

# *Tribal Cornerstone to Self-Sufficiency*

Part One of Four





*Jack Hedrick-Lightfoot*

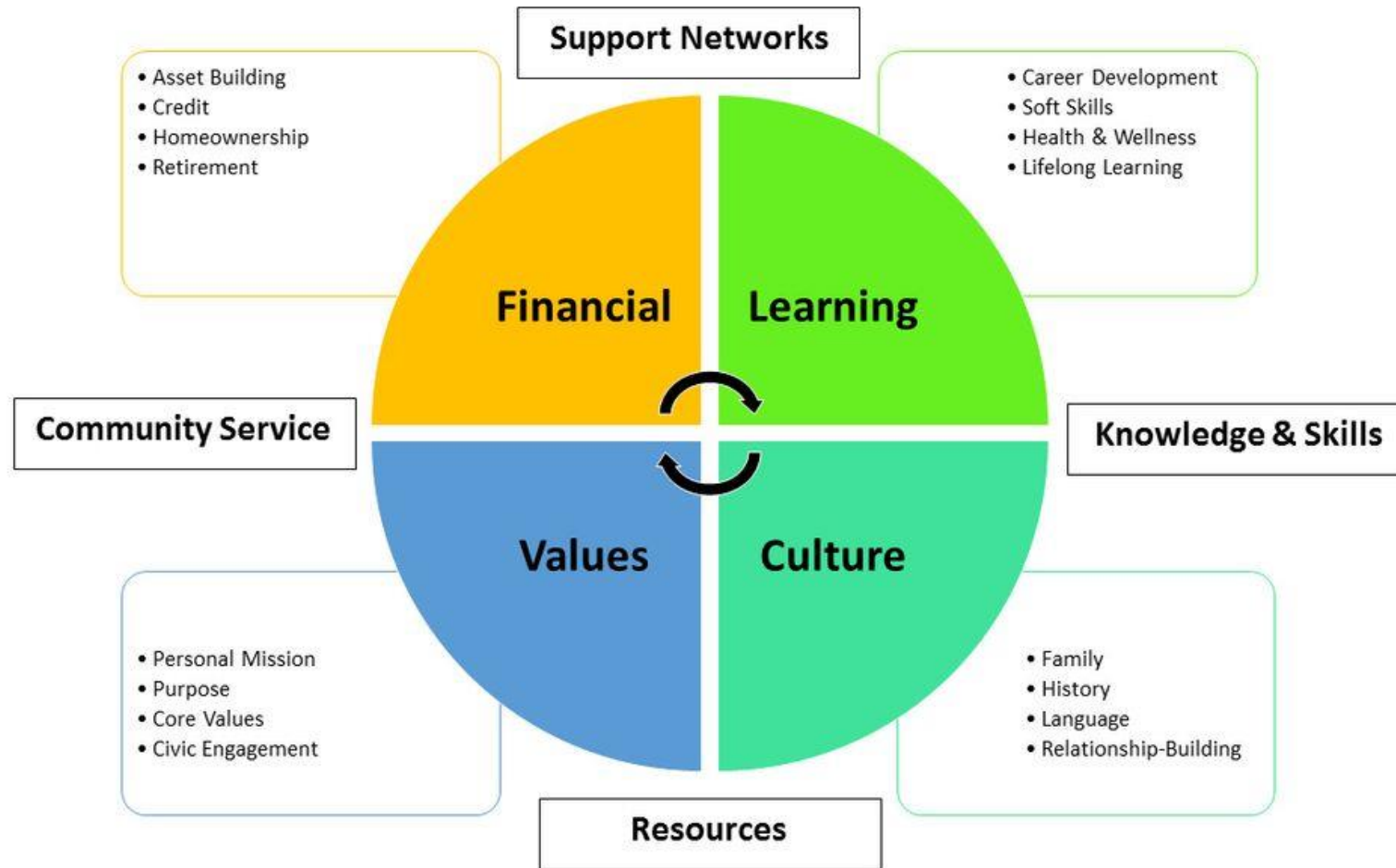
# Poll 1 – What do you believe is the BIGGEST factor causing poverty in your region?

