

**Ford Foundation Urban Workforce Development Study**

**Employer-Based Asset Building Strategies**

**Prepared by: Urban Strategies Council  
for the East Bay Community Foundation  
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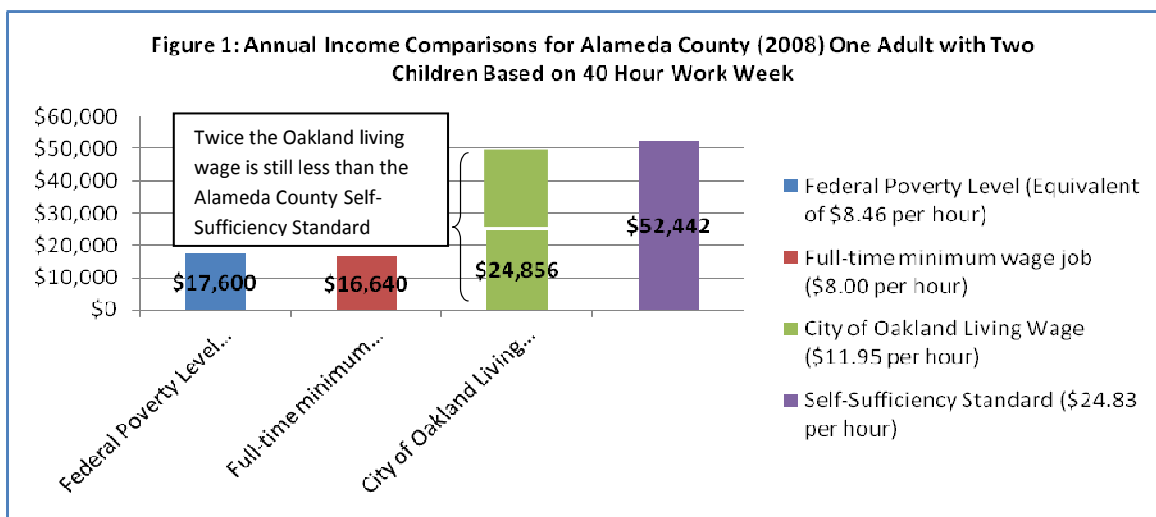
## Assignment

As a part of the East Bay Community Foundation’s Urban Workforce Development Study for the Ford Foundation, Urban Strategies Council (Council) was asked to complete a report on employer-based asset building strategies. As content experts in income and asset development and economic opportunity, and the coordinators of the Alameda County Community Asset Network, the Council is uniquely situated to identify best practices and develop a framework for employer-based asset building.<sup>1</sup> Expert sources in financial education, asset building, financial products and human resources were consulted with a specific lens towards the interests of employers and low-wage workers. What follows is a compilation and analysis of promising practices, a recommended framework, tools, and strategies for income and asset building with low-wage workers.

## Employer-Based Asset Building

Employers have long understood that the physical health of their employees is an important aspect of employee productivity and retention. Consequently, employers routinely make investments in employee physical health through insurance coverage, health centers, education campaigns, and direct services such as on-site gyms or smoking cessation programs. An equally important domain of employee health is their financial health. The financial health of employees – whether adequate income to provide for their families, savings for emergencies and investments such as education, long-term plans for retirement, and low-cost ways to access their money-- also contribute to productivity, good customer service and retention.

In today’s economy, even employees who do not qualify as “low wage” are suffering financial hardships – foreclosures, rising healthcare costs and debt. Those employees who do earn minimum wage or even a “living wage” do not earn enough to cover the costs of living in the Bay Area, let alone build assets. The Insight Center for Community Economic Development estimates that in the past five years in the Bay Area, food costs have increased 15%, health care costs by 30% and transportation costs have risen 93% in Alameda County and 62% in Contra Costa County. The Self-Sufficiency Standard<sup>2</sup> is defined as the wage level a family would need to earn in order to cover all basic costs of living in a geographic area (housing, food, childcare, transportation, etc). In 2008, the Self-Sufficiency Standard for Alameda County was \$52,422 for a single parent with two children and \$63,435 for two parents with two



<sup>1</sup> For more information on Urban Strategies Council, please see page 12

<sup>2</sup> Insight Center for Community Economic Development, Self-Sufficiency Standard 2008

children. Figure 1 shows wage comparisons.

