

Family Living Programs Impact Report

Monthly newsletters. Newsletters are a relatively low-cost way to provide relevant, timely and unbiased information to hundreds of Head Start families. *M\$iHS* families received eight monthly newsletters written by Extension educators. Each newsletter covered a different financial topic: 1) setting goals; 2) creating a spending plan; 3) managing debt; 4) tax refunds and credits; 5) saving; 6) banking; 7) credit; and 8) household organization and record keeping.

The newsletters encouraged parents to set a financial goal during the first month, with subsequent newsletters highlighting financial management skills to help reach the goals.

Financial literacy workshops.

Workshops deliver financial information that is useful to a lower-income audience with young children and complement the information in the monthly newsletters.

Family Living staff developed and delivered two financial education workshops specifically for families in the *M\$iHS* program. One of the workshops focuses on budgeting and saving, and the other on credit management.

Financial coaching. Coaching is a collaborative process in which the coach and parents work together to reach the parents' long-term financial goals. Coaches help parents refine their goals to be specific, measurable and realistic within a given timeframe. Coaches then hold people accountable to the goals they have set for themselves. The idea behind coaching is that even though people often seek to change their behavior based on what they learn, they may struggle to follow through on taking action.

Select *M\$iHS* sites offered financial coaching to parents, providing one-on-one support for achieving financial goals. Because coaching involves individual meetings over time, it is a fairly resource-intensive intervention, but has potential to help those parents who need and seek out additional support.

Approximately one-third of the Head Start families (507 out of 1,500) in participating *M\$iHS* counties completed surveys at the beginning of the school year. Thirty-eight percent of that group (193 of out of 507) completed a follow-up survey at the end of the school year.

In order to provide a comparison group of parents, a few Head Start sites within the participating counties received surveys, but no educational services.

Outcomes

The differences between households taking part in at least one educational intervention—newsletters, workshops or coaching—were compared to the households that were not offered financial capability building programs.

The outcomes were divided into attitudes and behaviors. Attitudes include worry, confidence and self-assessed ability to manage financial matters. Behaviors include debt levels, bill payment and use of a budget.

Parents who took part in at least one of the educational interventions showed:

- Less worry about finances.
- More confidence in finding money to cover a financial emergency.
- Increased feelings of control over finances.
- More ability to save.

Overall, the parents who participated in the *M\$iHS* program group:

- Showed lower debt levels.
- Were more likely to have checked their credit report.
- Were much more likely to have a written budget.

These results suggest that taking part in the *M\$iHS* program is associated with positive changes in both attitudes and behaviors.

The *Money Smart in Head Start* financial capability building initiative appears to offer a highly useful resource for increasing financial security among young, limited-income families.

To learn more about the *Money Smart in Head Start* initiative, go to: <http://fyi.uwex.edu/moneysmartheadstart>.

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