

NATIONAL NETWORK  
TO END DOMESTIC  
VIOLENCE

# Economic Justice: Making the Case

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Kim Pentico, Director of Economic Justice Program

# What We Know

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- 1/3 of all women will experience DV in their adult lives
  - VS
- 60% of women living in poverty
  - Of those, 8% - 33% report recent or current violence
  - High prevalence of childhood physical & sexual abuse

# Why?

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- Having limited financial resources is a big risk factor for Domestic Violence
  - Few resources = fewer good choices for getting and/or staying safe
  - An abuser is able to gain more control due to increased vulnerability
  - Abuse is likely to last longer and result in more severe injuries

# However...

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- This **Does Not** mean that those living poverty are more violent
- Also **Does Not** mean those with plenty of financial resources are not experiencing or at risk of experiencing abuse

# Tactics

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- An abuser's actions can plummet a survivor into poverty
- Often use economics and finances as ways to control their partners
  - Harassing at workplace
  - ID theft/ruining credit
  - Causing an eviction
  - Forcing illegal activity - decreasing chances for jobs, housing
  - Sabotaging success at getting more education or looking professional for work or interviews

# Leaving Does Not = Safety

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- Leaving an abusive relationship can leave a survivor in an impossible financial situation.
  - Leaving is one of the most dangerous times
  - If not already living in poverty – leaving may result in it
- Often an impossible choice

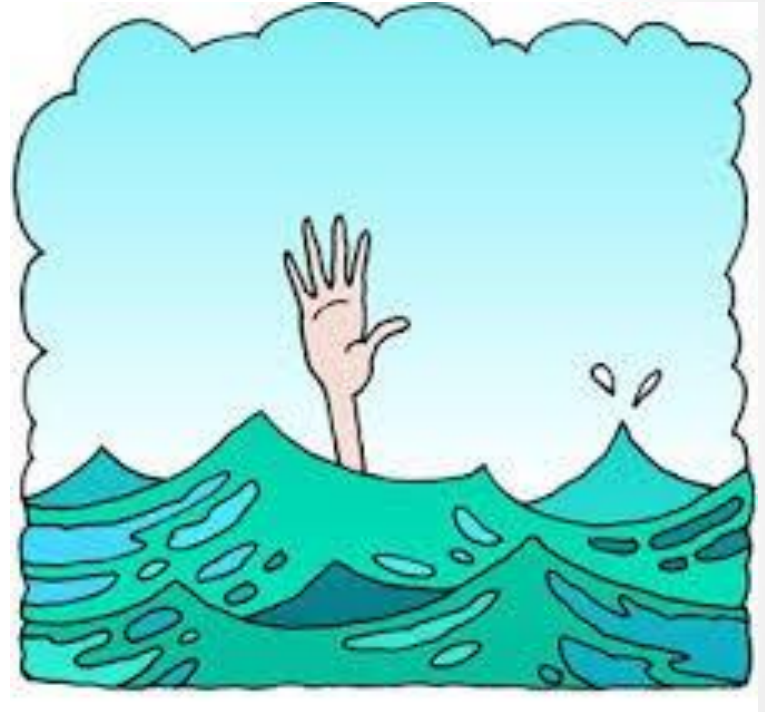
# And Yet...

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- How does Economic Justice and Financial Empowerment work measure up?
- Do people have the information and skills they need to be successful?
- Are services reflective of the need?
- Why?

# Barriers

- Advocates don't feel confident
- Struggling themselves
- Can't find the time



# Finding The Sweet Spot

- Learn how to incorporate EJ work into their everyday advocacy work
- Create a safe environment to have dialog
- Celebrate success



# What We're Doing

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- Since 2005, The Allstate Foundation and NNEDV have partnered to end violence against women through financial empowerment
  - TAF invested over \$55 million
  - Trained nearly 11,000 advocates
  - Helped more than 1 million survivors