In addition to getting inadequate wages, low-wage workers often receive little to no benefits, frequently work in unsafe or unhealthy conditions and experience higher rates of occupational injury. Ongoing job strain (high job demands but low freedom to make decisions), poor job security, and little to no occupational mobility can take a toll on physical and mental health. In addition to improving these work conditions, raising income to at least living wage standards can produce substantial health benefits for workers and increased life opportunities for their children.<sup>3</sup>

“Many jobs provide insufficient wages to cover basic living expenses and lift people out of poverty. When looking at the highest growth occupations in the East Bay (those projected to create more than 750 jobs by 2014), 42% of jobs created in these occupational areas will not pay high enough wages to lift a single adult out of poverty and 79% will not pay enough wages to support a single working parent with 2 children. Of the jobs paying above the basic hourly wage of \$14.25 for a single adult, only about 1 in 3 jobs (35%) will be available to those with a high school degree or less. All of the jobs paying above the basic wage of \$31.67 per hour for a single working parent with 2 children require education beyond high school.”<sup>4</sup>

The Personal Finance Employee Education Foundation found a correlation between financial distress and poor health, which has a negative impact on productivity. In some instances, up to 80 percent of financially distressed workers reported spending time at work worrying about their personal finances and dealing with financial issues instead of working.<sup>5</sup>

Human Resources Magazine reports that employees are increasingly overburdened by debt – homes, credit cards, health care costs, education, etc. and many spend time at work addressing the problems. Many have also taken second jobs in order to pay down debt, resulting in lower productivity at their primary job.<sup>6</sup>

A January 2008 survey by the Society for Human Resource Management found:<sup>7</sup>

- 39% increase in the past 12 months of employees asking for advance on 401k retirement account
- 26% increase in employees with wages garnished by collection agency
- 20% increase in employees asking for advances on wages

All of the research points to the fact that employees in financial distress or without stable income that allows for asset building are less productive and more costly to their employers. Unfortunately, levels of financial hardship are on the rise in the current economy.

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<sup>3</sup> Alameda County Public Health Department (May 2008) *Life and death from unnatural causes: Health and social inequity in Alameda County*

<sup>4</sup> Ibid

<sup>5</sup> Mandell, Lewis PhD (November 2008). *Financial education in the workplace: Motivations, methods and barriers*. Prepared for the Asset Building Program, New America Foundation

<sup>6</sup> Weaver, Gina & Rollins, Peter (July 1, 2008). Easing the burden of employees' debt. *HR Magazine*

<sup>7</sup> Ibid

## **Why don't traditional asset programs work for low-wage workers?**

Many responsible employers do offer their employees benefits that include opportunities to maximize income, save and build assets. And many employers also offer financial education to comply with the fiduciary duty standards of the Employee Retirement Income Security Act (ERISA) or to meet the federal nondiscrimination test to qualify their pension plan for favorable treatment by the IRS<sup>8</sup>. While these programs may be effective for higher wage workers, low-wage workers have unique complications in terms of income stability and asset growth. Ellen Seidman of A New America Foundation outlines the issues that face this segment of the workforce.

- Concern about living paycheck-to-paycheck pushes people toward immediate income maximization, often at cost of longer-term stability.
- Part-time, seasonal work, and multiple jobs result in worst of two worlds: ineligibility for workplace benefits and multiple FICA withholdings which results in a strong temptation to stay “off the books,” which means no benefits and no Social Security.
- Health insurance co-pays and premiums may lead to lack of health insurance; those without health insurance are at much higher bankruptcy risk.
- For very low income workers, asset limits of income-support programs may limit or at least discourage saving.<sup>9</sup>

Additionally, complicated enrollment procedures can daunt employees without experience in investment, especially when cultural experiences, values and beliefs lead workers to distrust mainstream savings and investment institutions as safe, reliable places to hold their money.

The good news is that employers can be an important source of income stability and asset growth for low-wage workers. By instituting education programs, offering simplified benefits, developing savings programs, and working with low-cost financial product providers, employers can reap the rewards of their worker's financial health.