- Low wages
- Lack of jobs
- Unskilled labor pool
- Unqualified labor pool (i.e. can't pass drug test)
- All of the above

# *Webinar Objectives*

- **Discuss** challenges facing Native Americans in personal finance.
- **Explore** resources to assist Native Americans financially.
- **Develop** a financial success plan.

# Tribal Cornerstones to Self-Sufficiency





# *Did you know?*

- An estimated **20% of credit reports** contain errors.
- Average household debt is **\$172,806**.
- **1.9 billion credit cards** open in the U.S. (326,766,748)
- 5 out of 6 Americans make **impulse purchases**.

# Socioeconomic Classes

- Lower
- Middle
- Upper

HEALTH =  
Employment +  
Education +  
Income



# *Socioeconomic Classes*

- Did you get enough to eat?
- How did the food taste?
- How did the food look?





# 2019 Federal Poverty Level Chart

<b>Number of People in Household</b>	<b>48 States &amp; DC</b>	<b>Alaska</b>	<b>Hawaii</b>
<b>One</b>	\$12,490	\$15,600	\$14,380
<b>Two</b>	\$16,910	\$21,130	\$19,460
<b>Three</b>	\$21,330	\$26,660	\$24,540
<b>Four</b>	\$25,750	\$32,190	\$29,620
<b>Five</b>	\$30,170	\$37,720	\$34,700
<b>Six</b>	\$34,590	\$43,250	\$39,780
<b>Seven</b>	\$39,010	\$48,780	\$44,860
<b>Eight</b>	\$43,430	\$54,310	\$49,940
<b>For nine or more, add this amount for each additional person</b>	\$4,420	\$5,530	\$5,080

# *Let's Talk Poverty...*

- **Overall Poverty Rate: 12.3% (39.7 million people)**
- African American Poverty Rate: 21.2% (9 million people)
- Hispanic Poverty Rate: 18.3% (10.8 million people)
- White Poverty Rate: 8.7% (17 million people)
- **Native American Poverty Rate: 25.4% (700,000 people)**
- People with Disabilities Poverty Rate: 24.9% (3.8 million people)

# *Family & Economic Security*

- **Hunger and Food Insecurity: 12.3%**
  - Percentage of households who were food insecure on average from 2015 to 2017, meaning that at some point during the year, they had trouble providing enough food due to a lack of money or resources.
- **Affordable and Available Housing: 56**
  - Number of apartments or other units that were affordable and available for every 100 renter households with very low incomes in 2016. Very low-income households are those with incomes at or below 50% of the area median income.

# *Family & Economic Security*

- **Savings and Assets: 7.7%**

- Percentage of households that used high-cost, high-risk forms of credit to make ends meet during 2015. This includes payday loans, automobile title loans, refund anticipation loans, rent-to-own, and pawning.

- **Lack of Health Insurance Coverage: 17.5%**

- Percentage of people under age 65 and below 138% of the poverty line who did not have health insurance at any time in 2017.

# *Free Resources!*

- [www.unboxedok.com](http://www.unboxedok.com)
  - *Click on the Resources Tab*
  - *Click on the Native Learning Center Tab*
- <https://money.cnn.com/tools/>
  - *Budget Calculators*
- <https://www.fdic.gov/consumers/consumer/moneysmart/index.html>
  - *Curriculum to teach adults personal finance*
- <https://www.consumerjungle.org/>
  - *Apps and Games to teach kids personal finance*

# *Where's the dough?*

- Start Asking Questions
- Offer Measurable Programs
- Invest in Educating:
  - *Tribal Members*
  - *Tribal Leaders*
  - *Community Leaders*



# *Develop a Tribal Strategy #1*

- Conduct a Needs Assessment.
  - *Focus Groups*
  - *Client Interviews*
  - *Surveys*
  - *Discussions with other Tribal Service Departments*
  - *Be OPEN to what you hear.*

# *Develop a Tribal Strategy #2*

- Build a Roadmap.
  - *Create a coalition.*
  - *What are the root causes?*
  - *What is our action plan?*
  - *Is it measurable?*





# *Develop a Tribal Strategy #3*

- Publish what you do.
  - *Create community awareness.*
  - *Instigate policy reform.*
  - *Create a movement.*
  - *Share your story.*



# *Financial Programming*

- Require financial education before providing services.
- By nature, we're a closed culture.
- Provide a safe, understanding environment where clients can “share.”