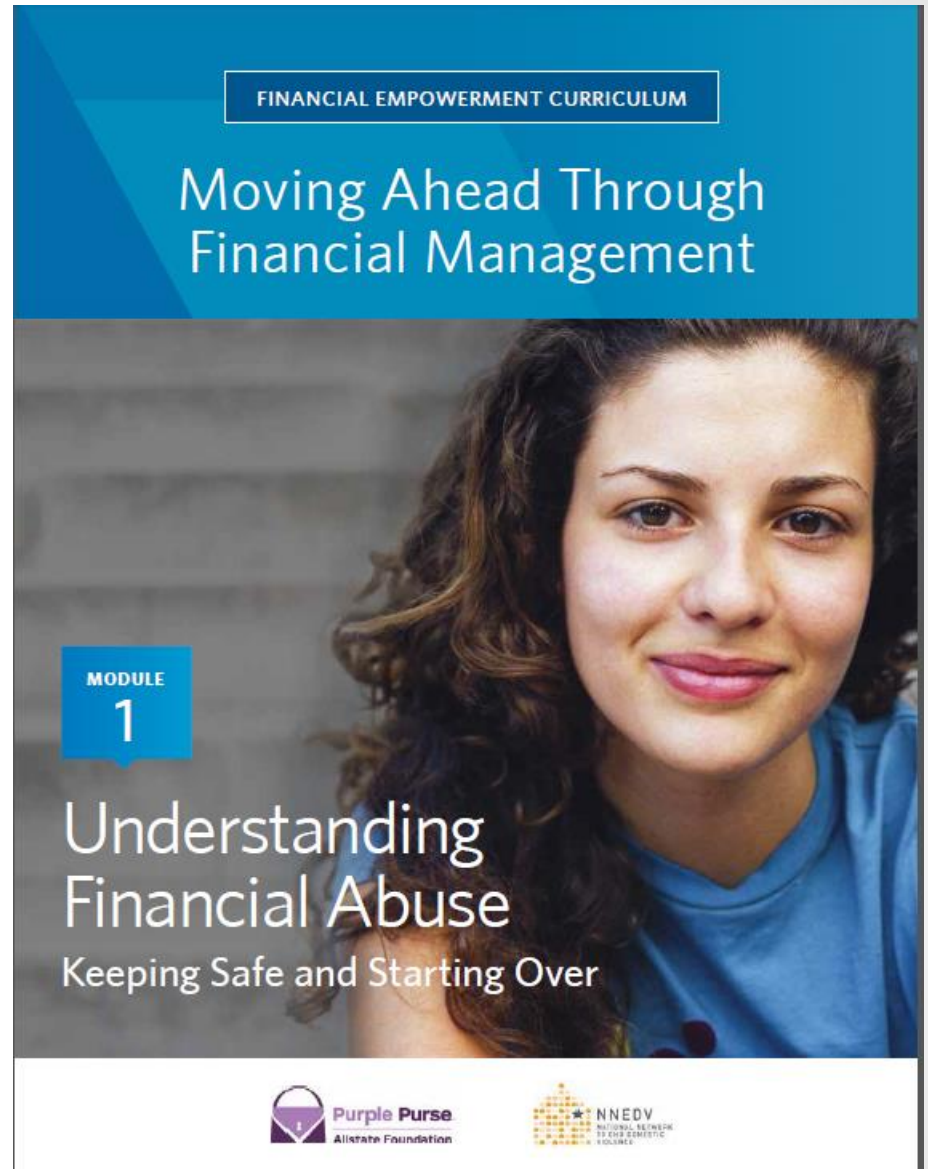
# How We're Doing It

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- Innovative Programs and Grant-Making
  - Traditional IDA & Non-Traditional Match Savings Programs
  - Education and Job Training
    - Compassionate assistance
    - Moving Ahead Career Empowerment Curriculum
  - Credit Repair & Micro-Loans
  - Financial Literacy
    - Moving Ahead Through Financial Management

# Curriculum

- Five Part Module
  - Safety Planning
  - Budgeting
  - Credit
  - Loans
  - Long-Term Planning



# Safety Planning

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- What is Financial Abuse
  - Like all acts and tactics of DV
    - Gain & maintain Power & Control
      - Controlling how money is spent
      - Over-using credit
      - Forcing or not allowing to work
- Explore how to set money aside safely
- Pros/Cons to disclosure
- Housing Search

# Budgeting Basics

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- Needs vs. Wants
  - Self-defined
- Saving must be Budgeted
  - Pay yourself first!
  - Be consistent
  - Emergency savings (3 months of living expenses)
- Make interest work for you
- Assets vs. Liabilities
  - Know what you owe

# Mastering Credit

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- Your credit score is YOUR credit score
- The lower your score – the more expensive money is
  - Those who can least afford it pay more
- Demystifying credit
  - What counts and what doesn't
    - Checking your own score
    - 'Soft hits'
    - Taking out a new line of credit