## **Why is the workplace a good place to build assets?**

The workplace is where income is earned, where people have a natural relationship with money. It also is an infrastructure that can allow for ease of enrollment in products (automated systems) or programs (time, location) and provides the opportunity to reach large numbers of people for a relatively low cost.

Mandell (2008) counters the popular notion that financial education programs aimed at high school students are the most effective way to instill behaviors that lead to asset building.<sup>10</sup> While these programs may be effective in teaching people about lifelong financial habits such as balancing a checkbook or creating a budget, when it come to specific decision-making, retention rates fall short. However, employed adults are directly involved in financial decision-making and providers have reported higher rates of participation and success when education and counseling programs are geared towards relevant financial situations people face.<sup>11</sup>

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<sup>8</sup> Mandell (2008)

<sup>9</sup> Seidman, Ellen (September 2008). *Assets in the workplace*. Presented at the Invitational Business Roundtable, Assets Learning Conference, Washington DC

<sup>10</sup> Mandell (2008)

<sup>11</sup> Based on anecdotal evidence from member organizations of the Alameda County Community Asset Network.

Additionally, automated systems for savings where employees must opt-out have proven to be more effective in building employee assets, specifically if money can be saved or invested before it gets to the worker. These systems can include payroll deduction, matched savings, stock ownership, and life and disability insurance.<sup>12</sup>

One automated systems that makes great strides toward income stability for low-wage workers is direct deposit. Studies show that while about 80% of lower wage workers who receive regular paychecks have access to direct deposit, about one-third of those don't use it<sup>13</sup>. A primary reason for not utilizing direct deposit is not having a bank account. Under enrollment in bank accounts by low income people has been well documented in recent years. California has 1.6 million unbanked households. These families spend approximately \$700 on check cashing services each year, not including money orders, remittances, and bill payment services.<sup>14</sup> Initiatives such as Bank on California seek to address this reality by “banking the unbanked” – moving low income families into the financial mainstream.

Un-banked or under-banked people may have a variety of reasons why they do not use a mainstream checking account – poor credit or overdraft histories, lack of proper identification, language barriers, distrust of financial institutions, lack of access to a bank or credit union, or bad experiences with fee structures of traditional bank accounts. Many people are comfortable in a cash-based economy where fees are paid up-front and you do not need a computer or contact with a bank to know how much money they have. Efforts to bank the un- or under-banked need to account for the fact that one account does not fit all, and low-income workers have a different set of financial needs.

Employers can help connect people to low-cost, consumer friendly products that will increase income stability, protect wages, and save money in the long run. Many employers have on-site credit unions or relationships with banks and can promote or provide products that will help save their employees money such as low-cost checking and savings accounts or alternative products such as a pre-paid debit card or low-cost loans. Some unions such as SEIU are using a low-cost pre-paid debit card developed by Berkeley, California based Community Financial Resources as a benefit to their members<sup>15</sup>, and employers could likewise offer the product as a route to direct deposit. A group of employers in Kentucky are participating in a program to offer a low-cost alternative to payday loans to their employees<sup>16</sup> with a savings component and have seen very low loss rates and increased employee financial stability. A Bay Area organization, Rubicon, is working to develop a similar platform for local employers.

Essentially, employers have an opportunity to help large numbers of their employees become more financially stable without expending enormous costs by achieving economies of scale. With automated systems, the vehicle to reach people, and relationships to financial institutions, employers are in an ideal position to stabilize their employees' incomes and help them build assets which grow as the employees grow with the company.

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<sup>12</sup> Ellen Seidman (2008)

<sup>13</sup> Ibid

<sup>14</sup> Fellowes, Matt (July 2008), *Bank on California: Assessing the market opportunity*. Pew Research Center. Presented at the Bank on Oakland Convening, July 15<sup>th</sup>, 2008

<sup>15</sup> Community Financial Resources (<http://communityfinancialresources.org/>)

<sup>16</sup> Mountain Association for Community Economic Development ([www.maced.org](http://www.maced.org))

## Why do employers participate in asset building programs?

Employers participate in asset building programs for their employees for the same reasons that they invest in quality healthcare, wellness and prevention programs – productivity, recruitment, and retention. Employees who are financially healthy are better workers and maintain loyalty to their employers, especially as their incomes and assets grow. Employers also offer financial education to comply with the Employee Retirement Income Security Act (ERISA) or to meet the federal nondiscrimination test to qualify their pension plan for favorable treatment by the IRS.<sup>17</sup>

