



Reaching financially vulnerable households: Money \$mart in Head Start newsletters

“The financial newsletters are the only information we have, and it’s very useful.”

—Recipient of Money \$mart in Head Start newsletter

Achieving financial well-being

Financial well-being refers to the ability to manage one’s daily expenses; set money aside for financial goals; weather emergencies; and retain a level of freedom in personal spending.

While financial education’s goal is to assist individuals in achieving financial well-being, households with lower incomes face additional obstacles.

Since 2009, UW-Extension family living educators have worked with local Head Start agencies to make financial information more accessible to Wisconsin’s most financially vulnerable.

UW-Extension conducted surveys with households participating in Early Head Start and Head Start programs between 2009 and 2011. Survey results demonstrated a need for more financial education outreach. For example:

- Only 6% of respondents had a rainy day fund with three months’ worth of expenses—compared to 43% of Wisconsin’s population as a whole.
- Sixty percent reported having difficulty paying some of their loans or debts. Further, 36% of respondents reported paying their bills late “almost always” or “often.”
- Nearly one-third had received three or more calls from a creditor in the last three months.

Money \$mart in Head Start offers help

The Money \$mart in Head Start (M\$IHHS) program provides free financial education through monthly newsletters, workshops and individual financial coaching to participating households living at or below the poverty level.

Newsletters have proven to be an affordable way to provide relevant, timely, and unbiased financial information, particularly when used with an existing program such as Head Start.

Family living educators developed a series of eight newsletters based on the latest financial education research and incorporated feedback and suggestions from readers. Each two-page newsletter, available in both English and Spanish, was written at an eighth-grade reading level.

The newsletters encouraged readers to set a financial goal during the first month, with subsequent issues highlighting financial management skills to help reach those goals.

Topics covered included: Setting goals; creating a spending plan; managing debt; tax refunds and credits; saving; banking; credit; and household organization and record keeping.

Family Living Programs Impact Report

In 2014, approximately 2,500 households across 18 Wisconsin counties received the Money \$mart in Head Start newsletters.

Printing, the main expense, was shared by county UW-Extension offices and local Head Start agencies.

While a handful of participating households opted to receive the newsletters electronically via e-mail, the majority were either hand-delivered by a Head Start staff member or sent home with preschoolers from their Head Start classrooms.

Outcomes

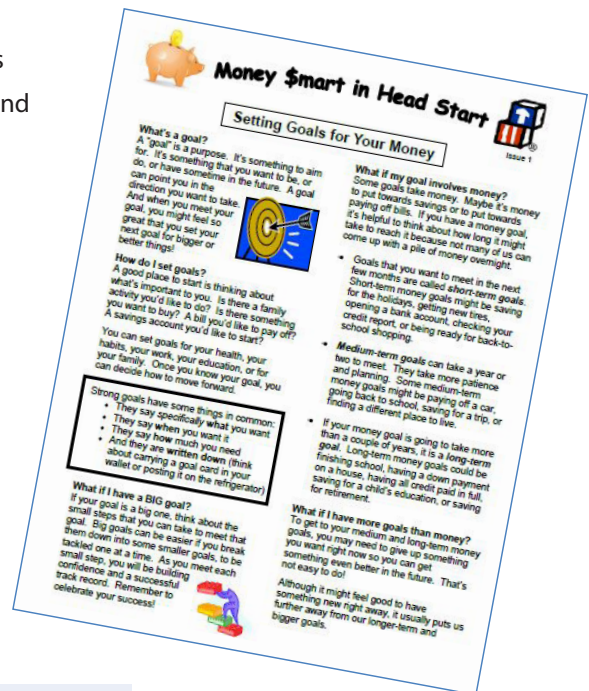
- Six county UW-Extension family living educators conducted an end-of-the-school year newsletter survey completed by 416 (58%) of 724 households.
- Counties participating in the Spring 2014 newsletter assessment included Grant, Iowa, Lafayette, Richland, Washington, and Winnebago.
- Almost all of the households (92%) reported receiving the monthly newsletters; 8% reported they were either unsure or had not seen the newsletters.
- Of those households receiving the newsletters regularly, more than half stated they read all or most of their newsletters; 38% skimmed them and 5% did not usually read them.
- One in seven households shared their monthly financial newsletters with someone else after they had read it.
- The majority of survey respondents (96%) received the newsletters in English; 4% received them in Spanish.

- When asked to compare the usefulness of the M\$IHHS newsletters with information received from parents and friends, workshops, websites, and other sources, 82% of survey respondents described the newsletters as “somewhat” or “very” useful.

The majority of households reported that reading the newsletters helped them achieve a range of positive financial behaviors, including:

- Setting a financial goal
- Creating a spending plan
- Paying down debt
- Putting money in savings
- Maximizing their tax refund

The survey findings supported research that newsletters provide a cost-effective approach for reaching large numbers of households with reliable, objective financial information. Money \$mart in Head Start will continue to reach out to financially vulnerable households via newsletters as part of its comprehensive approach that also includes workshops and financial coaching.



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