# Improving Credit Score

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- Pay credit accounts on time
- Keep balances low
  - 30% Rule
    - Card A: \$500 balance - \$1,000 limit
    - Card B: \$100 balance - \$1,000 limit
    - Total \$600 balance - \$2,000 limit
    - 30% debt/limit ratio
- Apply for and open new accounts only as needed or as part of a plan

# Housing

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- Housing search
  - How much can you afford?
    - Rent should not exceed more than 30% of total income
    - Calculate total cost (utilities, insurance, etc.)
  - Don't put money or signature down if you're not sure
  - Visit property during off-peak times
    - i.e. evenings & weekends
  - Search may appear on credit report

# Loans

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- Unsecured vs. Secured
  - Credit card vs. mortgage
- Auto loans
  - New vs. used
- Home loans
  - Fixed
  - A.R.M.
  - Sub-Prime

# Consider

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- Pre-payment penalties
  - Negotiate on the front-end
  - Read fine print before early paying off
- Shop around
- Don't succumb to pressure
  - Walk away
- Don't be afraid to negotiate fees & charges

# Saving

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- Making saving a habit
  - Start early
  - Be consistent
  - Be patient
- Ways to save
  - Interest-earning savings account
  - CD
  - Money market
  - Individual Development Account (IDA)

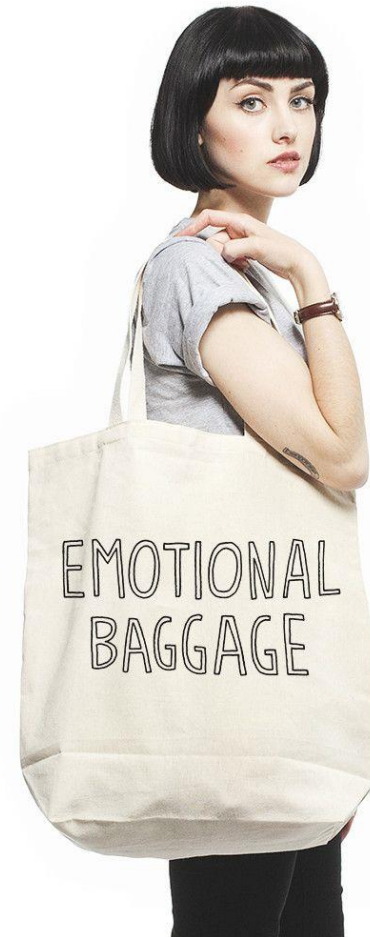
# Long-Term Planning

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- Saving Vehicles
  - Individual Retirement Accounts (IRA)
    - Tax advantages
    - Traditional vs Roth
- Pensions
  - Employer provide & guaranteed
- 401 (k) Plans
  - Defer income taxes until withdrawn

# What We've Learned

- Everybody has a learning curve
  - We aren't born knowing this
  - We aren't always taught it
  - Many come with baggage
- We must go slow
  - Cannot 'budget' on the 1<sup>st</sup> visit must establish trust and credibility
  - Talking about money is hard
    - Triggers



# What's Working

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- Thoughtful programming
  - Barrier Reduction Fund
  - Non-traditional Match Saving Programs
  - Make participation accessible
    - Food
    - Childcare
    - Transportation
    - Incentives
  - Celebrate Success

# Independence Project

## Credit-Building Through Micro-Lending

- \$100 loans
- Paid back \$10 per month for 10 months
- Funded by Verizon Foundation & Thirty-One Gifts
- Currently lending in
  - FL, KS, KY & TX
  - April: AZ, NE & PA
  - June: DE, IA, RI, WI & WY
  - Remaining states end of 2017



**THE INDEPENDENCE PROJECT**

*Credit-Building through Micro-Lending*

*Turning pocket change into social change*

**WHY IS CREDIT REPAIR IMPORTANT TO DOMESTIC VIOLENCE SURVIVORS?**

**Economic abuse is present in 99% of domestic violence cases.\***

Because of this, NNEDV is launching The Independence Project—a micro-loan credit-building program that places survivors of domestic violence on the path to credit repair and economic independence.