Additional research has shown that there are also direct cost saving benefits to providing financial education and asset building strategies in the workplace. As the financial crisis deepens and more people struggle with debt and financial insecurity, employers are seeing a rising rate of wage garnishments and pay advances. Cutting those administrative costs can be a huge incentive to employers.<sup>18</sup>

Finally, many employers provide asset building programs and financial education out of social responsibility. Especially as we experience a financial crisis coupled with high cost of living, contributing to the economic stability and growth of the workforce is good for the economy as a whole and local communities.

## What are some of the Employer-Based Asset Building opportunities?

The most effective means of developing financially healthy employees is to “bundle” a number of different techniques. These techniques should include financial education, automated enrollments, innovative financial products, and incentives. There are four categories of techniques to consider when offering asset building programs:

- 1) **Financial Education and Counseling** provides education and guidance relevant to personal financial experience and goals; meets people "where they're at"
- 2) **Income Supports** increase or leverage existing income
- 3) **Financial Products** decrease the amount of money paid on essential financial services by offering low-cost, consumer friendly transactional and credit products
- 4) **Asset Building** promotes savings, ownership, and investment to acquire, leverage, and preserve wealth.

What follows are comprehensive, although not exhaustive, recommendations for tools and products in each category. By attending to each category of need, employers can develop a low-cost “bundle” of products and services that will have great return in employees’ financial well-being.

- 1) **Financial Education and Counseling:** A powerful tool for income stability and asset growth when it meets people “where they’re at” and is directly related to their financial experiences. There are a plethora of existing programs and platforms for financial education and counseling including government agencies, non-profits, and financial institutions. Employers are encouraged to seek partnership with experts in the field who have particular experience serving

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<sup>17</sup> Mandell (2008)

<sup>18</sup> Weaver & Rollins (2008)

low income people. Designing a financial education program for lower wage employees can be effective in a number of formats:<sup>19</sup>

- **One-on-one Sessions** with a financial counselor may give the opportunity for an assessment of the employee’s needs and the creation of an action plan to achieve goals. A financial counselor can help an employee trouble-shoot and face specific scenarios such as enrolling in a bank account or disputing an incorrect credit report. A counselor can also make referrals to outside organizations that may provide services that the employee is eligible for including work supports (childcare, transportation), public benefits (tax credits, food stamps), or financial products (low cost loans). One-on-one financial counseling can be an excellent compliment to group education workshops or seminars.
- **Seminars & Workshops** can be a powerful tool when tied to specific plans or products with the ability to make on-site enrollment, changes and decisions. Seminars and workshops have been shown to be more effective with lower income workers who have not been exposed to education about financial decision-making options. The economist Annamaria Lusardi found that “the effect of seminars was especially strong for those with little wealth or education, boosting financial wealth by some 18 percent.”<sup>20</sup> Mandell (2008) points to components of successful financial education workshops delivered via employers:
  - Contextual learning tied to specific activities such as creating a family budget or identifying a financial product that meets specific needs.
  - Implementation opportunities coupled with education can increase program participation. An example might be a quick enrollment to automatically direct income in a savings account.
  - Third-party advisors can be an important part of workplace education and asset building programs. Third party advisors may be “interested” (those who make money on product commissions) or “disinterested” in that they operate on a fee for service basis. Some of these “disinterested” third parties could be not-for-profit organizations interested in educating a low income workforce. Special attention must be paid to avoiding conflicts of interest by “interested” third parties.
  - Incentives can boost program participation by huge numbers. Incentives can be in the form of direct financial contribution, part of a program towards matched savings, a raffle, etc.
  - Some companies require mandatory attendance at financial education seminars or workshops.
- **Print Materials** must be high quality to have any value-added and should message the benefits of a program, not simply the components.
- **Paycheck stuffers** —brief printed materials included with an employee’s paycheck or direct deposit notice -- can be a valuable way to distribute information, particularly around specific, timely opportunities. One example is the use of paycheck stuffers to inform employees about the Earned Income Tax Credit and opportunities for free tax preparation.
- **Emails or text messages** about opportunities like free tax preparation or education workshops are a good way to get the word out.

