Thank you for joining us for today’s webinar:

Exploring Financial Capability for Refugee Populations: A Webinar of Study Findings and Insights

The webinar will begin promptly at 12pm CT (1pm ET, 11am MT, 10am PT)
Exploring Financial Capability for Refugee Populations: A Webinar of Study Findings and Insights

October 10, 2017
12pm-1pm CST
Brought to you by:
Center for Financial Security
at the University of Wisconsin- Madison
Exploring Financial Capability for Refugee Populations: A Webinar of Study Findings and Insights

- Welcome
- Presentations
  - Context Setting by Jewish Social Services
  - International Rescue Committee Study Overview and Findings
  - Implications and Insights from UW-Madison Expert
- Q & A
- Sign off
Our Presenters

Becca Schwartz
Resettlement Coordinator
Jewish Social Services of Madison

Jon Vosper
Technical Advisor
Economic Empowerment
International Rescue Committee

Kasra Movahedi
Technical Advisor
Economic Empowerment
International Rescue Committee

Erica Bouris
Technical Advisor
Economic Empowerment
International Rescue Committee

Sara Mckinnon
Associate Professor
Department of Communication Arts
University of Wisconsin-Madison
U.S. Refugee Resettlement
An Introduction
Define Refugee:

An individual who has a well-founded fear of persecution due to race, religion, nationality, membership of a particular social group, or political opinion, who has fled their country of origin and cannot safely return. In the context of the United States, all refugees arriving in the U.S. have been vetted and approved prior to arrival in the country.
Define Special Immigrant Visa (SIV):

A special, expedited resettlement process category for Iraqi or Afghan nationals who worked with the US Armed Forces or under Chief of Mission authority as a translator or interpreter, and Iraqi nationals who worked for or on behalf of the U.S. Government in Iraq.
U.S. Refugee Admissions Program: Overview
U.S. Refugee Admissions Program (USRAP)

- UNHCR
- U.S. Department of State, Bureau of Population, Refugees, and Migration
- U.S. Department of Homeland Security
- U.S. Intelligence Agencies
- 1 of 9 Resettlement Agencies (HIAS, LIRS, IRC, etc)
- Local Resettlement Affiliates (~350 across the US)
- Thousands of private citizens who volunteer for to help refugees
The shifting origins of refugees to the U.S. over time

Number of refugees admitted to the U.S., by region of origin of principal applicant and fiscal year

1975 Indochina Migration and Refugee Assistance Act results in increased refugees from Vietnam
1989 U.S. raises quotas on Soviet refugees
2004 50% of overall admitted refugees in 2004 were from Somalia, Cuba and Laos
2008 Burmese and Bhutanese were granted refugee status

Source: Refugee Processing Center, 1975-2016.
Note: Data do not include special immigrant visas and certain humanitarian parole entrants. Does not include refugees admitted under the Private Sector Initiative. Europe includes former Soviet Union states. Asia includes Middle Eastern and North African countries. Africa includes sub-Saharan Africa, but also Sudan and South Sudan. Latin America includes Caribbean. Data for fiscal 2017 are through Dec. 31, 2016; fiscal 2017 began Oct. 1, 2016.

PEW RESEARCH CENTER
Reception and Placement (R&P)
Program objective:

The ultimate objective of any U.S. R&P Program is to assist clients to become self sufficient in the shortest time possible.
The Cooperative Agreement

A contract with the US State Department and the Resettlement Agency that requires Local Resettlement Agencies to:

1. Perform &
2. Document

30 – 36 time-bound steps in the first 90 days
Including (but not limited to)... 

- Procuring and setting up housing 
- Meeting on arrival 
- Food and a warm meal when families arrive 
- Seasonally appropriate clothing 
- Assistance with compliance with US law 
- Applying for Social Security cards and various benefits 
- Cultural orientation 
- School and ESL enrollment 
- Linking to employment services 
- Ongoing social services (employment, medical, etc)
Refugee Financials:

- Like any population, refugees vary in financial skill level on arrival.
- Each case receives a one-time disbursement of ~$1,125/person from the State Department.
- Refugees are eligible for benefits including SNAP, cash assistance, and Medicaid.
- Travel to the U.S. is to be repaid, interest free, starting in the 6th month after arrival.
- Refugees are authorized to work upon arrival.
Specific Financial Challenges

• Being poor in America
• Foreign culture/language
• Disjointed lives
• Sense of obligation/responsibility for family overseas
Financial Capability for New Americans: Lessons from Early Interventions with Refugees

From Harm to Home | Rescue.org
Overview

- Early Financial Lives of Refugees
- Financial Capability for New Americans
- Learnings and Recommendations
Method

