

Individual Development Account Program Outcomes

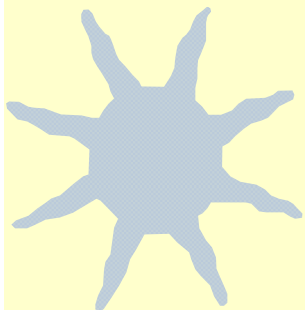
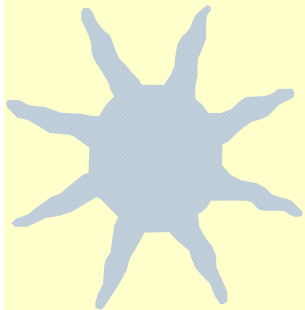
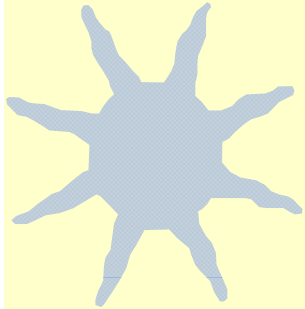
IDA Participant Survey Results

May 2009

Regional Research Institute, PSU



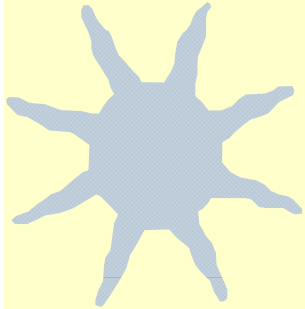
Why survey participants?



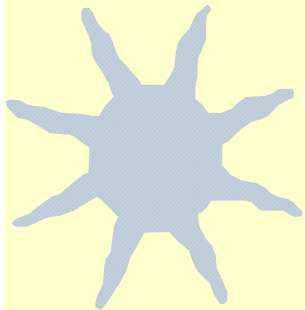
- ★ Describe individuals' experiences in more detail.
 - Capture changes in financial behaviors and wellbeing.
 - Illustrate IDA impact with qualitative data.
- ★ Assess longer-term impact.
- ★ Support continued program development.



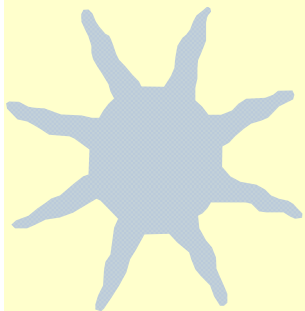
Three IDA Participant Surveys



★ Survey of graduates at exit (5 /08).



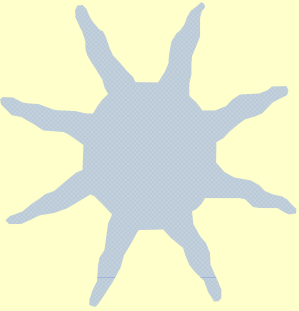
★ Brief survey at exit for participants who were not able to complete (1/09).



★ Follow-up survey 12 months after exit (1/09).

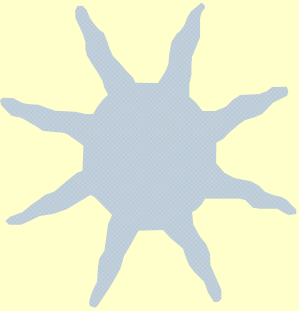


Samples and response rates



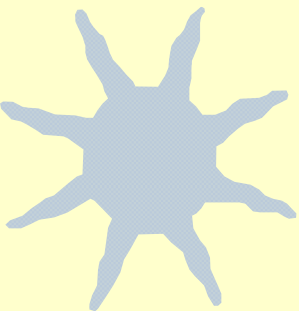
★ Exit Survey (May '08)

- 569 IDA participants exited May 08-May 09; 332 graduated (58%)
- 268 surveys returned (81% response rate)