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<sup>19</sup> Mandell (2008)

<sup>20</sup> Lusardi (2008) in Mandell (2008)

- **DVD's or internet tutorials** are low-cost means of financial education, but often techniques without direct engagement are not as effective.
  - **Employee Assistance Providers** often offer financial counseling as part of a benefit bundle such as marital and family counseling.<sup>21</sup>
- 2) **Income Support Strategies:** Increasing or leveraging income through benefits and work supports.
- **Free tax preparation sites** Employers can sponsor Volunteer Income Tax Assistance (VITA) sites at the workplace, and even offer low cost alternatives to Refund Anticipation Loans by offering a secured loan on an IRS certified tax refund. This can also be achieved in partnership with a credit union.
  - **Benefits enrollment** Some employers are now offering benefits enrollment during work hours as an employee benefit. SF Works, an arm of the San Francisco Chamber of Commerce, has developed a program to offer free tax preparation and benefits enrollment (e.g. low-cost dental care or eye glasses, low-cost auto insurance, city parks and recreation department memberships, etc.) to employees at a number of large San Francisco hospitals. Online benefits enrollment platforms such as Nets to Ladders are a low-cost tool to screen and enroll employees in eligible public and private benefits.
  - **Work supports** such as transportation vouchers or on-site (low cost, high quality) childcare can also increase income.
- 3) **Financial Service Products:** Decreasing the amount of money employees pay for essential financial services by offering low-cost, consumer friendly alternatives.
- **Pre-paid debit cards** are becoming a popular way to manage money. More flexible than bank accounts, they often do not require a credit check or US identification and do not allow overdrafts, thus avoiding costly fees. Many companies including WalMart, Walgreens, and Jackson Hewitt offer pre-paid debit cards at high prices with low levels of transparency. Community Financial Resources, a Bay Area non-profit, has developed a low-cost debit card platform that can be opened up directly at a community organization or employer site. The card has a transparent fee structure, is low cost, and allows for essential transactions such as bill payment, check writing, remittances, ATM use, and point of sale transactions.
  - **Direct deposit** is an important tool to create income stability and also reduces fees for check cashing and gives people their paychecks immediately without a bank hold
  - **Employer-based payday loan alternative** are innovative employer-based products to help employees get short-term, low cost loans. In Kentucky, the Mountain Association for Community Economic Development (MACED) has piloted this product to great success in terms of employee take-up and very low default rates. Their product had a savings component built in – many employees used the product as a rescue from the payday loan debt trap. In the Bay Area, Rubicon Social Innovations is developing a similar product with automatic enrollment features to keep employer costs low.
- 4) **Asset Building Products and Strategies:** Asset building includes savings, ownership, and investment to acquire, leverage, and preserve wealth. From short-term emergency preparedness to meeting such goals as home ownership and higher education to investment and retirement and providing for children's education.

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<sup>21</sup> Mandell (2008)

- **Individual Development Accounts (IDA)** are matched savings accounts with financial education requirements. Employers such as Give Something Back in Oakland offer a 1:1 or 2:1 match to employee savings for specific goals such as home ownership, higher education, automobile purchase, healthcare expenses, disaster preparedness, etc.
- **Automatic enrollment** and automatic increase in existing (pre-tax, restricted use) asset building products such as 401k's, with opt-out policies, default contributions and asset allocations shows a much higher participation rate.<sup>22</sup>
- **Auto-save:** Automatic enrollment into and payroll deduction for savings account that is neither use-restricted nor tax-advantaged, i.e., can be used for emergency and near-term needs<sup>23</sup>
- **Employee Stock Purchase Plan (ESPP)** for low-income employees, purchase price can be withheld in installments through payroll deductions<sup>24</sup>
- **Employees Stock Ownership Plans (ESOP)** are tax advantaged retirement plans for employees. They can invest primarily or exclusively in the stock of the employing company and can borrow money. ESOPs qualify for tax credits and have been shown to increase employee, company, and community assets.<sup>25</sup>
- **Savers clubs** similar to a weight watchers model can allow employees to support each other's savings and asset building goals.

