



UW-Extension family living educators are a trusted source for unbiased financial information.

## Building financial security for Wisconsin families

**F**inancial security is an essential goal for today's families. It begins when people can manage their cash and credit to make ends meet day to day. It can be achieved when people are able to set aside extra resources for emergencies, as well as set and reach financial goals.

Studies show that many Wisconsin families face ongoing financial insecurity, reflecting regional and national trends. A snapshot from the 2012 FINRA Financial Capability Survey that measured financial behaviors, attitudes and knowledge of people in each state, found that:

- 17% of people in Wisconsin report spending more than their income.
- 16% say they find covering expenses very difficult.
- 10% have missed more than one mortgage payment.
- 60% have never tried to figure out their retirement savings needs.

- Less than 40% of parents have set aside savings for children's education.

UW-Extension Family Living is well positioned to help families become more financially capable, building (or rebuilding) financial security through education, counseling and coaching. With established networks in communities throughout the state, family living educators are a trusted source for unbiased financial information.

When Wisconsin families strengthen their financial security, communities benefit, too, as families contribute to a foundation for economic growth.

### Our reach

In 2014, Family Living educators reached over 8,700 individuals across the state with educational programs designed to increase financial security. Family Living's online financial education resources—including tools and tips, webinars and issue briefs—received more than 75,000 hits during the same period.



## Our impact

Family Living programs are having an impact on families' financial wellbeing. Participants in Family Living education programs made significant positive changes in areas such as financial planning, goal setting, and controlling spending.

Between 2012 and 2015, data collected from 144 program participants surveyed before an education program and again three months later showed increases in:

- Having a personal **budget**, spending plan, or financial plan in place.
- **Confidence** in the ability to achieve a financial goal.
- Being able to make ends meet to weather an **emergency**; for example, if someone lost a job or got sick.
- Using **auto-deposit** or electronic transfers to commit to payments or savings.
- **Spending less** with respect to income.
- Paying fewer **late fees**.

## Our programs

Family Living educators deliver financial education programs with three main goals:

### To support parents with young children

**Money \$mart in Head Start**  
[fyi.uwex.edu/moneysmartheadstart](http://fyi.uwex.edu/moneysmartheadstart)

Surveys show that families participating in Early Head Start and Head Start are less financially secure than Wisconsin's population overall. Since 2009, UW-Extension family living educators have worked with local Head Start agencies to make financial information more accessible to these families through a free monthly newsletter. The newsletters have proven to be an affordable way to provide relevant, timely, and unbiased financial information.

In 2014, approximately 2,500 households across 18 Wisconsin counties received the Money \$mart in Head Start newsletters. A total of 416 respondents to a follow-up survey in six counties (Grant, Iowa, Lafayette, Richland, Washington, Winnebago) reported the newsletters helped them achieve a range of positive financial behaviors, including: setting a financial goal, creating a spending plan, paying down debt, putting money in savings, and maximizing their tax refund.



### Small Savings Build Big Dreams

[fyi.uwex.edu/collegesavings](http://fyi.uwex.edu/collegesavings)

Recent research on college savings accounts for young children suggests that children from lower income households are three times more likely to enroll in college and about four times more likely to graduate from college than a child with no savings account. These enrollment and graduation rates were found even in families with less than \$500 saved for their child's future education, demonstrating that even small savings can have a big impact. Children from limited income households also did better in high school, knowing they were expected to continue their education.

UW-Extension family living educators respond by offering workshops, fact sheets, and on-line tools, helping parents create a 'college-bound' identity and expectations for their children.

### Compared to children with no college savings . . .



Source: Assets and Education Initiative (AEI). (2013). Building Expectations, Delivering Results: Asset-Based Financial Aid and the Future of Higher Education. In W. Elliott, (Ed.), *Biannual report on the assets and education field*. Lawrence, KS.

