

FINANCIAL EMPOWERMENT FOR NEW AMERICANS PROJECT

by Champlain Valley Office of Economic Opportunity (CVOEO)

Region 1 • Burlington, Vermont
cvoeo.org



Financial Literacy • Immigrants

INITIATIVE OVERVIEW

Community Ambassadors provide financial and health support through a hotline and “house parties” to New Americans including asylum seekers.

For the last seven years CVOEO has prioritized assisting New Americans to move out of poverty. This work was rooted in the strategic plan goals of advocating for racial justice and partnering with the people we serve. We began with the establishment of a time-limited inter-organizational New American Committee, and our work with the Shepherd Higher Education Consortium on Poverty. Financial Futures held a half-day appreciative inquiry with community partners that led us to question how we can better serve New Americans. We participated in IDEO’s Human-Centered Design course and invited members of our board, the New American Committee, and Refugee and Immigrant Services Network members to join us, with several participating in multiple sessions along with the core team. The design question we identified was: “How might we encourage/empower financial capability among New Americans in Chittenden County?” We spent hours interviewing partners to learn from their expertise. Once we built a prototype (outlined in this cartoon([youtube.com/watch?v=h9Nbs9t4pCY](https://www.youtube.com/watch?v=h9Nbs9t4pCY))) we reached back out to partners with additional questions for learning and feedback.

We have developed innovative programming to support New Americans in accessing the information and coaching they need in ways that respect their own knowledge and cultural backgrounds. In 2017, Financial



Futures launched the New Americans Financial Empowerment Project. We created innovative Financial House Parties, where participants meet in small groups in their own homes, over dinner, and with a “Community Ambassador” – a well-known and trusted member of their community who has been trained in

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financial education.

Each Financial House Party cohort consists of four to five community members from the same language community, a Community Ambassador from their language community, and the Manager (and lead educator) of the Financial Empowerment for New Americans Project.

Each week, the participants take turns hosting dinner at their own homes. The host for the evening chooses the financial topic to discuss. In this context, New Americans can access trustworthy information about how banking, credit, saving, and ownership function in the United States. This culturally responsive format understands where they come from and what they know, and provides an educator they can trust. We will be working with refugees, immigrants and asylees with low and moderate incomes—vulnerable and underserved populations—to improve financial well-being as a proven pathway out of poverty. We know that financial well-being moves people out of suffering, equips them to meet their own basic needs, and that financial health is public health.

When COVID-19 began, we had to innovate again. With the house parties on hold due to the requirements of social distancing, we sought new ways to connect New Ambassadors to the knowledge and resources they needed during the pandemic. We consulted with the Community Ambassadors, who spoke directly with community members, to determine what their most pressing needs and desires were during this time of social distancing.

They requested a “financial hotline” that would allow New Americans to ask a range of financial questions directly to the Ambassadors. With funding from Welcoming America to support the Community Ambassadors and CSBG funding to support the Financial Empowerment for New Americans Project Manager’s role in the development and implementation of the hotline, we established a main hotline number and leave their name, language, and contact information. Their message is relayed to the Community Ambassador who speaks their language (Swahili, Somali, Maay, French, Arabic, Nepali, Spanish).

The Ambassador calls the community member back within 24 hours and helps them with their questions. As expected, we have found that once the New American communities know the Ambassador is there to support them, they call with an increasing number and range of questions. What started as answering questions about unemployment and

stimulus funds quickly expanded to include health and safety needs such as housing, food, COVID testing, and access to vaccinations. Ambassadors have supported community members with a wide range of needs during the pandemic, including:

- receive emergency rental assistance through the State of Vermont to keep their homes, including facilitating communication between New American tenants, landlords, and the State;
- access emergency food sites and food shelves;
- understand and apply for unemployment to secure their income;
- understand the federal stimulus funds;
- receive help with medical bills and late utility bills;
- address questions concerning access to credit and banking during COVID-19 social distancing;
- apply for small business COVID-19 relief grants from federal, state, and nonprofit organizations;
- get answers about fair housing issues;
- find COVID-19 testing locations and sign up for testing;
- learn about options for COVID-19 vaccines and register for vaccination.

LOCAL NEED ADDRESSED BY INITIATIVE

Need to reduce racial and health disparities and to ensure New Americans get the support they need to not only settle but grow and prosper.

Financial hardship is a prominent and pressing need in Vermont. 40.2% of VT households did not have emergency savings in the past year¹ and the average credit card balance for a single Vermonter was \$7,466.2. This leaves Vermonters with little ability to weather a financial crisis. Many Vermonters with low income have neither the income, the savings, nor the ability to take on debt when faced with increased or unexpected expenses. A small, unexpected expense could quickly spiral into true financial crisis. As we face the economic repression caused by COVID-19, many families need to seek new employment and learn to manage money in new ways.

Our New American clients face additional challenges. How confidently a New American navigates finances

in the U.S. depends on factors such as: their life experiences before coming to the U.S., their fluency in English, their comfort level with written language, their generational role in their family, and their religious and cultural beliefs about how money should be earned, saved, borrowed, and spent. How they handled banking, credit, and asset ownership in their countries of origins – if these systems existed and were accessible to them – is often starkly different than how these systems function in the U.S. They frequently have limited experience with credit, and often limited experience with banking. Language barriers combined with cultural differences make finding employment challenging, put them at high risk for predatory lending, prevent them from establishing credit, and keep their financial goals out of reach.

