

# START-UP NY

**Inclusive Entrepreneurship  
Self-Employment & Entrepreneurship  
Track Session**

APSE – Seattle, WA

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Me'Shae Brooks-Rolling  
(Co-Presenter)

Burton Blatt Institute  
at Syracuse University

IN PARTNERSHIP WITH



Burton Blatt Institute  
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Whitman  
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**Asset Development &  
Accumulation Strategies to  
achieve economic  
Self-Sufficiency: The impact of  
Financial Literacy Education on  
Inclusive Entrepreneurship Clients**

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# What is Financial Literacy?

## What is poverty?

## What are assets?

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# Me'Shae's definition of Financial Literacy

Basic financial literacy revolutionizes the way consumers view their money and personal finances. The desired outcome is for changed perceptions to incite changed habits and behavior. Financial Literacy is also an ongoing learning process because our financial scenarios change over the course of various stages in life.

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**Definition of Assets:** Economic Resources producing positive economic value; ownership of value that can be converted into cash; Tangible/Physical and Intangible/Non-physical are two asset classes

**Definition of Poverty:** The extent to which an individual goes without resources

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# FDIC MoneySmart Train-the-Trainer

<http://www.fdic.gov/consumers/consumer/moneysmart/>

- 35 trained in June 2008
- 17 trained in September 2008
- For a total of 52 trainees

**Bridges out of Poverty** addresses the *quantitative* framework for understanding poverty

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# Multi-media teaching aids

- PowerPoint presentation
- Videos/DVDs (Closed Captioning)
- Individual & class exercises
- Small group discussions
- Role-playing & dramatizations
- Visual aids & demonstrations
- Handouts & resources
- Homework assignments

*Keep the information Simple*

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# ACCESSIBILITY

- Create handouts in 24-Arial Font for the visually-impaired
- Disability-related community resources
- Financial-related resources

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# FINANCIAL LITERACY 101 MODULES

1. Becoming Organized
2. Being Financially Organized
3. Save More and Spend Less / **Asset Development and Accumulation**
4. Reduce and Eliminate Credit Card Debt
5. Credit Report and Credit Scoring
6. Identity- and Cyber-Theft & Overdebtedness

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# Components of Asset Development

- ▶ **Earned Income Tax Credit (EITC)**
- ▶ **Individual Development Account (IDA)**
- ▶ **VITA (Volunteer Income Tax Assistance) sites**

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# Earned Income Tax Credit (EITC)

- ▶ Created by Congress in 1975 to provide an incentive to work for low-income families.
- ▶ Refundable Tax Credit
- ▶ Twenty percent of individuals who are eligible do not claim the credit.
- ▶ An estimated 1 million individuals with disabilities annually do not claim the credit.

**Source:** Michael Morris, CEO  
*Burton Blatt Institute*

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# Purposes of Individual Development Accounts (IDAs)

1. Home down-payment
2. Post-secondary education or trade
3. Small business start-up capital
4. Vehicle

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# STATS

- 101 attendees since Spring 2008
- 84 successfully completed Financial Literacy class (82%)
- 20 Respondents (25%)



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# EITC Stats

- Did you visit a VITA site during tax season after learning about it in class? **70% (No)**
- Did you apply for your EITC during tax season after learning about it in class?  
**50% (Yes)**
- If yes, were the results favorable?  
**100% Yes for those who applied; \$1K-\$7K (\$4K avg.)**

# EITC Con't

- Did not qualify for the EITC
- Tax extension, but will apply
- Had already put together taxes with Accountant previously
- Seeking assistance for farm project
- “Taught me how to manage my money“
- Will not “blow it” (the refund)



# Business Plan Stats

- Not Started Business Plan (1)
- Still working on Business Plan (13)
- Revising Business Plan (1)
- Completed Business Plan (5)



# IDA Stats

- Have applied for IDA but on waiting list (7)
- Have not yet applied for IDA (9)
- Have applied for and received IDA (6)
  - Home (1)
  - Business (5)
  - Vehicle (2)
  - Education (0)



# IDA Comments

- Currently enrolled in Home Buyer IDA and have applied for a Vehicle IDA
- Busy entrepreneurial schedule, but will make priority and apply soon
- In process of credit repair; waiting for AFI IDA
- Received \$1,000 in Business IDA (Tacolicious)



**Attending Financial Literacy 101  
has increased my overall level of  
fundamental financial education**

**78% Strongly Agree**

**22% Agree**



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# WHAT CAN YOU DO?

- ▶ Educate yourself
- ▶ Identify local resources and referrals (both disability and financial-services related)  
i.e., CASH Coalitions
- ▶ Make teaching aids accessible



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