## Challenges for Employers

Ellen Seidman of A New America Foundation identifies several reasons why employers may choose not to provide financial education to their employees. Many large employers of low-wage workers regard high turnover as a cost of doing business, and are not interested in providing benefits with value that is felt only over the long term or through retention. There also is concern that encouraging low-wage workers to save outside of a retirement plan will place the retirement plan at risk of violating ERISA rules. And some have expressed that Generally Accepted Accounting Principles (GAAP) can make broad-based employee stock option plans expensive for larger companies even though there is no cash payout.

But in these times when the costs of benefits such as healthcare are steadily rising, many employers have reported that financial education is not at the top of the priority list. Mandell (2008) points out:

“Employers who are reluctant to provide such education are concerned about the high costs of employee benefits and cite increased competition, especially from foreign companies with lower labor and benefits costs. They point out that few employees appear to value financial education enough to sacrifice other benefits to pay for it. And although financial education may help to lower employee stress levels, employers report that it is difficult to link productivity to any single stressor. Lastly, financial education paid for by the employer is not exempt from federal taxation unless it relates to retirement planning.”<sup>26</sup>

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<sup>22</sup> Towarnicky, Jack (September 2008) *Building workforce assets: Innovation, application & bottom-line benefits*.

Nationwide. Presented at the Assets Learning Conference, Washington DC

<sup>23</sup> Lopez-Fernandini, Alejandra (October 2008). *Auto Save pilot overview*. New America Foundation

<sup>24</sup> SJF Advisory Services (2008). *Broad based employee incentive arrangements*.

<sup>25</sup> Logue, John (September 2008). *Employee ownership as a strategy for building assets and community wealth*. Ohio Employee Ownership Center. Presented at the Asset Learning Conference, Washington DC

<sup>26</sup> Mandell (2008)

While these concerns are valid, the current economic climate may make income support and asset building a higher priority with a greater benefit. If financial education is coupled with services (e.g. free tax prep on site), products (e.g. pre-paid debit card or IDA program), and opportunities (e.g. auto-enrollment) that have tangible consequences for employee financial health, the outcomes could be worth the investment.

## **Supporting Employers**

The Pennsylvania Office of Financial Education (POFE) surveyed businesses about the provision of financial education to employees. They asked how POFE could help support employee financial education programs, and employers responded with requests for a “tool kit” of low-cost approaches—including paycheck stuffers, posters, weekly tips, etc. Respondents also said that they would welcome an e-mail newsletter, a suggested curriculum or packaged programs, train-the-trainer programs, success stories from other companies, and an approved vendors list of third-party providers who had been screened for competency and high ethical standards.<sup>27</sup>

## **Cost**

The cost of income support, asset building and financial education in the workplace varies substantially depending on the scope of the program, delivery method, and outside partnerships.

In terms of financial education and counseling, the costs range from free online coursework (e.g. FDIC Money Smart Curriculum) that requires only staff time to EAP provided phone/Internet counseling (\$0.40 to \$5.00 per employee) all the way to comprehensive planning and counseling at hundreds of dollars per employee. An interested third party may not charge the company at all for services, although some interested third parties may not be appropriate or interested in working with a low-income workforce. “Disinterested” third parties may provide educational services on a per-employee cost, such as Money Management International’s “Lunch & Learn” seminars at \$125 per person. However, many non-profit organizations specialize in topics that may be more appropriate to low-wage workers (e.g. using a checking account and repairing credit) often charge an hourly fee around \$125 per hour to conduct workshops. Workers can also be asked to pay for workshops or one-on-one financial counseling. Some financial counselors report better results with clients who pay a small fee for services because they have invested in the service and feel that they are getting a quality “product”.

One innovative way to offer low-cost financial education coupled with income support and asset building products may be to partner with a local financial institution such as a credit union or Community Development Financial Institution (CDFI) that specially serve low to moderate income communities with low-cost, consumer friendly products. The financial institution may provide free education and counseling coupled with specific product use such as a checking account, savings product, or low-cost loan.