# Teach Budgeting

*If I don't have money, why should I budget it?!*

This area of training will help you learn to develop a monthly budget and create structure to your personal finance.

Begin thinking now: About how to develop your own budget. If you have one, revisit it to see if it's working!



Budget

# Go Figure

- A \$1.65 coffee every day at McDonald's equals \$602.25 a year!?
- If your car holds \$60 to fill up, at three times per month, it equals \$2,160 a year?
- At \$6 per pack, if you smoke 4 packs of cigarettes per week, it costs \$1,248 per year?

## CHALLENGE:

Use an app or piece of paper to track everything you spend money on for one week.

# *It's About Management*

*“The art is not in making money, but in keeping it.”*

-Proverb

*“Don't tell me where your priorities are. Show me where you spend your money and I'll tell you where they are.”*

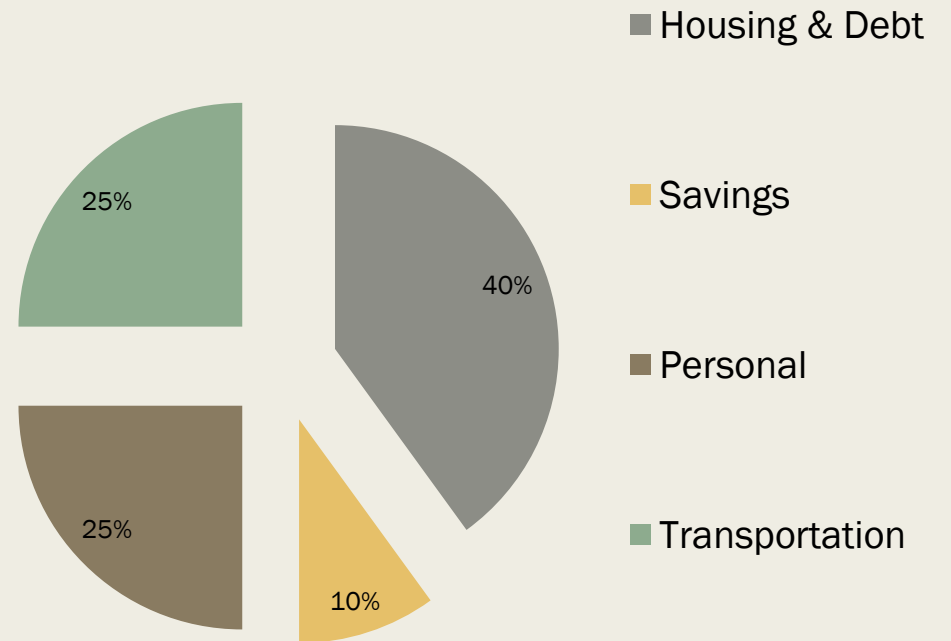
-James W. Frick

# Budgets...

Suggestions:

40%	Housing & Debt
10%	Savings
25%	Personal/Family expenses
25%	Transportation

Sample Budget



# *If you have debt problems...*

- Contact a non-profit organization like Consumer Credit Counseling Service (CCCS).
- This does not hurt your credit score.
- Do NOT fall prey to the “fix your credit fast” schemes.



# The Case Study

Jack needs to build an emergency savings fund of \$500. Below is his monthly budget. How would you suggest he start?

<u>Take-Home Pay</u>	\$2,300		
Rent	\$750	Credit Card Payments	\$125
Insurance	\$110	Entertainment	\$275
Car Payment	\$330	Gives Brother	\$50
Food	\$375	Payday Loan	\$360
Student Loan Payment	\$225		
Cell Phone	\$110		
Internet	\$100		



# *Your Financial Action Plan*

- Short-Term Goals (one year or less)
- Mid Range Goals (one to three years)
- Long Range Goals (three to seven years)

