



TAKING ACTION.
Improving Lives.

Indiana Community Action Network
Newsletter

September 2010

CFSI's New Financial Capability Innovation Fund Now Accepting Proposals

The Center for Financial Services Innovation (CFSI) has launched a new grant fund—the Financial Capability Innovation Fund—to support promising nonprofit-led projects designed to help consumers better manage their finances and achieve financial prosperity. Through the Financial Capability Innovation Fund, CFSI will invest in new and improved strategies that not only help consumers increase their knowledge but also help them establish healthy financial behaviors.

Through a competitive request for proposals (RFP) process, CFSI will award \$1.25-\$1.5 million total to 4-6 promising nonprofit-led projects. The average award size will range from \$200,000-\$300,000 per project. CFSI seeks models that are relevant, timely, actionable and ongoing, and that are scalable and sustainable in the long run. CFSI is also interested in projects that incorporate behavioral economics concepts, leverage technology, and/or couple new or improved educational tools with financial products or services. CFSI encourages collaborative ventures involving multiple parties.

Please visit the web site to learn more about this funding opportunity <http://www.cfsinnovation.com/financialcapability> and to download the RFP which details CFSI's funding priorities, criteria, timeline, and process. The deadline to submit a proposal is Wednesday, October 13, 2010 at 11:59 p.m. EDT.

More Americans Live in Poverty Than Ever Before in Recorded History

The number of people living in poverty in America rose by nearly 4 million to 43.6 million in 2009 -the largest figure in the 51 years for which poverty estimates are available - the Census Bureau said.

The bureau said in a statement on its website that the official poverty rate was 14.3 percent, or 1 in 7 of Americans, the highest level since 1994.

In This Issue

[Funding Opportunity from CFSI](#)
[More Americans Live in Poverty](#)
[Majority of Renters Live in Unaffordable Housing](#)
[CASI Receives PNC Grant](#)
[Real Services Helps Single Mom](#)
[TRI-CAP Weatherization Program](#)

[Join Our Mailing List](#)

About the Indiana Community Action Network

The Economic Opportunity Act of 1964 (EOA) established over 1,000 Community Action Agencies (CAAs) at the local level to implement EOA programs. EOA programs included: VISTA (Volunteers In Service To America); Job Corps; Neighborhood Youth Corps; Head Start; Adult Basic Education; Family Planning; Community Health Centers; Congregate Meal Preparation; Economic Development; Foster Grandparents; Legal Services; Neighborhood Centers;

The number of people in poverty in 2008 was 39.8 million, or 13.2 percent. It was the third consecutive annual increase.

The bureau added that there were 8.8 million families living in poverty in 2009.

The poverty rate for those under 18 rose from 19.0 percent in 2008 to 20.7 percent in 2009, but fewer people 65 and older were in poverty, with the percentage rate falling from 9.7 percent in 2008 to 8.9 percent in 2009.

The statistics released cover President Barack Obama's first year in office, when unemployment climbed to 10 percent in the months after the financial meltdown.

The number of people lacking health insurance rose from 46.3 million to 50.7 million, due mostly to the loss of employer-provided health insurance during the recession.

Congress passed a health overhaul earlier this year to extend coverage to more people.

The median - or midpoint - household income was \$49,777 in 2009, although the bureau said this was not "statistically different" from the 2008 median.

These findings are contained in a report, called Income, Poverty, and Health Insurance Coverage in the United States: 2009.

In other findings, the bureau reported that:

- The earnings of women who worked full time, year-round were 77 percent of that for corresponding men.
- The real median earnings of men who worked full time, year-round rose by 2.0 percent between 2008 and 2009, from \$46,191 to \$47,127. For women, the corresponding increase was 1.9 percent, from \$35,609 to \$36,278.
- Asian households had the highest median income in 2009.
- Real median income declined between 2008 and 2009 for non-Hispanic white and black households.
- Households in the West and Northeast had the highest median household incomes.
- Real median income declined between 2008 and 2009 in the Midwest and West.

neighborhood centers, Summer Youth Programs; Senior Centers; and others.

