Prosperity Center for Financial Opportunity

Fiscal Year End of June 30, 2014 Report

Our Mission
The Prosperity Center applies an integrated approach, financial coaching, career guidance and access to community resources to empower individuals and families to make positive choices towards their financial goals to achieve economic freedom.

Our Vision
The Prosperity Center guides individuals and families on a path to improve and sustain their financial quality of life.
Message from the Director

The introduction of the Prosperity Center model came on the heels of the Greater Kansas City Chamber of Commerce Big 5 initiative. This initiative would help define Kansas City as a leader in entrepreneurship, animal science, translational research, performing arts and urban community reinvestment. When Local Initiative Support Corporation (LISC) and United Way of Greater Kansas City wanted to bring the Financial Opportunity Center model (FOC) to Kansas City it was an opportunity for Rockhurst to be on the front line of change to help improve the financial circumstances of low-to-moderate income people. The Prosperity Center is a physical demonstration of Rockhurst’s mission and commitment “to be in the city for good” bettering the lives of those around us.

Rockhurst is uniquely, geographically positioned for this project as it is located on the east side of Troost Avenue, a racial and economic segregation line in Kansas City. People living west of Troost Ave. are considered the have and those living east of Troost have been perceived as the have-nots. As an institution in an economically depressed area we see payday lenders, pay-as-you-go car dealerships, rent-to-own furniture stores and pawn shops. These types of vendors are blocks away from Rockhurst’s campus.

The Prosperity Center is the southern anchor agency of the Urban Neighborhood Initiative (UNI), a geography which incorporates nine of the most economically depressed neighborhoods in the city. UNI--one of the Chamber's Big 5 ideas--is a nonprofit organization established to revitalize neighborhoods in a target area in Kansas City's urban core, focusing on health and safety, education and prosperity for generations to come. The purpose of UNI is to change the narrative for people east of Troost Avenue and connect residents to resources that promote prosperity, education, health and safety.

When the FOC model opportunity was first presented, Rockhurst thought we would impact the lives of people solely residing in the urban core. Now we are providing services for people throughout the Kansas City region. Though we’re located in the heart of the urban core we provide services to a diverse clientele from two states, 36 zip codes across the region, from 16 cities, from urban, suburban and rural, affluent and economically depressed neighborhoods. Most importantly, we’ve helped more than 100 people reach key milestones on the pathway of achieving financial freedom in our first year.

It’s a special position that allows staff to be a part of a person’s transformation from hopeless to thriving. The Financial Opportunity Center model is flexible with the cornerstone being one-on-one coaching. The coaching model sets the stage for our work. Unlike traditional counseling and case management, coaching begins with the mindset that all individuals are already “creative, resourceful, and whole” and we build from there.

Helping people regain their sense of self and redefine financial security is what we do at the Prosperity Center. We work with clients from all walks of life — those with no income to high-income earners. Staff, along with a network of community agencies, have helped position the Prosperity Center as the “go-to agency” to help people obtain their aspiration; their prosperity.

Kourtney Woodbury
Director, Prosperity Center for Financial Opportunity
The mission of the Prosperity Center applies an integrated approach, financial coaching, career guidance and access to community resources to empower individuals and families to make positive choices toward their financial goals to achieve economic freedom.

The Prosperity Center includes the following elements in its definition of economic stability for the low-to-moderate income residents we serve:

- Sufficient family income for daily living expenses, to allow for asset accumulation, and to address minor emergencies.
- Employment skills that lead to higher paying jobs or a smooth switch to a new job if employment is terminated.
- Smart debt, with market-rate interest, that leads to acquiring assets (such as a house) or that can be paid off in a reasonable period of time.
- A plan for post-secondary educational opportunities for their children.
- Realistic opportunity for retirement at age 65, with income beyond Social Security.

### It’s About Impact: Program and Client Outcomes

Programs outcomes related to client attendance and completions of financial assessments for the first year are complete. During the time period from June 15, 2013-June 30, 2014 the following outcomes have been achieved:

<table>
<thead>
<tr>
<th>1st Program Year Objectives</th>
<th>Required</th>
<th># Completed</th>
<th>% Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td># of Clients Receiving 2 of 3 services</td>
<td>75</td>
<td>101</td>
<td>130%</td>
</tr>
<tr>
<td>60% of client base complete a Combined Financial Assessment</td>
<td>57</td>
<td>101</td>
<td>166%</td>
</tr>
<tr>
<td>*25% of clients will meet with a financial counselor more than once and will improve their credit scores</td>
<td>24</td>
<td>9</td>
<td>54%</td>
</tr>
</tbody>
</table>

*As part of the FOC model, client credit scores are pulled every six months from their program entry date. Due to some unforeseen delays in initiating the Center’s contract with TransUnion there has not been enough time between credit pulls to provide intervening credit building strategies with Center clients to improve their credit scores.

