



## **Financial Resource Management**

### **Situation:**

Twenty-two percent of working families in New Hampshire are economically insecure because their earnings and income fall below the basic family budget standard. According to the Center for Economic and Policy Research, this includes public work support and other public benefits. At the same time, families' personal savings rate as a percentage of disposable income has also declined since the late 1980s, according to the US Department of Commerce. In the last three years, the rate has hovered close to zero.

With the current financial crisis spreading across the country, many Strafford County families face increasing financial pressure due to sudden unemployment, changes in their mortgage situation, and increased fuel costs. Families need access to reliable information as they make financial decisions, as well as education on how to develop good family finance habits.

### **UNH Cooperative Extension's Response:**

UNH Cooperative Extension's Family Resource Management programs focus on increasing knowledge and skills in a variety of areas, including learning how to identify and develop goals, create a spending/savings plan, understanding credit and reducing overall debt, stretching resources, and becoming a more educated consumer. UNH Cooperative Extension's curricula of "Making Money Work For You", "Taking Charge of Your Finances", "Credit Check Up", and "Don't Get Crushed By Debt" along with basic budgeting workshops, have made a tangible difference in New Hampshire residents' lives. In 2008:

- 101 adults and 265 high school students from Strafford County participated in workshops focused on developing money management skills.
- In an effort to reach a diverse audience, workshops were made available in a variety of settings, including several worksite programs, school programs, two homeless shelters, Head Start centers, and workshops for participants in the Academy/Diversion program.
- UNH Cooperative Extension coordinates the New Hampshire Statewide EITC (Earned Income Tax Credit) Alliance where asset building coalitions and statewide partners have as their mission to increase the numbers of taxpayers getting their tax returns prepared for free with a focus of increasing the EITC for those who are eligible. The dollars gained by the individuals/households is typically spent in the communities in which they live. There are 2 free tax preparation sites in Strafford County.
- In addition to money management education for adults, Family Resource Management Educators promote personal financial education for youth with the NEFE (National Endowment for Financial Education) High School Financial Planning Program, in collaboration with NH Jump\$tart Coalition. Last year, nearly 3,500 high school students (265 from Strafford County) received personal finance education in New Hampshire.

### **How We Make a Difference:**

For Tax Year 2007, the free tax preparation sites in Strafford County filed 514 returns, resulting in a savings for these taxpayers of \$77,100. In addition, these taxpayers received \$62,956 in EITC, \$32,764 in Child Tax Credit and \$315,674 in refunds.

- More than 250 students in Strafford County gained knowledge and skills in credit, debt, spending plans, insurance, and money management decision making.
- 80% of Strafford County participants who attended money management programs reported they increased their money management skills and expected to decrease their debt. More than 70 percent of the participants also expected to increase their personal savings.

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