With the on-set of COVID-19, we saw many government agencies and nonprofits work quickly to get information and resources to community members. It quickly became evident that though organizations were attempting to share information in multiple languages, much of the information and most of the resources were not being received or accessed consistently by New Americans in our community. We consistently hear from the New American communities that they need more than interpretation, they need help navigating the systems of support. It is clear that effective outreach goes beyond translation of written materials to working closely with New Americans on understanding what resources are

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available, providing direct support in applying for these resources, and following up when issues or questions arise in the process.

Historically, New American populations in north-west Vermont have been concentrated in the cities

of Burlington and Winooski. In recent years, New Americans have increasingly been moving to outlying towns in Chittenden County. Given the Financial Futures Program's service area of Chittenden, Addison, Franklin, and Grand Isle Counties, we are positioned to serve New American Vermonters even as new residency patterns evolve.

ROLE OF CSBG FUNDS

Catalyst funding for this initiative.

TRANSFORMATIVE IMPACT

Eight community ambassadors for six languages were recruited for outreach work with their communities. Their job is to co-facilitate growing money/ financial capability workshops, create culturally responsive curriculums and facilitator guides and translate them into their language. In addition, they are helping their community through a free hotline by providing important financial and public health information to their community. More information about Community Ambassadors here: www.cvoeo.org/index.cfm?fuseaction=dep_page&page_id=61&dept_id=24

Financial house parties provided culturally responsive setup for the communities within the six languages to learn more about the financial system in America and in less than two years two participants owned their houses and 50 percent of them started building their credit and started working on their financial goals. Also, we conducted three financial wellness days before 2019. It's a day where CVOEO hosts a fun family day and provides a platform for the organizations working in the community to provide important financial information.

The Financial Empowerment for New Americans Project has had multiple layers of transformative impact on our community:

1. New American families (typically refugees and asylees) are establishing generational wealth through building credit, homeownership, and business ownership
2. New Americans are building shared knowledge about how financial systems work in the United

States. Many service participants later report that friends and family now come to them with financial questions and for support in establishing credit and savings accounts. This leads New American communities to engage in financial systems more effectively and more consistently;

3. As more New Americans seek banking and lending services, banks, credit unions, and other lending organizations have sought consultation from our team on how to better serve New Americans. Examples include: We collaborated with Mascoma Bank to provide small grants to New American business owners during the pandemic. We partnered with Vermont Community Loan Fund (VCLF) to support New Americans in applying for PPP loans. VCLF has repeatedly sought our insight and knowledge as they create a new lending position to work specifically with New American community members. We have participated in a panel of racial justice with the Vermont Bankers Alliance, and anticipate more engagement with them in the future. Vermont Housing Finance Agency sought our input in their planning process to create new products, services, and outreach efforts to support BIPOC homeownership.
4. Our services have been requested by the State of Vermont's Agency of Commerce and Community Development (ACCD) and the Agency of Human Services (AHS) to support outreach efforts for COVID-19 resources/supports to New American communities. This is a new, deeper level of engagement between State agencies and New American communities. Efforts support connection of New Americans to business, housing, COVID-19 testing and COVID-19 vaccine resources, among others.

We are working to expand our capacity for advocacy and engaging with community partners to further these transformative outcomes.

EVIDENCE-BASED OUTCOMES

For the hotline, the Community Ambassadors have had 134 calls and have spent 96 hours talking with people (calls range from 15 minutes to an hour and a half for application support).

- Nepali = 90 calls and 58 hours
- Swahili = 22 calls and 27 hours
- Arabic = 10 calls and 5 hours
- Somali = 9 calls and 5 hours
- MaayMaay = 3 calls and 1 hour

Since 10/1/2019, there have been 30 house parties and 30 participants (each person hosts one of the parties); each participant attended 4 - 5 house parties. 28 house party participants also chose to participate in individual financial coaching.

- Increased total number of New American participants in Financial Futures Program services by 250% over four years. 7% of participants in 1/1/15 - 12/31/15 were not born in the United States. Total = 48 New American participants. 16% of participants in 1/1/19 - 12/31/19 were not born in the United States. Total = 121 New American participants.
- The financial house parties were a powerful model and were growing quickly. They are on hold due to COVID-19, but in the first half of FY20, 35 Financial House Parties were held, with a total of 158 participants.
- Hotline: from July 2020 - February 2021, there were 374 calls and 270 hours of support.
- Interpreted classes: 1/1/2015 (pre-program) through 2/22/21: 760 participants. 214 unique clients.
- 149 unique classes.
 - Average class size = 5.1 participants
 - Average number of classes per participant = 3.6 classes
- Increased support of New American communities by other CVOEO programs. Community Ambassadors have translated written materials for the Fair Housing and Community Action teams, and frequently interpret classes with the VT Tenants team. We have plans to increase engagement with the Weatherization team to ensure safe and healthy homes for New American community members.

EQUITY LENS

This project is being done by and for New Americans so that they can help resolve racial and health disparities.

CUSTOMER VOICE

This project is peer based and led by New Americans.

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