

CHANGING THE ODDS



**United
Way**



United Way
of Central Kentucky

UNITED WAY OF CENTRAL KENTUCKY 2016 Financial Stability Initiatives Report

CREATING FINANCIAL STABILITY



When people are able to increase their income, provide for their families and save for the future, they and their children are more likely to enjoy healthy lives and succeed in school. Everyone benefits, because financially stable individuals and families lead to a more competitive workforce and a stronger community.

That's why United Way of Central Kentucky connects people to the resources they need to stand on more solid financial ground. From financial workshops, to providing access to mainstream financial services, and free tax preparation assistance, we're helping people to earn more and save more.

BANK ON CENTRAL KENTUCKY	712	checking or savings accounts opened
Providing access to low-cost mainstream financial services.	7 Financial Institution Partners	These partners are dedicated to providing an account to anyone, regardless of their banking past
FINANCIAL EDUCATION WORKSHOPS	625	individuals participated in free workshops
Free workshops to help families learn how to make the most of their money.	15 workshop locations	37 volunteer instructors
VOLUNTEER INCOME TAX ASSISTANCE	\$200,000+	in refunds returned to the community
Free tax preparation services for low income working families.	134 individuals received free tax preparation	8 volunteers became IRS Certified Preparers

BANK ON CENTRAL KENTUCKY

Bank On Central Kentucky connects individuals and families in Hardin, Grayson, LaRue, Meade, and Breckinridge Counties with mainstream financial services including low-cost checking and savings accounts, regardless of their banking past. The ultimate goal of Bank On is to help individuals and families keep more of what they earn and start on a pathway to improved financial success!



Why Bank On Central Kentucky?

Without the most basic financial tool, a checking account, unbanked families are hard-pressed to build savings and assets, and to respond to emergencies. As a result, unbanked families:

Are forced to rely on expensive alternative systems that charge high fees.

- On average, these fees can range between 2% to 10% of the face value of a check.
- For a low to medium income worker, this can amount to \$1,000 or more in fees per year, or \$40,000 over an average working life.
- Those who can least afford it are paying the most for services that they could access for little or no cost otherwise.
- Check cashing does not provide individuals with any ability to manage or save money.

Lack the ability to save for the future, establish credit, and access asset-building instruments such as loans for a car, a small business, or home mortgage.

Are more likely to be the victims of crime.

- Without a safe place to keep their money, unbanked people often carry large sums of cash on them or keep cash in their homes.
- Elderly, disabled, or undocumented immigrants can be particularly vulnerable.

2016 BANK ON CENTRAL KENTUCKY RESULTS

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BANK ON PARTNERS

BANK ON FINANCIAL INSTITUTION PARTNERS



COMMUNITY PARTNERS

- Breckinridge County Attorney's Office
- Kentucky Career Center
- Dix-E-Town Lanes
- Hardin County Attorney's Office
- Hardin County Schools
- Helping Hand of Hope
- Meade RECC
- MCPS Shepherd's Pie



After completing two of our financial education workshops and receiving her Bank On diploma, Heels Academy participant, Brigette McCowan, was able to visit one of our partnering financial institutions and open both a checking and savings account.



Cities for
**FINANCIAL
EMPOWERMENT**
Fund

In 2016, United Way of Central Kentucky received a grant from the CFE Fund to support the work of Bank On. The CFE Fund supports municipal efforts to improve the financial stability of households by leveraging opportunities unique to local government.

By translating cutting edge experience with large scale programs, research, and policy in cities of all sizes, the CFE Fund assists mayors and other local leaders in identifying, developing, funding, implementing, and researching pilots and programs that help families build assets and make the most of their financial resources. For more information, please visit www.cfefund.org.

FINANCIAL EDUCATION WORKSHOPS

Living within a budget, managing monthly bills, and understanding debt are all keys to building stability. When we're on solid financial ground, we're more likely to have access to health care, provide a good education for our kids, and contribute to our local economy.

That's why United Way of Central Kentucky focuses on lasting solutions that go beyond charity to help people build the skills and knowledge families need to be put on the pathway to financial security.

