:

- Employees can borrow \$300-\$1500
- Employees must have been employed with company at least 6 months and be in good standing
- Credit score is not a factor in loan approval (though ability to repay is assessed)
- Loan is repaid through payroll deduction
- Loan payments are reported to the credit bureaus and work to build positive credit history
- When loan is repaid, the deduction continues into their savings account (employee can opt out)



# Life Line Loan

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357 loans made since May 2015

- \$478,800 in loans funded
- Average loan \$1,300
- Average credit score ~500



\*GHFCU one of six credit unions to receive the CUNA Lending Council's Excellence in Lending Award for this product

# Get involved

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**Integrate** financial capability services into your workplace

**Participate** in a Step Up poverty simulation

**Volunteer** with our Chatham Apprentice Program

**Interview** a Chatham Apprentice Program graduate

**Donate** to Step Up Savannah and its partners

**Get Informed** – Sign up to receive our monthly  
eNewsletter at [www.stepupsavannah.org](http://www.stepupsavannah.org)

# Questions?

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