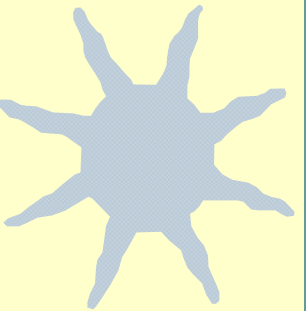
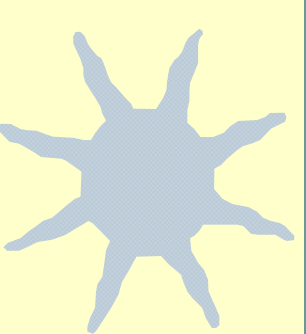
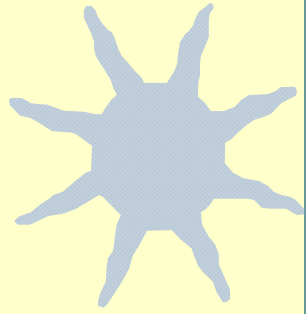
★ Brief Survey (Jan '09)

- 76 participants exited without match 1/09–5/09
- 22 surveys returned (29% response rate)



★ 12-month Follow-up Survey (Jan '09)

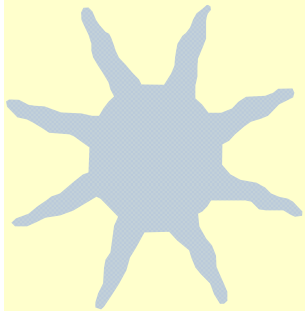
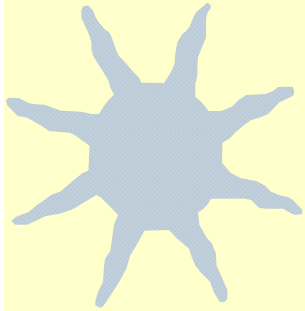
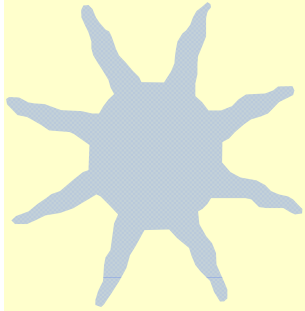
- 149 participants exited 1/08-5/08
- 44 surveys returned (29% response rate)



Current Findings



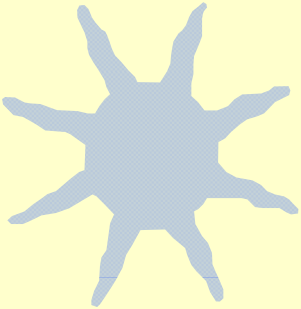
Exit Survey of Graduates



- ★ 268 surveys submitted to PSU
- ★ 61% women
- ★ 82% English speaking
- ★ 84% identify as 'white'
 - 7% Slavic
 - 16% Hispanic
 - 5% Native American
 - 3% Asian; 3% African American
- ★ 14 counties represented

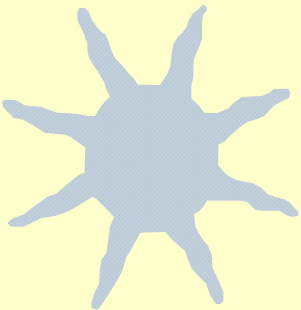


Financial goals and outcomes



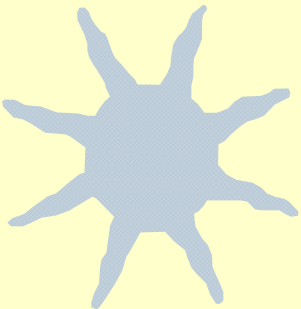
★ Asset goals

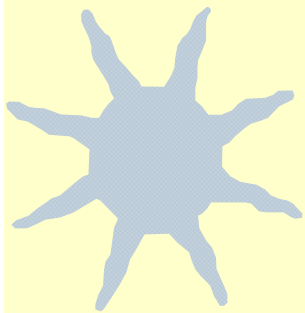
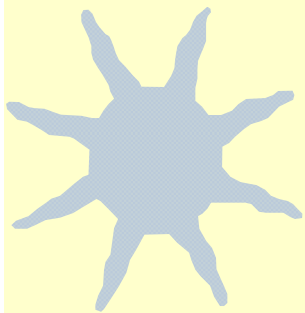
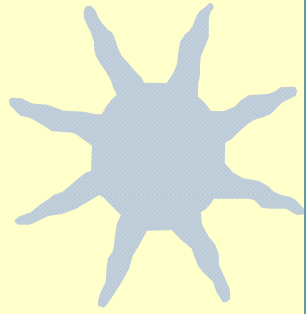
- 39% wanted to start/expand business
- 17% wanted more education
- 38% wanted to buy a home



