

## New Opportunities teaching financial skills to community members

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Page 3

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New Opportunities is reaching out to residents in its seven-county region with information about how to better handle their finances.

But the financial literacy classes, don't just teach participants about how to create a budget or how to determine how much of their income is going toward expenses, says Albina Tigges, a financial counselor for New Opportunities, though that is an important feature of the program.

The classes also are "bringing a taboo topic to light, by putting pen to paper," Tigges said, adding that some families in the first five-month program cycle had never done those calculations.

The program also builds confidence. Family Development Center Director Heidi Billmeier said one of her five participants wasn't able to finish the program because she gained the confidence to move from a low-paying job to a higher-paying one, but lost the free time to attend the financial classes.

The classes also address communication barriers. "It's really difficult for (some clients) to communicate with

different vendors," Tigges said, so participants are given homework assignments that require them to do just that. "Call your utility vendor and make a payment plan."

Tigges said New Opportunities received a grant last year from the Northwest Area Foundation to fund two years of financial literacy programs in the region. Those won't just be limited to classes for clients, Tigges said. She also wants to work with school districts to start teaching financial skills to children, too, because the sooner children learn what a budget is and how to manage their money, the better off they'll be. A third component of the program is community outreach, to find ways to connect the community and New Opportunities clients. Tigges said she has heard from other counties some of the ways communities as a whole can be more supportive of low-income residents.

"Although we appreciate donations, I think there's also this stigma that there's no other way to help," Tigges said, adding that wasn't true. "I was in another county (and someone asked) for a way for businesses to be more open to families when they come in late for work, to be more open-minded and receptive to people who struggle."

Low-income families may have unreliable transportation — say a vehicle that doesn't always start in cold weather — and they may not be able to afford a new vehicle, Tigges said. In rural Iowa, they can't call for a cab or take a bus to get to work when their vehicles won't start, she said, but also acknowledged that it can be difficult for a business that is relying on an employee to arrive on time to keep that employee on staff. When business owners can be aware of those challenges, though, and open-minded about the employee, that can benefit people who are trying to improve their financial situation.

Child care presents additional challenges, Tigges said.

"A lot of families have state funding (to pay for child care)," she said. "You have to find a

place with an opening that accepts that state funding. That's hard."

Tigges said she also wants the communities to be aware of "the cliff effect." That's the point at which someone who is poor and working begins to see benefits drop off as soon as their income increases to a certain threshold, even though their income is not going to be enough to make up for the loss of benefits. Billmeier said she would love to see more of a grace period for some benefits, even for a few months, to allow people re-entering the work force to build up a small savings before losing things like food assistance.

For more information about the financial literacy classes, contact New Opportunities' Family Development Center in Rockwell City at 712-297-7721.