UNITED WAY OF CENTRAL KENTUCKY FINANCIAL EDUCATION WORKSHOPS

Free financial workshops are taught throughout the community to anyone who wants to improve their financial knowledge. Workshops can be taken in-person while led by a volunteer instructor or online. Some volunteers are even able to accommodate one-on-one sessions to provide a more personal approach.

Check It Out

How to utilize and maintain a checking account responsibly, while also learning about other important resources.

Money Matters

How to manage money by preparing a spending plan and identifying ways to decrease spending and increase income.

To Your Credit

How to read a credit report, and how to build and/or repair their credit history.

SUCCESS STORY

"I had been overdrawing my checking account and paying late fees on various bills. I reached out to United Way and they paired me with one of their volunteer instructors who taught me how to be more aware of my spending habits and helped me create and stick with a budget. Since I received this help, I now make payments on my bills and student loans on time and plan on making contributions to a savings account after my debt is paid off."

— LaRue County Resident

2016 FINANCIAL EDUCATION WORKSHOP RESULTS

**FINANCIAL
EDUCATION WORKSHOPS**

Free workshops to help families learn how to make the most of their money.

625

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15 workshop
locations

37 volunteer
instructors

VOLUNTEER INSTRUCTORS

Without the help of dedicated, trained volunteers, our financial education workshop wouldn't exist. All of our free workshops are volunteer-led. Thanks to the below listed volunteers for teaching a workshop in 2016!

Ailini Aveina

Hardin County Resident

April Reesor

Louisville Metro Corrections

Cindy Gibson

The Cecilian Bank

David Reed

Hardin Co. Schools (Ret.)

Gina Lewis

Lincoln National Bank

Heather Strain

PNC Bank

Jennifer Gray

First Citizens Bank

Jim Rachlin

ECTC, Super Cuts owner

Kamma Flood

The Cecilian Bank

Katie Kurtz

Untied Way of Central Kentucky

Marilyn Ford

First Citizens Bank

Mary Schultz

Lincoln National Bank

Regina Parker

Associated Realtors Real Living

Sabrina Mills

PNC Bank

Stephanie Davis

Republic Bank

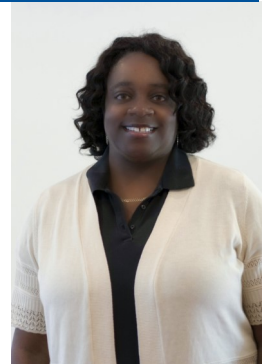
Tiffany Perry

Lincoln National Bank

SUCCESS STORY

"A woman attended a class of mine and she really liked it. I gave the class a money challenge and she completed it with flying colors. I also ended the class by asking if there was anyone who wanted to become a Bank On instructor and she said yes. She believes that she can make a difference in others when it comes to financial management."

- Regina Parker, Bank On Central Kentucky Instructor



WORKSHOP LOCATIONS

Hardin County Public Library
 Hardin County Detention Center
 Heels Academy
 Passages
 The Commitment House
 Elizabethtown Community &
 Technical College

Hardin County Drug Court
 Elizabethtown Independent Schools
 Hardin County Schools
 Bluegrass Challenge Academy
 Warm Blessings Soup Kitchen

FINANCIAL EDUCATION IN THE COMMUNITY

COOPERATIVE
 EXTENSION
 SERVICE



LaRue County Extension Office

The LaRue County Extension Service helps promote financial literacy through the UK Extension's Moneywise newsletters and by hosting an annual Youth Piggy Bank

design contest to encourage families to talk about saving. The monthly Moneywise newsletter is also periodically shared with around 265 persons through the LaRue County FCS newsletter. They now offer quarterly Moneywise classes on-site to employees of Nationwide Uniform to increase their knowledge of personal and household budgeting techniques. Monthly classes are offered at local food banks on how to stretch your food dollars and understand effective spending habits. Additionally, the food pantry serves 125 households per week and those recipients are invited to participate in nutrition classes as well.