**To increase financial education and outreach capacity of community partners**

**Rent Smart**

[fyi.uwex.edu/house/rent-smart](http://fyi.uwex.edu/house/rent-smart)

Wisconsin renters currently make up more than 700,000 households—approximately one-third of all households in the state. For many Wisconsin workers, paying the rent can pose an ongoing challenge. In addition to coping with tough financial realities, many renters experience conflicts with their landlords. Family Living’s Rent Smart program provides practical education to help potential renters acquire and keep housing.

Family Living educators have conducted nine Rent Smart workshops since December 2008, reaching approximately 170 professionals from non-profit agencies interested in teaching the Rent Smart curriculum in their organizations. Over 95% of Rent Smart graduates surveyed report now knowing key components of the rental process (such as important provisions in the rental agreement), and having increased confidence in communicating with their landlords when problems arise. Graduates also report they intend to or have begun to keep track of their spending and develop plans to be able to pay rent on time.



**To increase or rebuild credit worthiness and individual financial capacity**

**Financial Coaching**

[fyi.uwex.edu/financialcoaching](http://fyi.uwex.edu/financialcoaching)

A relatively new approach to financial education, known as financial coaching, has emerged as a way to help learners achieve their personal financial goals and make the essential leap from knowledge to action. Financial coaching is grounded in the principle that learners select their own personal financial goals and are motivated to follow through on them.

Since 2010, 38 University of Wisconsin-Extension family living educators in 36 counties have completed training in the use of coaching for financial education. Their efforts have changed behaviors—participants have gained the ability to pay rent, check a credit report, take steps to improve credit, and pay off court fines. They have created budgets and some have succeeded in increasing work hours. In 2013, Family Living educators in Dane and Portage Counties trained 100 volunteer financial coaches who in turn worked successfully with individuals and families. Those who were coached in these programs demonstrated the ability to maintain stable housing, pay down debt, and start emergency savings. Almost all reported that they were better able to keep up with their bills and had improved their ability to save.

“Going to see my financial wellness coach has helped my family to stay afloat instead of sinking.”

—Financial coaching participants

### Check your Credit Campaign

[fyi.uwex.edu/creditreport](http://fyi.uwex.edu/creditreport)

Credit is increasingly important for many areas of life—getting a loan, determining rates for credit and insurance, securing a job, renting a house or apartment, and preventing identity theft. While it is up to individuals to make sure information in their reports is accurate and up-to-date, only 1 in 3 Wisconsin adults obtain a copy of their credit report each year—the 6th lowest rate of all states, according to the 2012 Financial Capability Survey. Many people pay for credit monitoring, which is costly and usually unnecessary.

Family Living created a Credit Report Reminder Campaign in 2013 to encourage individuals to check their credit reports and provides instruction on how to do so for free. More than 600 people have signed up to receive reminder emails three times a year to check their credit report. Prior to signing up for reminder emails, two-thirds of participants had not ordered a credit report in the past year. At the end of 2015, only 17% had not done so. Of those that did check their credit report, 83% found no errors. However, of those that did find problems, 7% contacted a creditor or credit bureau to fix an error, 5% identified a way to improve their credit, and 2% obtained help through UW-Extension to review their report.



Through these and other programs, Family Living educators make a difference to individuals by enhancing their personal financial security and to communities by contributing to economic stability and creating a foundation for economic growth.

#### To learn more contact:

##### **Peggy Olive**

Financial Capability Specialist  
Center for Financial Security  
and  
Family Living Programs  
UW-Madison/UW-Extension  
[peggy.olive@ces.uwex.edu](mailto:peggy.olive@ces.uwex.edu)  
608-262-6766

##### **J. Michael Collins**

Associate Professor, Consumer  
Science and Public Affairs  
Extension Specialist in Family  
Financial Management  
Center for Financial Security  
and Family Living Programs  
UW-Madison/UW-Extension  
[jmcollins@wisc.edu](mailto:jmcollins@wisc.edu)  
608-262-0369