Without the specific partnership with a bank or credit union, employers can still offer such income support products as a pre-paid debit card and direct deposit at low or no cost. In fact, direct deposit has been shown to save employers money<sup>28</sup>, and employees could pay a small fee for the debit-card to

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<sup>27</sup> Mandell (2008)

<sup>28</sup> Moses, Jeffrey (2004). Costs and benefits of direct deposit of salary checks. *National Federation of Independent Business*

cover administrative costs for issuance. The employer-based payday loan alternative costs an estimated thirty minutes of human resources time per loan.

While IDA programs can be expensive to administer (33% including account management and education) partnership with a financial institution that provides the account management and education may only require that the employer provide the savings match. The match could also be a supplement to a federal IDA program, offering an additional incentive for participating employees. Administrative costs for other savings programs such as 401k retirement accounts or Auto Save are minimal, specifically with automatic enrollments and increases.

Other income support strategies such as benefits enrollment or free tax preparation may require staff time and a subscription fee (e.g. \$100 per user per month for benefits enrollment software). On-site services including income support strategies but also savers clubs, education workshops, and one-on-one financial counseling that require staff time may be the most cost beneficial investments.

## **Conclusion**

Employer based income and asset building programs may be the next “front line” in addressing the US economic crisis. Relatively low-cost initiatives that bundle strategies can see a huge return on investment in employee and community outcomes. Innovative and responsible employers across the country are investing in their employees’ financial well-being and sharing their successful experiences. It is in everyone’s interest to build the income and assets of low-wage workers, and not complicated or burdensome to do so. A financially healthy workforce is a productive workforce is a profitable workforce and so it goes for communities and the country.

## **About Urban Strategies Council**

Urban Strategies Council (the Council) is a community building support and advocacy organization located in Oakland, California. Founded as a non-profit organization in 1987, the Council’s mission is to eliminate persistent poverty by working with partners to transform low-income neighborhoods into vibrant, healthy communities. The Council currently conducts three operating programs to achieve its mission, including: 1) Economic Opportunity; 2) Community Safety and Justice; and 3) Education Excellence. The Council also conducts two support programs - Research and Technology and Community Capacity Building - which add value to all of our operating programs and our partner organizations.

The Council’s Economic Opportunity work is at the core of its mission. The program focuses on Economic Development, Workforce Development, and Income and Asset Development. Through our Income and Asset Development (IAD) work we partner with low-income residents, community based organizations, public agencies and the private sector to help low-income residents build and protect assets and use income support programs. The Council is a founding member of the Alameda County Earned Income Tax Credit *Earn It Keep It Save It (EKS)* Campaign, and the founder and coordinating agency for the Alameda County Community Asset Network (AC CAN).

**Table 1: Employer-Based Income and Asset Building Strategies**

	<b>Financial Education &amp; Counseling</b>	<b>Income Support</b>	<b>Financial Products</b>	<b>Asset Building</b>
<b>Goal</b>	Provides education and guidance relevant to personal financial experience and goals; meets people "where they're at"	Increases or leverages existing income	Decreasing the amount of money paid on essential financial services by offering low-cost, consumer friendly transactional and credit products	Savings, ownership, and investment to acquire, leverage, and preserve wealth.
<b>Tools &amp; Strategies</b>	• One-on-One sessions	• Free tax preparation	• Pre-paid debit cards	• Individual Development Accounts (IDAs)
	• Workshops and Seminars	• Benefits enrollment	• Direct deposit	• Automatic enrollment
	• Print materials	• Work supports	• Payday loan alternative	• Auto Save
	• Paycheck stuffers			• Employee Stock Purchase Plan (ESPP)
	• Emails or text messages			• Employee Stock Ownership Plan (ESOP)
	• DVDs or internet tutorials			• Savers Clubs
	• Employee Assistance Providers (EAPs)			
<b>Costs</b>	Range from free service by a financial institution to \$0.40 per employee for minimal phone counseling and internet tutorials to \$125 per employee for outside seminars.	Costs for staff time, facilities, and subscription fees	Low cost; minimal administrative and HR time	Administrative time ranges from minimal (e.g. Auto Save) to 33% (IDA admin and education) but partnership with a financial institution may offset costs.
<b>Who pays</b>	Employer, outside third-party, financial institution or employee. Any combination of the above.	Employer	Employer	Employer, outside third-party, financial institution or employee. Any combination of the above.

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