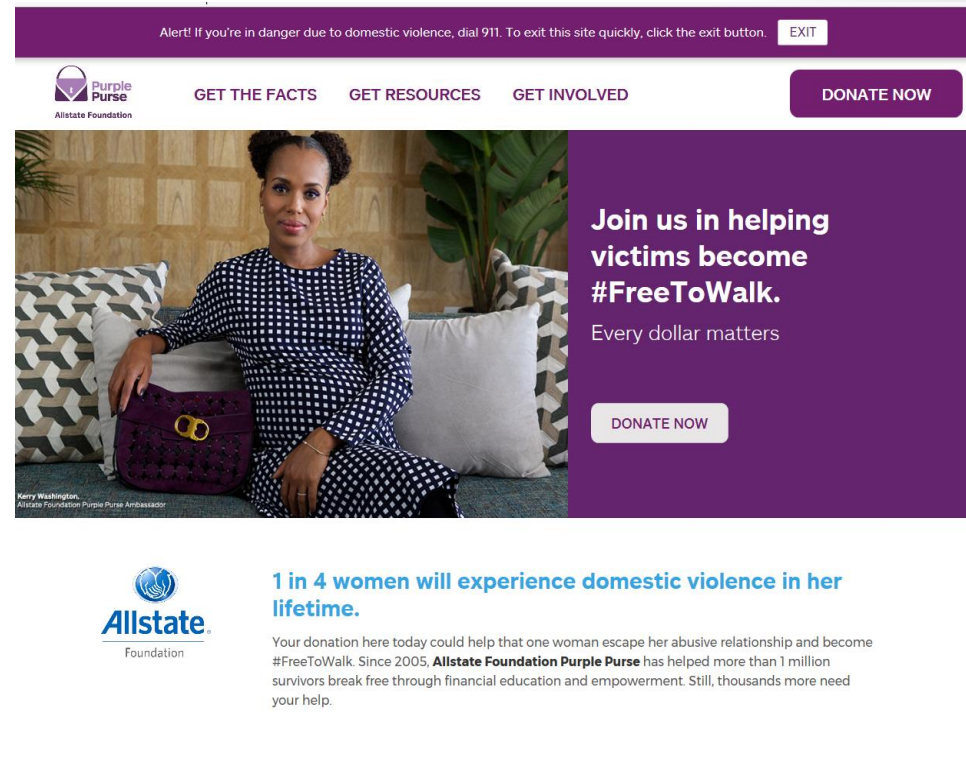
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\*Adams, Adrienne E. "Measuring the Effects of Domestic Violence on Women's Financial Well-being." CFS Research Brief 2011-5.6.

# www.PurplePurse.org

Click on 'Financial Tools'

- Financial Empowerment Curriculum
  - Download entire curriculum
  - iBooks/iTunes – free download
    - Search “Moving Ahead Financial”
- Online Curriculum
  - ‘e-learning’ self-guided



The screenshot shows the PurplePurse.org website. At the top, a purple banner contains the text: "Alert! If you're in danger due to domestic violence, dial 911. To exit this site quickly, click the exit button. EXIT". Below this is the PurplePurse logo and navigation links: "GET THE FACTS", "GET RESOURCES", "GET INVOLVED", and a "DONATE NOW" button. The main banner features a photo of Kerry Washington sitting on a couch with a purple purse. Text on the right says: "Join us in helping victims become #FreeToWalk. Every dollar matters. DONATE NOW". Below the banner is the Allstate Foundation logo and a statistic: "1 in 4 women will experience domestic violence in her lifetime." followed by a paragraph about the foundation's mission.

Alert! If you're in danger due to domestic violence, dial 911. To exit this site quickly, click the exit button. EXIT

PurplePurse  
Allstate Foundation

GET THE FACTS GET RESOURCES GET INVOLVED

DONATE NOW

Join us in helping victims become #FreeToWalk. Every dollar matters. DONATE NOW

Kerry Washington, Allstate Foundation Purple Purse Ambassador

Allstate Foundation

1 in 4 women will experience domestic violence in her lifetime.

Your donation here today could help that one woman escape her abusive relationship and become #FreeToWalk. Since 2005, Allstate Foundation Purple Purse has helped more than 1 million survivors break free through financial education and empowerment. Still, thousands more need your help.

# www.NNEDV.org

Click on 'Projects' tab

- Economic Justice Project
  - Moving Ahead Through Financial Management Curriculum
    - Full curriculum and Trainer download
- Census
- Housing
- Safety Net
- WomensLaw.org





# Questions