★ Outcomes

- 94% met their asset goal
- 93% received matching funds

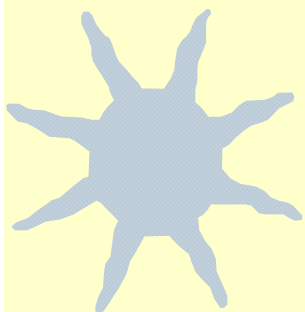
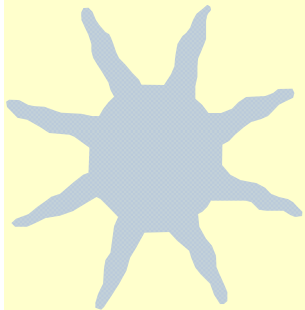
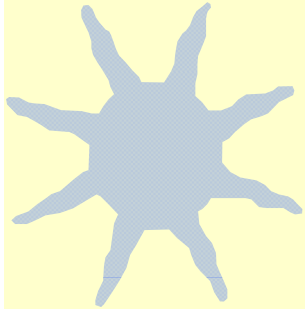




What changed for participants?



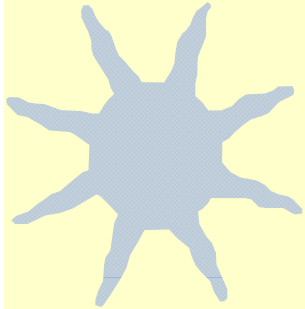
Financial wellbeing improved



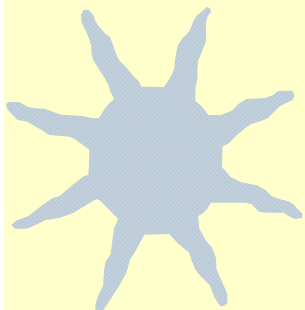
- ★ Satisfaction with financial status increased from 46% to 78%.
 - ‘Very satisfied’ increased from 7% to 26%
- ★ 45% reported reduced debt (22% reported increase in debt).
 - Increases were related to IDA goal or asset more than half the time.
 - Other reasons varied.
- ★ 44% reported increased income (only 16% report decrease).



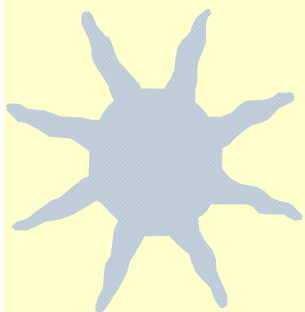
Financial wellbeing and behavior



★ Reported ability to pay bills ‘always’ on time increased from 63% to 78%.



★ Ability to pay for health care/medical needs grew from 37% to 53%.



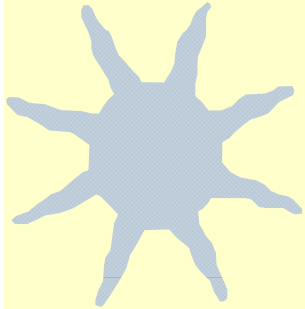
★ **Regular deposits to savings grew from 23% to 65%.**

★ **Use of budgeting grew from 32% of participants to 69%.**

★ Knowledge of credit score (27% to 70%).

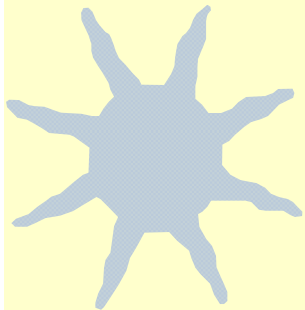


Participants set new savings goals



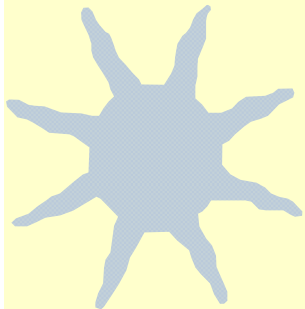
★ 59% had started emergency fund savings.

★ 33% were saving to purchase or improve home.



★ 30% were saving for a trip.

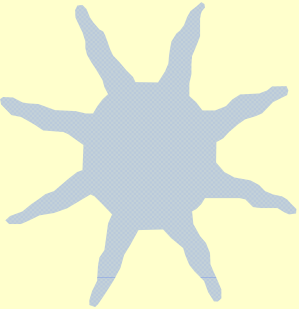
★ 18% had started IRA or other long-term savings.