**Inasmuch as timing was a factor, the Center defines a client as a person receiving 2 out of 3 cores services who meets with each of their Center coaches at least twice.

In addition, 46 of 101 clients are engaged in all three service areas. According to National LISC data, clients engaged in three services are 3 times more likely to achieve financial outcomes than those receiving only two services.
Brian’s Story

When Brian came to the Prosperity Center he was a man with limited hope and fewer resources. He had extensive experience in his industry but was underemployed, discouraged and working various part time jobs to supplement his income. Brian was depressed and suicide was a real possibility. Brian was referred to the Center by the staff at St. Francis Xavier Church, a partner of Rockhurst University. Brian needed career guidance, but more than that he needed hope. He was burdened with debt, low-wage jobs, and financial uncertainty and was exceedingly dependent on family for basic needs.

After attending the required program overview, Brian immediately embraced the Center’s staff and attended one-on-one counseling sessions faithfully. During his initial employment coaching session he received intensive resume revisions, advice and job search options applicable to his skill sets. Brian had a strong desire for change and financial security. He used the resource room in between jobs to conduct his job search. Very shortly after his membership he was called for an interview and was verbally offered the job the very next day. Brian’s new position is full time with overtime possibilities and will eventually offer benefits, which he did not previously have.

Brian’s situation is one of hundreds we have listened to, experienced and worked hard to address in the past year. He embodies a hopelessness overwhelming people who have been negatively impacted by the economic downturn. In addition to finding gainful employment in a field he loves, we were able to help Brian overcome a huge financial obstacle. Brian, like many in this country, was dealing with student loan debt. The standard repayment amount on his student loans was a heavy burden for his monthly budget. The Prosperity Center staff worked with him to consolidate his student loans and enroll him in an income based repayment plan. These steps helped Brian to find peace during his period of unemployment and has no doubt helped him manage his finances now that he is working.

Poverty is changing and, as a result, the way poverty is addressed has to change as well. Through effective programming, clients have experienced an increased awareness of financial concepts, decrease in debt and increase in income. These milestones are reinforced by advised short-term and long-term goal planning. Our clients have met with Center coaches for 5 or more appointments 47% of the time and 100% of our clients have seen our coaches more than twice. The fact our clients return as often as they do is a testament to staff’s work and their ability to build rapport. Being able to help people answer the question “why can’t I get a job”, “why can’t I get this service or that service” is a game-changer.
Who We Help: Client Demographics

The Center’s program reach is broader than Kansas City’s urban core. Center clients represent diverse communities, physical ability, age, gender, education level and individual goals. The graphics below represent the common demographic sets of people we serve.

The Center’s typical client is an African-American woman, 50 years of age or older with at least 6 years of employment experience in her preferred industry. Over the course of the year we have experienced a slight shift in our client base. The Center’s partnership with City Union Mission has increased the percentage of homeless clients we assist. Twenty percent of our client base is currently homeless. Another change in our client population is the increase of clients entering the program with criminal convictions. Despite the fact, these are significant challenges we have enlisted community partners such as Mid-America Assistance Coalition and a collection of other agencies that work with people struggling with housing, addiction and other life challenges.
Integrated Service Model: How We Accomplish our Goals

The Financial Opportunity Center Integrated Service Model is designed to be a family-friendly venue that provides bundled services leading to increased economic well-being and freedom. Appendix A supplies additional client information by service area.

There are three core service elements in the FOC:

- Workforce and career services to produce quality jobs with benefits.
- Work supports and access to publicly available resources such as cash benefits, child care subsidies for low-wage earners, the Earned Income Tax Credit, and more.
- Financial services and products geared to community and individual needs.

Potential clients may arrive seeking any of the above. The client may have an immediate financial need, for instance, needing a job to pay the rent; or a longer term goal, such as wanting to buy a home; or both; or a combination of short- and long-term financial goals.

