



Vermont Financial Literacy Commission
February 1, 2016

Vermont Financial Literacy Commission Members Present:

Beth Pearce, co-chair, Vermont State Treasurer
John Pelletier, co-chair, Champlain College
Mark Perrin, State Board of Education
Martha Reid, Vermont State Librarian
Courtney Poquette, Winooski High School
Justin Brown, Colchester High School
Lisa Falcone, United Way of Chittenden County
Thomas Leavitt, Northfield Savings Bank
Yvonne Garand, VSECU
Linda Tarr-Whelan, Tarr-Whelan Associates
Sabina Haskell, VSAC, representing commission member Scott Giles

Also Present:

Lisa Helme, State Treasurer's Office
Rob Geisler, AARP Tax Aide
Cheryl Fatnassi, Opportunities Credit Union
Stephanie Struble, Opportunities Credit Union
Jonathan Goffe, Opportunities Credit Union
Dave Yacavone, VT Department of Aging & Independent Living
Liz Scharf, Capstone Community Action
Mary Niebling, Capstone Community Action
Rebecca Monty, Bay State Financial
Timothy Monty, Bay State Financial

CALL TO ORDER:

Ms. Pearce, co-chair, called the meeting to order at 2:05 p.m. The meeting was held in the conference room at the Midstate Library Service Center, 578 Paine Turnpike North, Berlin, Vermont 05602.

Item 1: Approval of Meeting Minutes

Ms. Tarr-Whelan moved for approval of the meeting minutes from January 4, 2016. The motion was seconded by Mr. Brown and approved by the commission.

Item 2: Presentations on Adult Financial Literacy Work

Four presentations were given by individuals active in adult financial education work. Each submitted a two-page summary on their organization and financial literacy work. Those summaries are attached to the minutes. Also attached is a summary from the More Than Wheels program. A representative from that organization was scheduled to speak but, due to a scheduling conflict, was unable to attend the meeting.

The first presentation was by Lisa Falcone, commission member and director of the Working Bridges Project of the United Way of Chittenden County. Ms. Falcone described their work in assisting working Vermonters who earn between minimum wage and \$19 an hour, or have a household income of less than \$55,000. The program collaborates with employers to improve the retention, productivity, advancement, and financial stability of these employees. At the close of her presentation, Ms. Falcone recommended to the commission the following:

1. In assessing the financial literacy needs of Vermont, look at the challenge of financial well-being holistically; and
2. Need to recognize and address the federal and state program requirements that limit the amount a person may save in order to qualify for an assistance program.

The second presentation was by Cheryl Fatnassi, CEO for Opportunities Credit Union. Ms. Fatnassi described their work as a community development credit union. Their mission is to serve low-income individuals, the under-served, and rural populations. Their financial literacy programs include one-on-one financial mentoring and financial workshops. Ms. Fatnassi's recommendations to the commission were as follows:

1. Reward Vermonters who build better money management skills;
2. Eliminate penalties for people on public assistance who save money above designated federal and state thresholds; and
3. Commission recommendations should consider that significant work is done on a personal level.

The third presentation was by Rod Geisler, state coordinator for the AARP Tax Aide Program in Vermont. Mr. Geisler described the work of the program to provide Vermonters who are age 50 and older, and of low- to moderate-income, with free tax preparation. He explained that the financial literacy function of their work takes place in the interaction between the volunteer tax preparer and the client. In 2015, the program's 160 volunteers helped complete and file approximately 6,000 returns. Mr. Geisler had one recommendation for the commission:

1. Recommend training dollars be restored to enable the Vermont Department of Taxes to once again offer in-person training at multiple sites throughout the state to the AARP and VITA Tax Aide program volunteers.

The fourth presentation was by David Yacovone, director of the Older Americans Act Programs for the Vermont Department of Disabilities, Aging and Independent Living. The Vermont State Unit on Aging serves all Vermonters over the age of 60 throughout the state, regardless of income. There are approximately 125,000 Vermonters in that demographic. The Older Americans Act (OAA) provides funding for a range of programs that offer services and opportunities for older Vermonters to remain as independent as possible and to be active and contributing members of their community. Mr. Yacovone gave the commission a demographic overview of the senior population in Vermont. He had one recommendation for the commission:

1. Develop an accessible way to provide financial literacy training to providers who are working with older Vermonters to enable them to do a better job of informing and coaching clients.

Item 3: Questions and Discussion

Commission members asked the presenters questions at the conclusion of all presentations.

Item 4: Discussion on Focus of Testimony for March & April meetings

The commission members discussed what information they still needed to prepare them for their future work. Among the observations and suggestions by commissioners were:

- In the area of youth financial literacy, remember that parents too need education;
- The commission needs a better feel on the unmet needs of targeted populations;
- More work is needed on how to narrowly define what the commission is trying to improve upon--are there existing programs--etc;
- Targeted populations in need of financial literacy highlighted in today's presentations included the elderly, single mothers, and employees of small employers;
- Hunger Free Vermont may have useful information to share on how their county-wide councils are functioning;
- Commissioners should look at financial literacy in terms of the life stages of an individual and the related financial decisions, not just a person's age;
- Commissioners should consider where there are untapped partnerships that could be formed to address financial literacy needs; and
- Recommendations should address a "planting seeds" approach for youth and address Vermonters who are in need of financial literacy today.

Commission members agreed that they would like to hear testimony at the March meeting on work being done to effectively reach younger cohort groups. Depending on the information received in March, the commission will determine what further testimony is needed for the April meeting.

The commission will meet next on Monday, March 7, in Montpelier. The exact location has yet to be determined.

Item 5: Public Comment

Mr. Monty thanked the commission members for their work. He commented on his commitment to and work in financial literacy and offered to be of assistance.

Ms. Monty said that individual financial planning involves a lot of hand-holding with clients as they assist them in getting the information needed to make decisions. She thought that many financial advisors would be willing to volunteer and help provide financial literacy training.

Ms. Scharf said, in regards to the Earned Income Tax Credit, that she believed 80 percent of Vermonters eligible for the credit take advantage of it. She highlighted a new federal student loan debt repayment program that went into effect in December that allows debt holders to reorganize their payments. She suggested a new online platform be created to allow people to join and promote financial literacy work and resources.

Ms. Niebling said “just in time” training is important in addressing adult financial literacy needs. She said that Capstone is evaluating for use a program being done in Massachusetts to provide training for financial coaches.

Item 6: Adjournment

Ms. Pearce adjourned the meeting at 4:05 p.m.

Attachments:

- Working Bridges
- More Than Wheels
- Opportunities Credit Union
- AARP Tax Aide Program
- VT Department of Aging & Independent Living