

# **From Survival to Savings**

The Importance of  
Asset Building

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# Background

- 1888 Heartland Alliance founded as Travelers Aid
- Currently, more than 60 programs provide housing, economic security, health care, human rights protections and other human services
- 2003 began teaching financial literacy
- 2005 began Asset Building programs, for individuals to build savings and economic well being

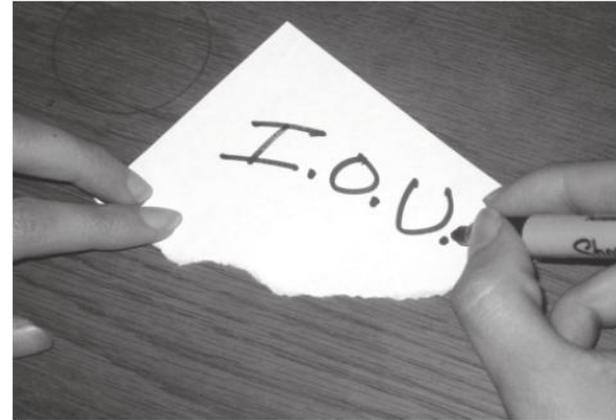
**24%**

of Illinois households do not have a savings, checking or money market account.<sup>39</sup>

Those who are unbanked must turn to high-cost alternative financial service providers for everything from cash checking to money orders to payday loans.

Illinoisans' average debt from all sources is

**over \$11,300.**<sup>40</sup>



**15%**

of Illinoisans have a credit score below 580, which is considered poor credit

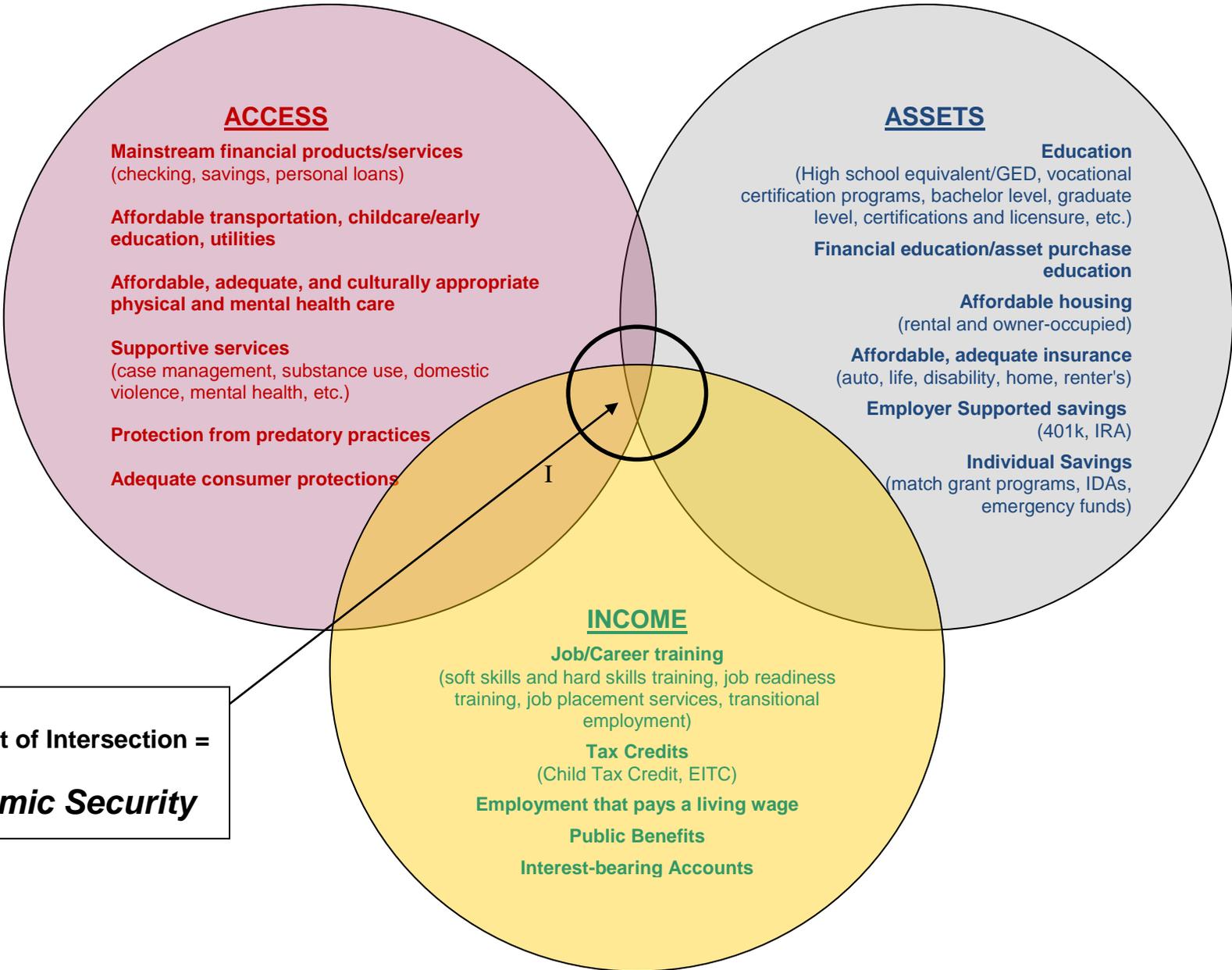
and greatly limits prime borrowing opportunities for things such as car loans, credit cards, and home loans.<sup>41</sup>