The attraction of the FOC model is that its mix of services and supports align with the vision and motivation of a client to improve their financial security. Appendix B contains client employment placement by industry.

Employment Services:
- Skills assessment
- Resume development and revision
- Job training
- Job search
- Job placement
- Retention supports

Income and Work Supports:
- Benefit screening
- Assistance with benefit applications and submission
- Provide or refer to tax assistance and EITC system to monitor
- Ability to manage spending
- Changes in credit score over time
- Participation in savings programs

Financial Services:
- Financial education
- How to create a budget
- How to understand and improve credit
- Computerized self-tracking system to monitor
- Ability to manage spending
- Changes in credit score over time
- Participation in savings programs

Access to well-priced financial products:
- Flexible checking accounts or alternative check cashing services
- Low cost loans for those without a credit card
- Savings accounts
- First time homebuyer financing
Center Structure

As the lead organization, Rockhurst University convenes Catholic Charities expertise in financial counseling and Full Employment Council’s effective implementation of the one-stop career counseling model into one location. Three full-time employees—a site director, personal finance counselor, and a career counselor—staff the Center which opened June 15, 2013.

The Prosperity Center has an Advisory Board which offers strategic direction and subject matter expertise from nonprofit, for profit and public institutions to help staff facilitate the Financial Opportunity Center Model, effectively and efficiently. The board has representatives from 12 agencies including the Center’s operation partners, Catholic Charities Kansas City-St. Joseph, Full Employment Council, LISC and United Way of Greater Kansas City.

Program Sustainability

Fundraising for the Prosperity Center is facilitated primarily by Rockhurst’s University Office of Advancement. When seeking financial support for the Center, we request multi-year funding commitments. In addition, Rockhurst University supplements the Center’s operating budget.

Strategic partners are essential to offset costs. The Center works with community agencies that supply interviewing clothes, work boots, gas cards and other employment essentials. A modest portion of funds are used to purchase work supports i.e. 31 day bus passes and credit reports and scores for clients. Other incidentals include modest tuition fees, work apparel and shoes are other expenditures supplied as an added benefit to clients on a case-by-case basis.

Grants and other funds are actively pursued to support the Center’s operation. The Prosperity Center budget is managed by the Center’s site director. The Center’s budget is approved annually by the Rockhurst’s governing Board of Directors.

Keeping the Good Going: Best Practices

The Prosperity Center strengthened the innovative FOC model with sustainable fundraising tactics, processes and coordinated governance. The coordination, fundraising, management and placement of the Prosperity Center are directly connected to the program’s success.
We work with clients on improving their credit scores. Clients often aren’t sure of what information is on their credit report or how their scores are calculated. Many clients also don’t know what strategies will have the most impact on improving their scores. For the vast majority of clients, bringing their accounts current and keeping them current is the most powerful strategy for improving their credit scores. We discuss with clients how to structure their budget in a way that makes bringing and keeping their accounts current a reality. In some cases, clients are in need of items to report good behavior on their credit report. In those situations, we work with clients to find credit building products at local financial institutions and help them evaluate if their budgets can handle the payments associated with using those products.

The Prosperity Center has worked with several clients to restructure their student loan payments. One unique challenge not often addressed in the public realm is borrowers who have not completed their degree, but are still dealing with student loan debt. Often times they attended a for-profit university and amassed a sizeable amount of debt relative to their level of degree attainment. Many of these borrowers simply don’t have the income to manage their student loan debt as they aren’t able to find the work they at a wage that allows them the ability to pay off their debt.

**Prosperity Center Processes**
In the fourth iteration of the client flow, staff placed the combined financial assessment as the forerunner engagement with center clients. The Prosperity Center has one of the highest success rates of clients interacting with financial coaching services as well as the highest success rate in obtaining baseline financial information for all our clients. Placing priority on the Combined Financial Assessment (CFA) upfront has enabled staff to acquire baseline financial information from each client. The CFA becomes an entrée to broader financial conversations that include intentional conversations about credit building tools and personal budgeting which includes: a monthly budget, balance sheet, credit report, financial vision, and challenges questionnaire. The CFA is the starting point for financial freedom, taking a ‘snap shot’ of an individual’s current situation and working to develop a plan to move into financial stability.