Junior Achievement®

GIVING THEM THE POWER TO SHAPE THEIR WORLD.

Junior Achievement's passionate Hardin County Board of Directors works tirelessly each year to raise funds and recruit volunteers to ensure that students in their community learn the economics of life.

HARDIN COUNTY STUDENTS PARTICIPATING IN JA

Year	2015	2016	Growth
Participants	987	1,506	56%

To learn more about Junior Achievement, visit www.jaky.org/get-involved or call 502-561-KIDS



Elizabethtown Independent Schools

Alex Todd has been teaching at Elizabethtown High School for 20 years, meaning he has instilled knowledge on personal finance, business mathematics and economics in many young people in Hardin county and surrounding communities. Nine years ago, Mr. Todd's Financial Literacy course had just 23 students enrolled—now it has over 120. When students completed the pre-test for his Financial Literacy course, the average score was a frightening 55%. After completion of the course, the same students scored an average of 93%. This year, during his course, volunteer instructors visited his students to teach them about responsible Charitable Giving, a course offered through United Way of Central Kentucky. Outside the walls of Elizabethtown High School, Mr. Todd has been diligently pursuing a statewide financial literacy requirement for Kentucky's high schools (Senate Bill 106).

MY SMART MONEY



United Way of Central Kentucky introduced a new online financial resource - MySmartMoney. MySmartMoney is a new interactive, consumer-friendly website that offers simple, useful tools to help all of us manage our money smarter. Take a quick and easy quiz to get a clear picture of your financial situation, and in what areas you could improve. **MySmartMoney™** can help users:

- Learn how to begin saving
- Set a budget
- Save for college
- Save for retirement
- Reduce debt
- Care for aging parents
- Improve credit
- Start planning a family
- Provide resources for a financial emergency

www.unitedwayck.org/my-smart-money

VOLUNTEER INCOME TAX ASSISTANCE

Volunteer Income Tax Assistance (VITA) is a program that United Way of Central Kentucky brought to Hardin County in 2016 in partnership with Helping Hand of Hope and the Green River Asset Building Coalition (GRABC). Volunteers undergo training to become IRS-certified tax preparers and assist low-income working families who made up to \$54,000 the previous year in filing their tax returns for free. The average tax return costs a taxpayer up to \$400 -- money that is saved and can be used to buy groceries, build savings, or help with rent. In addition, volunteers ensure that tax payers are getting back all the credits they are eligible for. Also under the GRABC Coalition are VITA sites in Breckinridge and Meade counties. In 2017, this service has expanded to Grayson county through a partnership with the Grayson County Alliance.



For tax filers who are comfortable preparing their own tax returns, United Way offers free tax preparation services online through My Free Taxes. The income threshold for this service is a bit higher at \$64,000 per household in the previous year. While unlike VITA, you don't have a person physically assisting you, MFT provides

helpful tools such as calculators, error checkers, online chats, plus a free help line you can call with any tax questions. This service is available in both Spanish and English.

2016 VOLUNTEER INCOME TAX ASSISTANCE RESULTS

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Free tax preparation services for low income working families.

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VOLUNTEER TAX PREPARERS

Our VITA tax sites are completely volunteer driven. Each consists of at least one Site Coordinator, who is responsible for the tax site—from ensuring all volunteers are IRS certified, to completing compliance documents, scheduling volunteers, and managing the site when it’s open—and volunteers, who prepare, provide quality review for, and submit the returns.