★ 21% were saving for education.

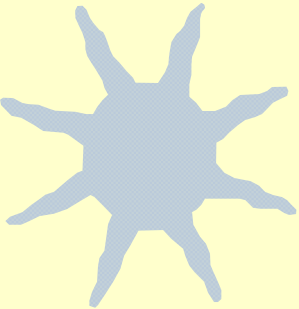


Wide range of positive comments



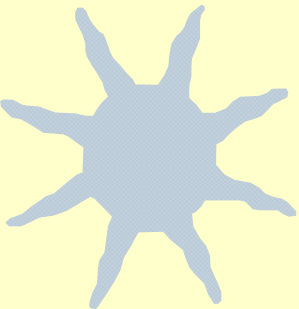
★ Learning to budget and monitor spending.

★ Establishing regular savings habit.

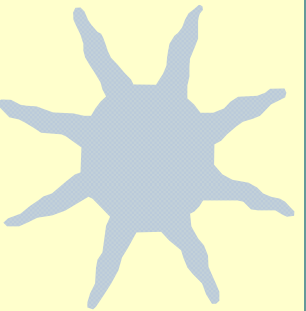
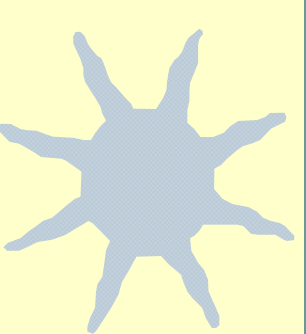
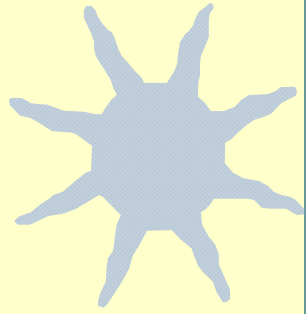


★ Setting goals.

★ Information, education, training, classes.



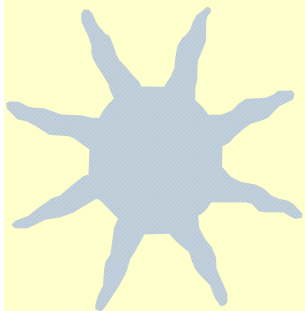
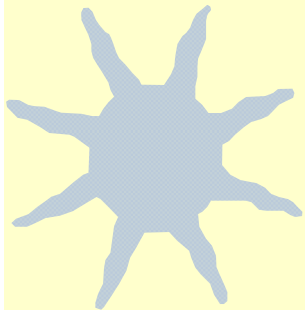
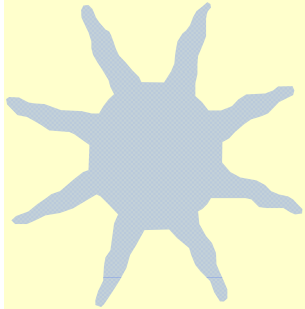
★ Personal support and assistance from IDA program staff.



12-month follow-up survey



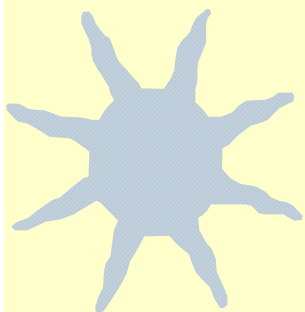
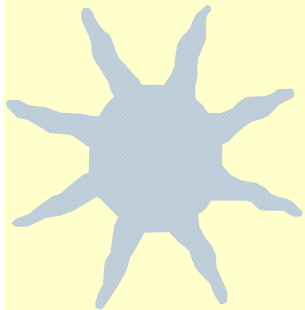
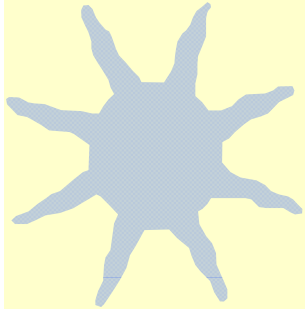
Sample (n=44)



- ★ 83% women respondents
- ★ 76% identified as ‘white’
 - 7% Latino
 - 2% Slavic; 2% Asian
 - 7% African American
 - 5% Native American
 - 12% ‘other’
- ★ 10 counties represented.



