

Regional & Community Outreach

A Year in Review and Looking Ahead

CDAC Meeting

December 7, 2015

Strengthen the Prospects of Smaller Cities

- July marked the mid-point of **Round 1 of the Massachusetts Working Cities Challenge**.
 - Cities making good progress building cross sector tables, deepening relationships and community engagement, and on early systems changes.
 - Our model has influenced state policy, we see greater interest from philanthropy for smaller cities, and there are several Fed presidents interested in the model.
- **Massachusetts Round 2** design grant winners announced on November 5th.
 - Ten winners announced: Brockton, Haverhill, Lowell, Lynn, New Bedford, Pittsfield, Revere, Salem, Springfield, and Worcester.
 - These cities are eligible to apply to win one of five three-year grants that will be announced in July 2016.




Strengthen the Prospects of Smaller Cities

- Launched **Rhode Island Competition** at September CDAC Meeting.
 - Key partners include: Commerce RI, RI Housing, RI Foundation, and the Greater Providence Chamber of Commerce.
 - On track to issue an RFP for cities to apply for design grants in early 2016.
- Plan to launch **Connecticut Competition** in the fall of 2016.
 - Key partners include the Office of Policy and Management, the Hartford Foundation, the CT Council on Philanthropy, and several businesses.
 - Resource committee is continuing to reach out to engage large employers.
- Partnering with the Krege Foundation and Harvard, we launched the **Capital & Collaboration Initiative** to increase the scale and impact of investments in the Massachusetts Working Cities.



Promote Workforce Development

- New focal area. We have a several initiatives underway and are identifying where we can make the largest impact going forward.
- Increase the number of **youth employed** and their skills.
 - Redesigning in-house **internship program** that targets inner-city youth from Boston Public Schools and evaluating the City of Boston's **summer jobs program** to understand short and long-term impact of providing early employment opportunities with supports to youth.
 - Providing guidance on effective **integration of financial capability elements into youth employment programming** under WIOA. Partnering with DOL and NY Fed on upcoming event: "Leveraging Financial Education to Improve the Impact of the Workforce Innovation and Opportunity Act."

U.S. Department of Labor	Employment & Training Administration John F. Kennedy Federal Building Room E-350 Boston, MA 02203	
DWI/OSS/BOS-L2015-790412-CR		
WORKFORCE SYSTEMS LETTER NO.: 16-02		
DATE:	November 2, 2015	
EFFECT:		<u>ACTION</u>
	State Workforce Administrators	[X]
	Local Area Workforce Administrators	[X]
	YouthBuild Grant Directors	
	Youthful Offender Grant Directors	[X]
SUBJECT:	Financial Capability for Youth and Young Adults Conference at the Federal Reserve Bank of Boston on December 10, 2015	

Advance Household Financial Stability

- Continue to promote research on universal **Children’s Savings Account** programs.
 - Developed concept papers on **interim measures** for Rhode Island and Maine.
 - Regional developments: VT and NH pass CSA legislation; CT switches to a “check the box” program; Mott Foundation grants \$300K for evaluation of ME’s program; MA State Treasurer Goldberg expected to announce statewide program soon.
 - In early 2016, the New England CSA consortium will focus on community engagement and leveraging technology to promote student/parent engagement.

THE NEW ENGLAND JOURNAL OF HIGHER EDUCATION

Counterbalancing Student Debt with “Asset Empowerment” and Economic Mobility

by William Elliott, Monnica Chan and Anthony Poore
June 1, 2015



Education provides one of the best opportunities for American children to build the capacity to climb up the economic ladder. It has even been called the “great equalizer” in American society. In today’s tightened labor market, providing equal access to postsecondary education is more critical than ever. The [Georgetown Center on Education and the Workforce](#) projects that 70% of jobs by 2020 will require some postsecondary education or credential. Unfortunately, equitable access

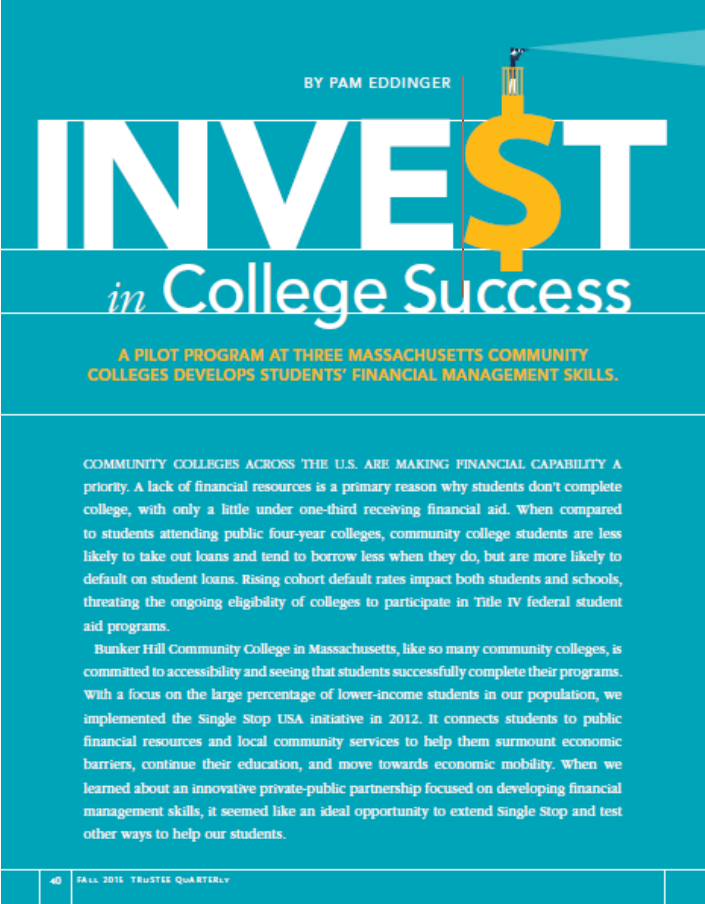
and success in postsecondary education are hard to come by. In 2013, students born in the top family income quartile were 8.5 times more likely to earn a bachelor’s degree by age 24 than students born in the bottom income quartile—a gap that has steadily grown since the 1970s, according to [Postsecondary Education Opportunity](#).