CAAs vary widely, with some being non-profit groups, others being city agencies, and some being community-controlled groups. Many CAAs vary greatly in how their agencies are organized and in the type of services they provide to their local communities. In fact, the number of CAAs has increased and it is now estimated that CAAs serve over 80 percent of all U.S. counties. Although CAAs were established over 40 years ago, they have a rich history of advocacy for and service to low-income people and remain important in domestic social policy to the present day.

There are 24 CAAs that serve all 92 counties of Indiana. CAAs periodically analyze community needs to identify strategies that will work best in attacking poverty. Each CAA is different because its programs reflect the needs of their local communities. These agencies are unique in their ability to deploy diverse program activities and services in meeting their mission. They operate an array of programs which include, but are not limited to: Head Start; the Energy Assistance Program; the Weatherization Program; Individual Development Accounts; Homeownership Counseling; Owner Occupied Rehabilitation; Housing Development; Foster Grandparents; Child Care; and many more programs and services.

To find your local CAA or to

2009 American Community Survey Shows Majority of Renters Live in Unaffordable

Housing

Source: National Low-Income Housing Coalition

Results of the 2009 American Community Survey (ACS) were released by the U.S. Census Bureau on September 28, 2010 providing information on the nation's population and its housing stock. Data show that more than half of U.S. renters lived in unaffordable housing in 2009, as rents continued to increase and median household incomes decreased from 2008. These trends have hit the lowest income renters the hardest. The data also indicate a rising demand for renting and away from homeownership, with the homeownership rate decreasing for the fourth year in a row.

The total number of renters experiencing a housing cost burden, defined as spending more than 30% of their income on rent and utilities, increased to 18.5 million from 17.4 million in 2008. This translates to more than half, 51.6%, of all renter households facing a housing cost burden, up from 50.0% in 2008. The rise in cost-burdened renter households is a result of a rise in rents coupled with a drop in incomes: Median rents rose from \$818 in 2008 to \$842 in 2009, while median renter incomes decreased from \$31,891 to \$30,576.

All income groups except those earning \$100,000 or more saw an increase in housing cost burden since 2008. Housing cost burdens continued to disproportionately impact low income renters, however, with 88% of those earning \$20,000 or less and 53% of those earning \$20,000 to \$49,999 facing such a burden. A continued loss of affordable housing units contributes to this increase in unaffordable housing cost burden among lower income renters. The proportion of rental units renting for less than \$750 declined significantly (from 42.8% to 40.4%) over the past year, while the number of units offered for more than \$1,000 increased significantly (from 33.2% to 35.4%).

The proportion of homeowner households with a mortgage who are housing cost burdened fell slightly from 2008 to 2009, from 37.8% to 37.7%. While this is likely due in part to falling interest rates and lower home prices for buyers, also contributing is the fact that three years into the housing bust the most financially distressed homeowners are more likely to have suffered a foreclosure or for other reasons no longer own their homes.

Further indication that the housing downturn has led to a decline in homeownership is reflected in ACS data that shows the homeownership rate declining to 65.9% in 2009, from 67.3% in 2006, while the percentage of families renting increased to 34.1%, from 32.7% in 2006. The proportion of households in America that are renting has increased every year since 2006.

Families also appear to be coping with declining incomes and rising rents by doubling up with extended family members or other roommates. While the average household size of owner-occupied units in the United States has not increased appreciably, among renters the average household size has increased significantly from 2.4 to 2.5 people per household. In general, the number of households with more than one person per room has increased to 3.2%, from 3.1% in 2008. In addition, the number and

To find your local CAA or to learn more about the Indiana Community Action Network or State Association, please visit www.incap.org.

proportion of multigenerational households appears to have increased by more than 200,000, rising from 3.4% to 3.6% of all households in the last year.

The American Community Survey (ACS) is an annual survey of approximately 3 million households that provides recent information on the characteristics of Americans and their households, including on the cost of homes and the ability of Americans to afford them. Data are published in the fall and winter the year after they have been collected. The Census Bureau has introduced a series of briefs based on the 2009 ACS data that highlight certain economic characteristics of the country. These economic briefs cover topics such as poverty, income, and health insurance coverage, and can be found at: http://www.census.gov/acs/www/data_documentation/2009_release/.

More information on the ACS is available at: <http://www.census.gov/acs/www>.