Judy Bullock, **Site Coordinator**

Julie Clemons

Kendia Whobrey, **Site Coordinator**

Julie Bessinger

Kimberly Burns, **Site Coordinator**

Katie Barnes

Linda Gentry, **Site Coordinator**

Katie Meyer

Charlotte Shaw

Pam Costin

Dave Martin

Park Gentry

Duane Smith

Rita Stevenson

Eddie Chambers

Sandy Howard

Jim Rachlin

Sherry Powers

Judy Hart

Stacy Bibelhauser

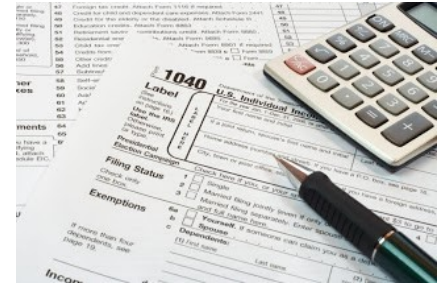
VOLUNTEER SPOTLIGHT



Meade County VITA site coordinator, Dan Molnar, goes above and beyond each tax season to prepare not only his own VITA site, but also others in the 5-county service region covered by United Way of Central Kentucky. For the 2017 tax season, he held a local tax training for those wishing to become IRS-certified VITA greeters, and both basic or advanced tax preparers. He has taken courses in his spare time that will allow him to teach these trainings. Without these trainings, potential volunteers would have to complete their training online, without an instructor to thoroughly review the material and answer questions.

WHY TAX PREPARATION?

Why is United Way of Central Kentucky offering free tax preparation services? **Two reasons:** the EITC and the CTC. The **Earned Income Tax Credit (EITC)** and **Child Tax Credit (CTC)** are among our nation's most effective **pro-work, anti-poverty** tools. Only people who work are eligible for the EITC and CTC, which allow 476,000 working moms and dads and 38,000 military and veteran families in Kentucky to keep more of what they earn. **Research finds that during the 1990s, EITC expansions actually did more to raise employment among single mothers than welfare reform.** The CTC is similarly designed to increase parent's work and earnings while helping offset the cost of raising children.



Through local VITA programs, volunteer tax preparers are trained to know when individuals are eligible for these credits, ensuring they are receiving the full refund they are entitled to. Similarly, MyFreeTaxes.com ensures these families keep more of their own money by allowing them to file their own taxes online, free of charge.

WORKING-FAMILY TAX CREDITS HELP AT EVERY STAGE OF LIFE

The EITC and CTC not only reward work and reduce poverty for low and moderate income working families with children, but a growing body of research shows that they help families at virtually every stage of life.



BETTER SCHOOL PERFORMANCE & COLLEGE ENROLLMENT

Elementary and middle school students whose families receive larger refundable credits (such as the EITC & CTC) tend to have higher test score in the year of receipt. Students whose families receive these credits are also more likely to go to college.



INCREASED WORK & EARNINGS IN THE NEXT GENERATION

For each \$3,000 a year in added income that children in a working-poor family receive before age 6, they work an average of 135 more hours a year between ages 25-37 and their average annual earnings increase by 17 percent, research has found.



SOCIAL SECURITY RETIREMENT BENEFITS

Research suggest that by boosting the employment and earnings of working age women, the EITC boosts their Social Security retirement benefits, which should reduce poverty in old age. (Social Security benefits are based on how much one works and earns).

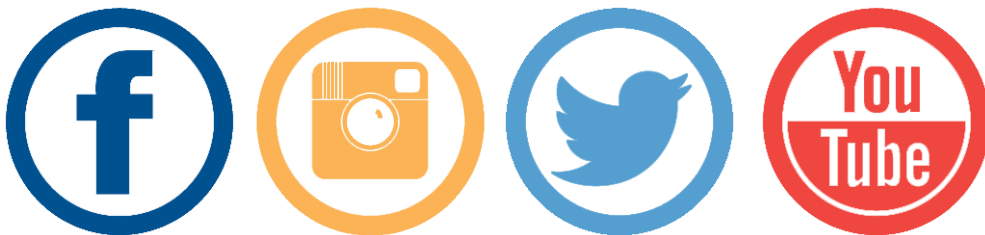
Source: Center On Budget and Policy Priorities: CBPP.Org

Note: For further details on research see Chuck-Marr, Chye-Ching Huang, Arloc Sherman, and Brandon DeBot, "EITC and Child Tax Credit Promote Work, Reduce Poverty, and Support Children's Development research Finds," CBPP

For more information about Bank On Central Kentucky, VITA, becoming a volunteer instructor, offering financial workshops at your organization or business, please contact United Way of Central Kentucky.



**United Way of
Central Kentucky**



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