HIGHER EDUCATION
Innovation
CHALLENGE

Upcoming Events

Advance Household Financial Stability

- Promote the **financial capabilities of community college students.**
 - Released *Promoting Pathways to Financial Stability*, a handbook highlighting promising practices.
 - The U.S. DOE is promoting it to 2- and 4-year colleges; the CA Chancellor's Office for Community Colleges is using it to inform strategy.
 - The SF Fed is considering adopting a similar strategy with community colleges in CA.
 - **Invest in College Success:** Research effort to understand effects of providing a range of services to help students manage their financial lives more effectively.
 - Services: Virtual advising, in-person coaching, matched savings, financial education, remote financial coaching.
 - One year into the program; reviewing data and learnings to inform program moving forward.



BY PAM EDDINGER

INVEST

in College Success

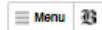
A PILOT PROGRAM AT THREE MASSACHUSETTS COMMUNITY COLLEGES DEVELOPS STUDENTS' FINANCIAL MANAGEMENT SKILLS.

COMMUNITY COLLEGES ACROSS THE U.S. ARE MAKING FINANCIAL CAPABILITY A priority. A lack of financial resources is a primary reason why students don't complete college, with only a little under one-third receiving financial aid. When compared to students attending public four-year colleges, community college students are less likely to take out loans and tend to borrow less when they do, but are more likely to default on student loans. Rising cohort default rates impact both students and schools, threatening the ongoing eligibility of colleges to participate in Title IV federal student aid programs.

Bunker Hill Community College in Massachusetts, like so many community colleges, is committed to accessibility and seeing that students successfully complete their programs. With a focus on the large percentage of lower-income students in our population, we implemented the Single Stop USA initiative in 2012. It connects students to public financial resources and local community services to help them surmount economic barriers, continue their education, and move towards economic mobility. When we learned about an innovative private-public partnership focused on developing financial management skills, it seemed like an ideal opportunity to extend Single Stop and test other ways to help our students.

40 FALL 2016 TRUSTEE QUARTERLY

Advance Household Financial Stability



Business

SPOTLIGHT

The story behind Spotlight in our free e-book

Boston Fed study finds wealth disparities 'worrisome'



By [Megan Woolhouse](#) and [Jack Newsham](#) | GLOBE STAFF AND GLOBE CORRESPONDENT

MARCH 26, 2015

"The Color of Wealth in Boston," a new report by the Federal Reserve Bank of Boston, could be accurately summed up in one word: white.

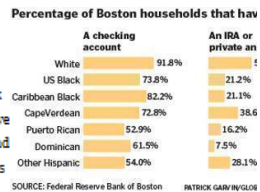
By nearly every measure, white households in Greater Boston had more wealth than African-Americans, Caribbean blacks, Cape Verdeans, Puerto Ricans, and Dominicans, painting a worrisome picture of a region with "staggeringly divergent" levels of wealth by race.

For example, about half the white households in Boston have private retirement accounts, compared to just 8 percent among the metropolitan area's Dominicans.

And for every dollar the typical white household has in assets that can be turned into cash quickly, such as stock or retirements savings, African-Americans in Boston have 2 cents, Caribbean blacks 14 cents, and Puerto Ricans and Dominicans less than 1 cent. This divide, Fed researchers said, is perhaps more troubling than the income gap because its effects can last for generations.

"There's this gulf between whites and minorities of color across all types of assets," said Ana Patricia Munoz, a co-author of the Fed study. "The way we usually measure inequality is by income, but those differences aren't as high as the differences in wealth. This tells you what they have to invest for future generations."

The report found that the median white household in Greater Boston has \$256,500 in net assets, such as retirement savings, stock, or a checking account, while none of minority groups studied had net assets over \$18,000. Nearly half of all Puerto Ricans do not have bank accounts, and a quarter of blacks do not, according to the study. About 93 percent of whites have a savings or checking account or both.



- **Color of Wealth in Boston** report released in March.
 - Report widely viewed and distributed, extending our networks; featured in numerous media outlets including the *Boston Globe*, *Boston Biz Journal*, *Banker & Tradesman*, *Cityline*, *Basic Black* and *Greater Boston*.
 - State Senator Eldridge shared it with 40 other senators; Boston's Chief Resilience Officer and Hyams Foundation's Director of Programs (among other philanthropic leaders) said the report has influenced their strategic planning.
 - Leading cross-sector work group with goal to develop shared strategies to reduce the racial wealth gap.
 - Working with other Feds interested in replicating the survey in their districts.