**1 out of every 7**

Illinois households experiences extreme asset poverty, having zero or negative net worth.<sup>42</sup>





The Point of Intersection =  
***Economic Security***

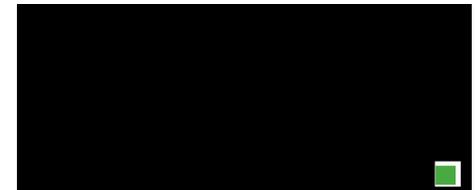


# Why Assets?

- Assets keep us standing up when we experience a job loss, a medical emergency or other unexpected events.
- In Illinois, 1 in every 4 families is considered to be asset poor.<sup>1</sup>
- People who have assets are more likely to increase savings, aspire towards educational goals, invest in community, and strive for personal goals.<sup>2</sup>
- Children of households with assets are more likely to complete school<sup>3</sup> and are less likely to fall into poverty.<sup>4</sup>

# Comprehensive Services

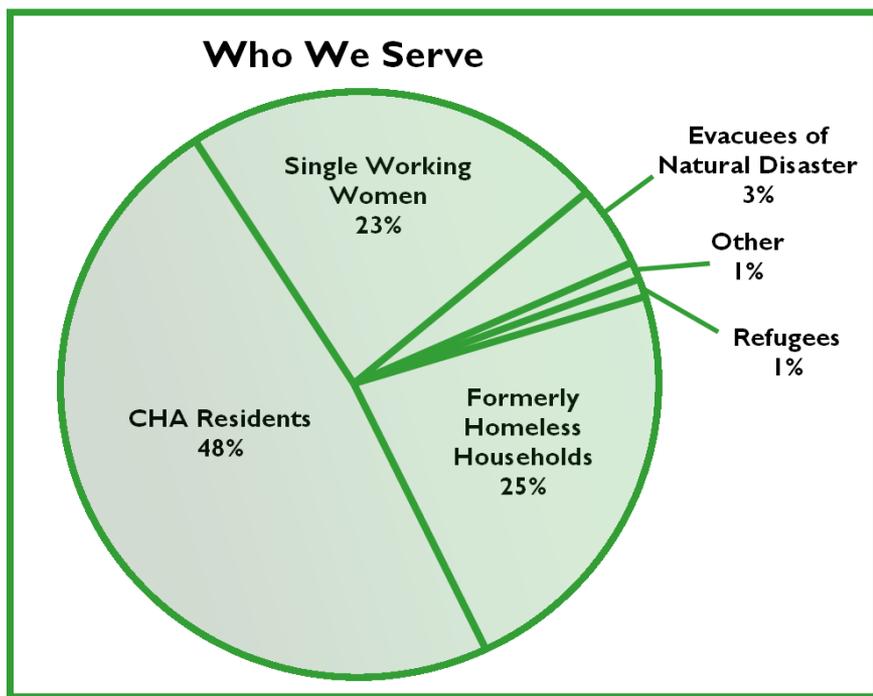
- *Wealth & Wellness*  
Educational groups  
(financial, housing, career advancement)
- Individual consultation & one-on-one goal setting
- Matched savings & incentive rewards
- Community resources and partnerships



# Participant-Based

- Heartland's model is based on behavior-change theory
- Participant-based, self-directed goals
- Build a relationship with a financial institution and get in the habit of saving
- Options for banking, saving and debt repayment
- Varied financial education group schedule
- Flexible time frame and locations

# In just one year...



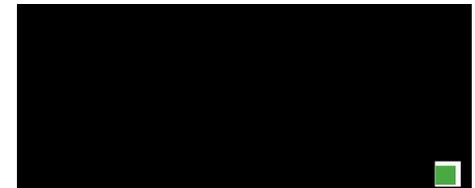
- 1,381 individuals attended Heartland workshops
- 567 participants enrolled in ongoing programming
- 141 graduated
- 51 new savings accounts
- \$24,321 saved!
- *Wealth & Wellness* Curriculum was recognized by two state agencies

# Saving success for parents

**Since 2006, 232 participants saved \$91,309 of their own money**

60 women with children under 5

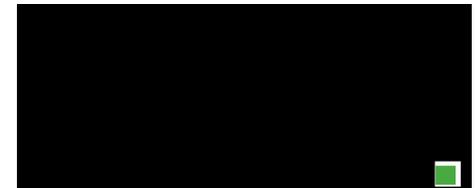
- 50% African American, 33% Latina, 7% Asian, 4% multi-ethnic, 3% White
- \$17,724 average yearly income
- Average of 2 children, with one parent
- 23 opened accounts, 31 saved average of \$105/month!



# Sources cited and more information

- <sup>1</sup> Illinois Asset Building Group (2008). *Asset Poverty In Illinois*.  
[www.illinoisassetbuilding.org](http://www.illinoisassetbuilding.org)
- <sup>2 & 4</sup> Giangreco, G. (2009). *Children's Savings Accounts – A Review of Research On the Investment in the Future of Illinois' Children & Families*. Illinois Asset Building Group.
- <sup>3</sup> Scanlon & Adams (2006). *Do Assets Affect Well-Being? Perceptions of Youth in a matched Savings Program*. University of Kansas School of Social Welfare.

**Poverty data from:** Terpstra, A., Rynell, A., & Carrow, L. (2010). *2010 Report on Illinois Poverty*. Chicago: Social IMPACT Research Center. [www.heartlandalliance.org/research](http://www.heartlandalliance.org/research)



# Partner With Us!

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