PNC Foundation Awards Community Action of Southern Indiana (CASI) a Financial Training Grant

On August 27, 2010 the PNC foundation awarded \$35,000 to Community Action of Southern Indiana (CASI) to provide one-on-one financial coaching, homeownership training, small business development training and case management to 148 low- and moderate-income individuals in Clark, Floyd and Harrison Counties.

The grant will also support development of an on-line training component, and provide funding for other identified programs and services as part of the agency's mission to support and empower families and communities striving for self-sufficiency.

CASI's Executive Director Fred Mitchell commenting on the award said "We are more than delighted to be selected as a recipient of the foundation grant as part of our ongoing partnership with PNC. This will allow us to expand our capacity to provide increased outreach and services to our customer base."



CLIENT SPOTLIGHT: Real Services Assists Single Mom with ARRA Funds

I wanted to share my story with you as far as how this funding has impacted my life.

Last year I returned from Maryland due to an abusive relationship in which I was dependent on him for many years.

When I returned I had to get my life back together. When I returned I had to live with my mother again; looking to gain employment like I had before I left. From the time I got back to Indiana, January to December, I was actively looking for work. I could not find any employment. In September, 2009, I got ill and was admitted into the hospital. At that time I was not working with no health insurance or other source of income other than the help from my mother. I then had to apply for assistance such as Medicaid, Food Stamps, and TANF. My daughter already had Medicaid for herself. I never really thought I could get it for myself; however, I thought I'd try because of the bill I had from being hospitalized.

Since receiving TANF my caseworker informed me that I would have to participate in a program called the IMPACT job training program; which I thought was great anyway, because I was looking for work. I went through workshops and then I was required to look for employment 18 hours a week; in which I did and still was unsuccessful. After 5 weeks of job search, we were then required to do a CWEP (Community Work Experience Program) to gain work skills. I had 14 years in the hospitality industry so I knew already what it took to keep a job but I just couldn't GET a job.

Since receiving the ARRA funding my life has completely changed. I have learned so much and have gained so many more skills that will make me even more of an asset when I have to leave here and gain employment elsewhere. Because of this funding I am able to be self-sufficient again as I was before I became involved in a destructive relationship. In May of this year my daughter and I were literally homeless; some would say it was horrible but I had to look at it as a sign for me and my daughter to move on and get our OWN place. Through Dismas House not only was I able to gain employment but I was able to gain a home for my daughter and me. And through the kindness of others; a board member of Dismas was able to help me with furnishing my whole apartment through his network of friends. A year ago today I was jobless, broke, and at times hopeless ...now I'm back to where I was years ago and it feels great. Because this funding will be running out in September, I will be back to looking for employment, however this time I will be able to market the skills I have attained here at Dismas. Had this ARRA grant not come into the path of my life, I would probably still be without a job and have no home.

Thank you to the TRI-CAP Weatherization Program

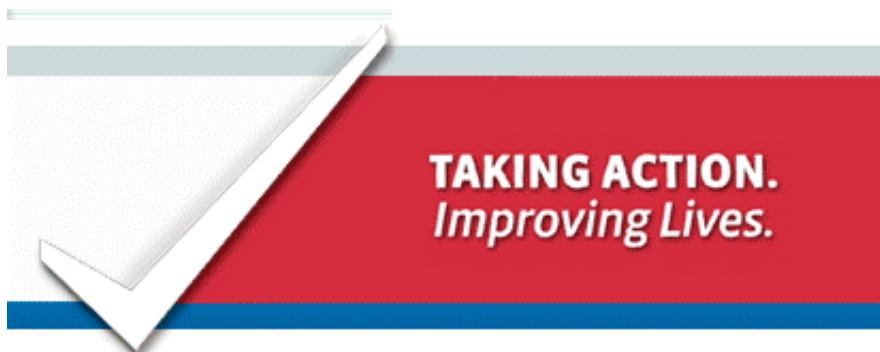


We would like to thank the crews that came to our house and worked so hard and diligently to achieve the goals of improving our home. We were so impressed with how thorough they were along with politeness and knowledge they had to answer our many questions. Their work ethic was without question the best I have ever experienced in a long time. There was NO dilly-dallying here!

They also gave a thorough examination to make sure the work was all done properly - we feel we will have a significant results and savings due to their weatherizing our home.

We again say thanks!

Andrew & Vilence Meyer



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