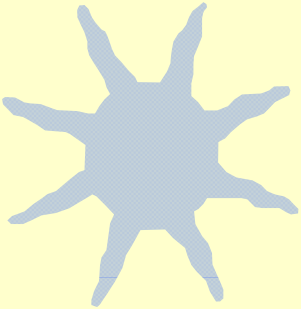
Financial goals and outcomes



- ★ IDA asset goals suggest subgroup.
 - 48% saving for a home
 - 43% saving for a business
 - 7% for education
- ★ 74% received matching funds.
- ★ 76% met savings goal by exit.
- ★ 86% maintained asset.



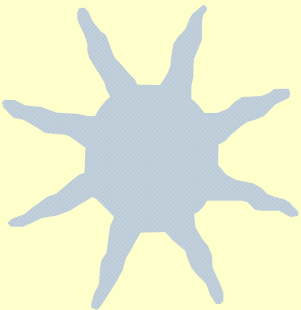
Financial behavior and wellbeing 12 months later



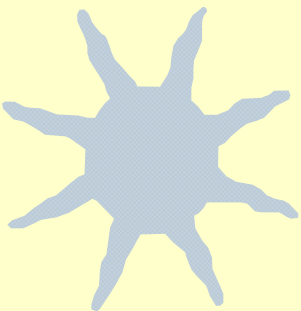
★ 71% can ‘always’ pay bills on time.

★ 86% can ‘always’ pay mortgage or rent.

★ 63% know their credit score.



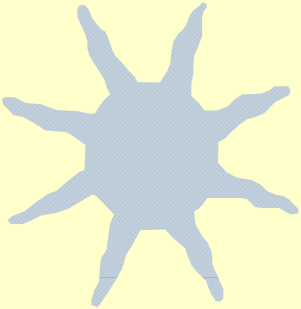
★ **59% often use a budget to monitor expenses.**



★ **41% are regularly making deposits to savings.**

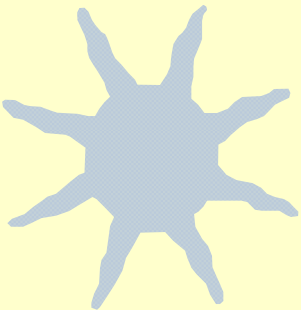


Continuing to create assets



★ 28% saving for family needs.

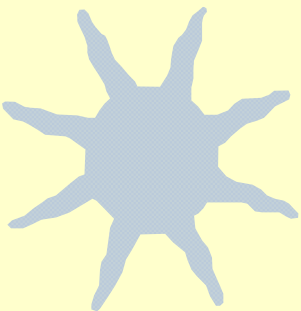
★ 34% saving for a trip.



★ 25% saving for an IRA or other long-term saving plan.

★ 27% saving to purchase or improve home.

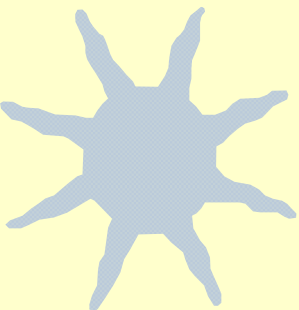
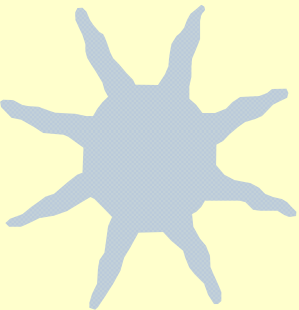
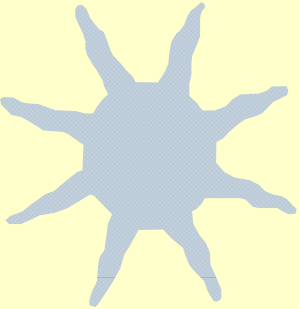
★ 16% saving to start or expand business.