**Creating a Network of Support**
The Center has established partnerships with a multitude of community agencies in an effort to meet the needs of our clients as well as non-clients. We typically refer clients and non-clients for services outside of our program scope. We intentionally connect each community agency to a Center service to ensure strategic collaborations. This approach increases awareness of Center services, maintains a continuum of support for clients while creating a body of like-minded organizations working collectively to improve the lives of low and moderate income people; creating a vision of prosperity for all.
Leading the Way

Without the professionals who make up the Prosperity Center leadership team, the integrated service delivery of the FOC model, our facility the success of our programs and services would not be possible.

Our program’s success is led by the Center’s Leadership Team, our dedicated Advisory Board and staff work in programs and services. Our Advisory Board assists with guidance, mentoring, fundraising efforts, and expertise within their particular fields. And finally, the Prosperity Center is privileged indeed to have the support of key partners from both the public and private community that provide the bulk of the funding for our programs.

With Gratitude...

The Prosperity Center extends our deepest thanks to every individual, business and organization that made donations in fiscal year 2014: you are each and every one, our heroes. Large or small, every gift you send directly benefits our work to help change the lives of individuals and struggling families who need creative tools to help them stabilize their financial circumstances.

For more information, contact Kourtney Woodbury at Kourtney.Woodbury@rockhurst.edu or 816-501-4243.

www.prosperitycenterkc.org/about/report
GET TO KNOW OUR CLIENTS:
Building Brighter Financial Futures Every Day

The mission of the Prosperity Center for Financial Opportunity is to improve the lives of low-to-moderate income families in the Greater Kansas City area through financial and employment services. Clients range in age, gender, education level and location, but all share the same goal: To build brighter financial futures.

CLIENTS WHO SEEK EMPLOYMENT COACHING

- **Race**
  - Black: 60%
  - White: 28%
  - Bi-racial: 4%
  - Multi-racial: 6%
  - Other: 2%

- **Gender**
  - Male: 33%
  - Female: 67%

- **Marital Status**
  - Married: 45%
  - Single: 31%
  - Divorced: 19%
  - Separated: 4%

- **Highest level of Education**
  - Have no high school diploma: 2%
  - Have GED: 12%
  - Have high school diploma: 11%
  - Have associate’s degree: 4%
  - Have bachelor’s degree: 25%
  - Have master’s degree: 7%

- **Average Household Income**
  - $15,546.83

- **Average Number of Months Worked in the Last Year**
  - 5 months

For more information, visit [prosperitycenterkc.org](http://prosperitycenterkc.org).

CLIENTS WHO SEEK FINANCIAL COACHING

- **Race**
  - Black: 64%
  - White: 27%
  - Bi-racial: 2%
  - Multi-racial: 4%
  - Other: 3%

- **Gender**
  - Male: 32%
  - Female: 68%

- **Marital Status**
  - Married: 28%
  - Single: 48%
  - Divorced: 2%
  - Widowed: 2%

- **Highest level of Education**
  - Have no high school diploma: 4%
  - Have GED: 9%
  - Have high school diploma: 15%
  - Have some college: 37%
  - Have associate’s degree: 4%
  - Have bachelor’s degree: 21%

- **Average Household Income**
  - $18,574.09

- **Average Number of Months Worked in the Last Year**
  - 6 months

CLIENTS WHO SEEK INCOME SUPPORTS

- **Race**
  - Black: 38%
  - White: 62%

- **Gender**
  - Male: 62%
  - Female: 38%

- **Marital Status**
  - Married: 50%
  - Single: 25%
  - Divorced: 25%

- **Highest level of Education**
  - Have no high school diploma: 14%
  - Have GED: 29%
  - Have high school diploma: 15%
  - Have some college: 57%
  - Have associate’s degree: 4%
  - Have bachelor’s degree: 21%
  - Have master’s degree: 8%

- **Average Household Income**
  - $14,228.57

- **Average Number of Months Worked in the Last Year**
  - 5 months

For more information, visit [prosperitycenterkc.org](http://prosperitycenterkc.org).

Current as of June 2014
Appendix B

Employment Services Outcomes

Prosperity Center Placement by Type

- Clerical/Administration: 11%
- Customer Service: 6%
- Education: 3%
- Finance/Banking: 3%
- Government/Public Sector: 3%
- Healthcare: 6%
- Manufacturing: 27%
- Other: 27%
- Retail: 6%
- Warehousing: 3%