- 2,410 household budgets analyzed
- Baseline within first six months in US
- 33 countries of origin across 10 US cities
- Practitioner input and client case studies
Early Financial Lives of Refugees
Early Financial Lives of Refugees

Working Families

Low Income

Volatile Income

No Credit Score

In Debt
# Early Financial Lives of Refugees

## Typical Household Budget: Family of Four

<table>
<thead>
<tr>
<th>Income</th>
<th>Expenses</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages $1,240</td>
<td>Rent $900</td>
<td></td>
</tr>
<tr>
<td>SNAP $560</td>
<td>Bus pass $75</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Food $600</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Utilities and Phone $100</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Household Supplies $25</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Clothes $25</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Travel Loan Payment $70</td>
<td></td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td><strong>$1,800</strong></td>
<td><strong>Total Expenses</strong></td>
</tr>
</tbody>
</table>
Early Financial Lives of Refugees

Wage-based income increases from 4% to 63%
Early Financial Lives of Refugees

Monthly Net Income increases by $392
Early Financial Lives of Refugees

Net Worth increases to $150
Early Financial Lives of Refugees

Established Credit Scores
average 664
Financial Capability for New Americans
Financial Capability for New Americans

Highlights of IRC’s Approach

- Bundled Services
- Financial Education & Coaching
- Integrated Financial Products
Financial Capability for New Americans

Financial Coaching and Household Income

Total Monthly Income

- No Coaching
- 4+ Coaching Sessions
- 6+ Coaching Sessions

<table>
<thead>
<tr>
<th>Monthly Income</th>
<th>No Coaching</th>
<th>4+ Coaching Sessions</th>
<th>6+ Coaching Sessions</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,944</td>
<td>$2,246</td>
<td>$2,311</td>
<td></td>
</tr>
</tbody>
</table>
Financial Capability for New Americans

Financial Coaching and Wage-Based Income

Monthly Wage-Based Income

- $1,258
- $1,558
- $1,951

- No Coaching
- 4+ Coaching Sessions
- 6+ Coaching Sessions
Financial Capability for New Americans

Financial Coaching and Monthly Net Income

- No Coaching: $414
- 4+ Coaching Sessions: $432
- 6+ Coaching Sessions: $468
Financial Capability for New Americans

Financial Coaching and Net Worth

- No Coaching
- 4+ Coaching Sessions
- 6+ Coaching Sessions

Net Worth:
- $209
- $2,368
- $4,514
Financial Capability for New Americans

Integrated Products: Auto Loans and Wage-Based Income

Total Wage-Based Income

- Without Auto Loan: $909
- With Auto Loan: $1,101
Financial Capability for New Americans

Establishing a FICO score

Control Group
- 44% with FICO
- 56% without FICO

Treatment Group
- 90% with FICO
- 10% without FICO

% with FICO | % without FICO
Financial Capability for New Americans

Credit Quality within FICO group

- Control:
  - Of those with FICO, % Positive: 67%
  - Of those with FICO, % Negative: 33%

- Treatment:
  - Of those with FICO, % Positive: 93%
  - Of those with FICO, % Negative: 7%
Financial Capability for New Americans

with a Gender Lens

- Women access coaching far less often
- Women served among most vulnerable
  - < $100 in earned income
  - Negative net worth
- 3+ coaching sessions improved
  - net worth
  - household incomes
  - wage-based income
Learnings and Recommendations
Learnings and Recommendations

Key Service Strategies

- Relationship building
- Intentional on-ramps
- Just-in-time engagement
- Hybrid coaching
- Language access
- Home visits
Learnings and Recommendations

Promising Practices

- Intervene early
- Intervene frequently
- Integrate financial products
- Serve women’s needs
- Keep goals realistic
- Use data
Learnings and Recommendations

Directions for Future Research

- Transition from counseling to coaching
- Smoothing income support transitions
- Longitudinal credit questions
- More effective coaching for women
QUESTIONS
Reflections on the Financial Capability and Challenges of US Refugees

- The context that refugees enter into
  - Perception & reality of refugees
  - Importance of financial history
  - Neoliberal political-economic context
- Responding responsibly to the situation
  - Building interpersonal relationships
  - Offering refugee-sensitive products
  - Bundling services to address compound issues
  - Integrating a gender analysis
- Questions that remain
  - Financial coaches
  - Timing challenges
  - Expanding an intersectional analysis
Exploring Financial Capability for Refugee Populations: A Webinar of Study Findings and Insights

Please remember that today’s webinar was recorded and will be posted on our website: cfs.wisc.edu within two business days.

Please contact Hallie Lienhardt with questions: Hallie.lienhardt@wisc.edu
608-890-0229