★ 18% for more education



Respondents said

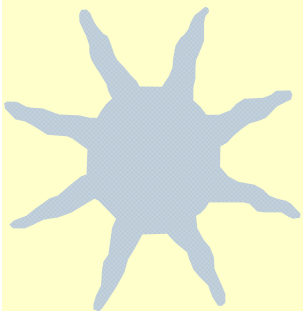
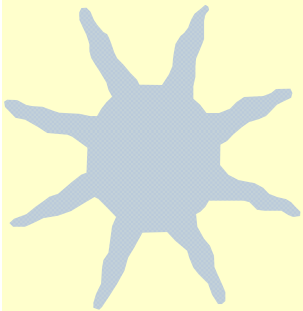
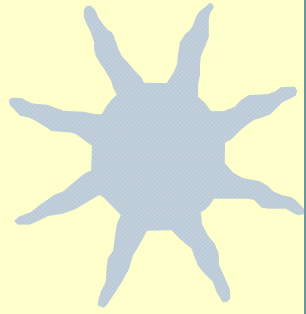


★ Concrete impact:

- “I have a house!”
- “It helped me start my business...has brought me the most financial stability I’ve ever had.”
- “I completed college and am now a teacher.”

★ Changed behaviors

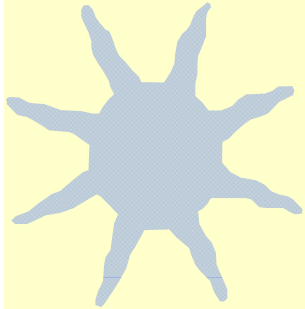
- “More organized...using a budget...”
- “I learned to treat a savings account like a bill...”
- “Taught us we can save if we put our minds to it.”



Feedback from brief survey



Sample (n=22)

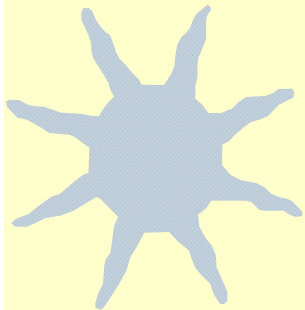


★ **77% women**

★ **86% identified as White**

– 23% Latino

– 10% Slavic

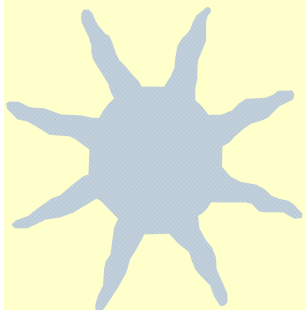


★ **10 Counties represented**

★ **Asset goals**

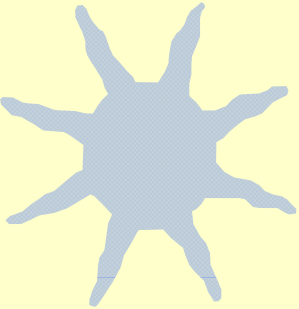
– 64% were saving for a home (IDA goal)

– 36% for school or business



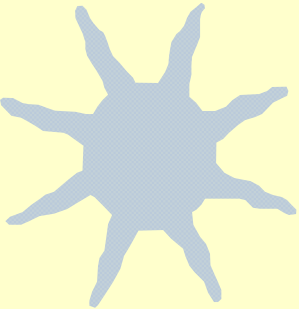


Experience in the program



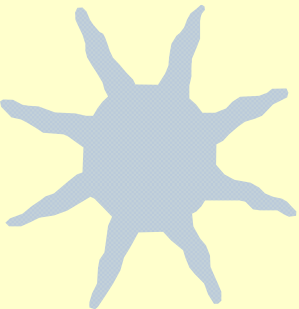
★ Length of participation

- 23% left within 5 months
- 56% stayed more than a year



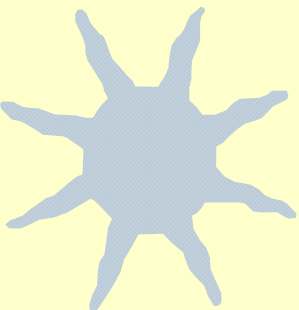
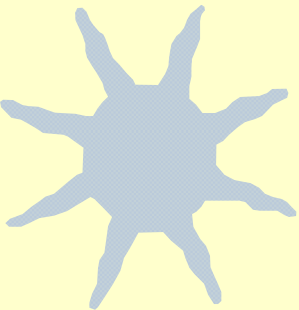
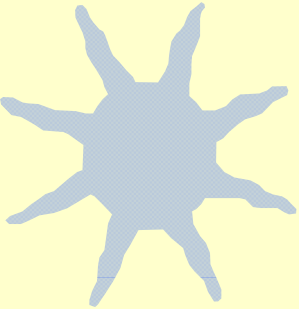
★ Reasons for leaving

- Voluntarily withdrew 50%
- Family crisis 14%
- Could not make deposits 5%
- Could not meet other program requirements 9%
- Moved out of area 9%





What changed?

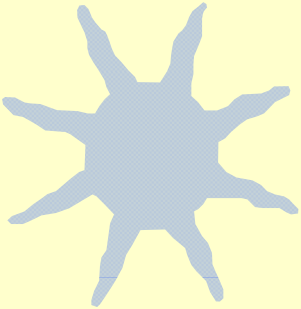


★ **32% said ‘big change’ in how they handle money.**

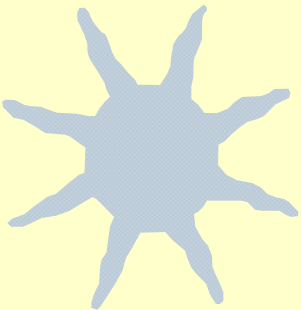
- ‘I know how to save.’
- ‘I can save money now when I couldn’t before.’
- ‘I watch where every penny goes now.’
- ‘I put money in an account I don’t touch’ [for emergencies].



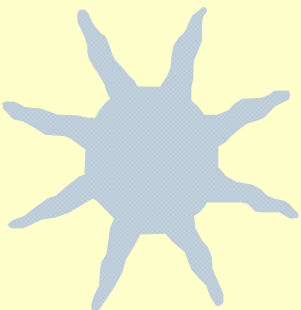
What was 'very' helpful



★ 68% said 'required regular savings.'



★ 50% said 'learning to use a budget.'

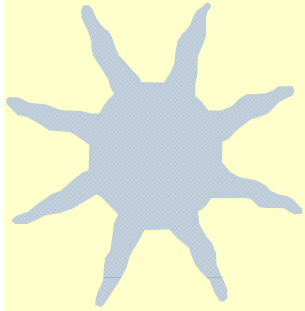


★ 64% said personal development plan.

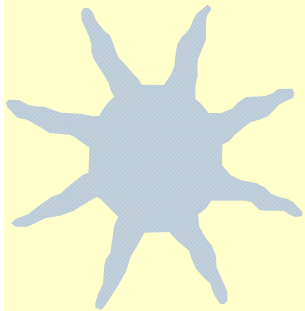
★ 52% said asset class.



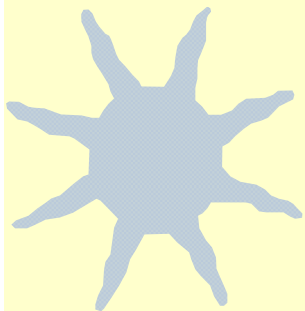
Suggestions for improvement



★ Some said *none*: ‘program is great...we want to try again.’



★ Increase program visibility (high schools, colleges).



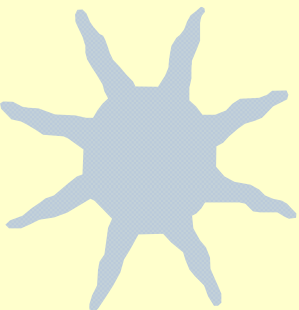
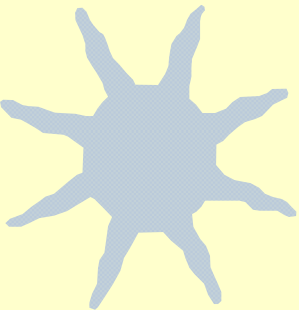
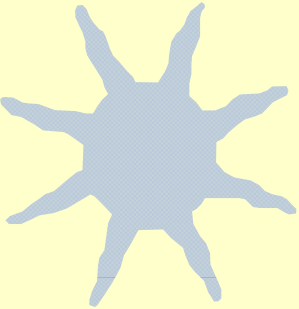
★ Provide alternatives to attending classes.

★ Minimize staff turnover; provide more one-on-one counseling.

★ Clear communication about requirements and deadlines.



Summarizing



- ★ **FOs have done a tremendous job for the evaluation.**
- ★ **Participants strongly endorse program.**
- ★ **Participants note immediate and long-term impact on financial behaviors and wellbeing, especially...**
 - Use of budgets to set goals and monitor spending.
 - Regular saving.
 - Improved life circumstances.