



[The Bright Side Episode 7: Michigan Saves](#)

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Nick Metzger Hello, and welcome to The Bright Side, the show where we shed light on the people, places and stories that make Michigan great. I'm Nick Metzger, the host for today's show. The theme of this episode is financial empowerment, or how to make, save, and use money to gain financial wealth. We will see how people and organizations in Michigan are financially empowering others by helping them to start college savings for their kids, purchase a home for the first time, get free tax preparation, learn how to run their own business, or even use coupons to save money.

Stay tuned as we start The Bright Side with Show Me The Money day, an annual event across cities in Michigan where people can go and sign up for free tax assistance, meet with representatives from local banks and colleges and attend free money workshops.

---Show Me The Money Day---

Mario Booker Well my wife seen a flyer yesterday and said, "We should go here, we need to get the information" because they help not only with just showing

homes, but with credit reports and there are vendors here for financing and basically it's an all-encompassing place for us to be at to get everything that we need to move forward if we want to proceed with homeownership, which is our goal for the year.

Carlos Cisneros Today is our second annual Show Me the Money event, and this is an opportunity for us as a way of kicking off tax season, also kicking off the opportunity for folks to buy rehabbed houses in the city of Flint.

Luis Garcia Guess what? We have face-to-face *free* tax help if you make less than \$49,000... \$50,000 a year. The thing that I really want to emphasize is *free. Free. It is free. You can do your taxes for free.*

Carlos Cisneros The first thing is we want to help people do their taxes so they can get their refunds, and then maybe with a part of their refunds they can use some of that to consider either becoming a first time homebuyer or to buy a rehabbed house and then possibly also to consider opening up a savings instrument with one of our banks or credit unions so they can improve their lot in life.

Joseph Taylor My favorite part about helping prepare taxes – I'd say I have two favorites. First of all, there's the wonderful volunteers that I get an opportunity to train in taxes. And second of all, I get to help people who really need that help and who really need the Earned Income Credit so that they can do some other things. They may need to save it for their children's education. They may need to buy a car so that they can get back and forth to work. That... you know, and I think just the volunteer part of it, it really feels good to help others who need your help.

Nick Lynch I'm with Central Michigan 2-1-1. Today specifically we are signing people up for free tax appointments in the capital area. There's some great programs here. Food services from Northwest Initiative, another great agency downtown.

Azolarie Hinton Show me the money day. Alright.

Rep. Stacy Erwin Oakes Show Me the Money Day is an annual event intended to provide free and sound financial guidance through workshops and presentations.

Marsha Cooley We have vendors, 23 different vendors. We have everything from home maintenance to financial institutions to the colleges are here. So there's a lot of different information on financial matters, education, home repair, that type of thing.

Azolarie Hinton It was interesting, had a lot of good topics that I wanted to hear about.

Marsha Cooley We've already had people ask if we're going to do it again.

Want to bring Show Me the Money Day to your community?
Visit showmethemoneyday.org

Nick Metzger Next we head to Battle Creek, where more than 200 students will present their businesses at the Generation E Institute student business showcase.

---Generation E Institute Student Business Showcase---

Cheryl Peters We start out teaching young people how to dream, and asking them what would they love to do, what do they like to do, where do they feel they have a talent, where do they feel they have an ability.

Lulu N. We're L and N's Hair Accessories.

Nshendi S. We came up with the idea because we live in a small community and there's not really big fashion stores around it, so we decided to start selling hair accessories. And we make all of them by ourselves.

Lulu N. We YouTubed and Googled how to make different types of bows, like cheer bows and stuff.

Cheryl Peters This is our 7th annual Generation E student business showcase. There are 170 businesses here today. There's 235, I believe, students because some of them are sole-proprietor and some are partnership businesses.

Martin O. The name of my business is called Thirsty's. It's a business that we created for our marketing class. My business is a partnership. We basically sell our lemonade at sporting events at Berrian Springs High School. It's something really cool because there's not many concession stands in Berrien Springs. There's some, but they're not always open and on hot days, when it's really hot, people usually take some nice lemonade.

Hannah S. My teacher taught me. She went through the steps with me about the business plan, about how to develop my business and find something that I really care about. And it'll really help me develop more in my learning as well as different money management and stuff like that. So Generation E is such a great program to go through if it's offered.

Cheryl Peters And a Generation E program is either in a school or it's a community organization. Any program where there's a certified educator or facilitator who uses the Generation E curriculum.

They write that business plan. They do all their market research and they end up with an operational business.

Glen D. We are basically a matching service for humans and animals. We make... we find your animal friend for life. Well, my dad is a veterinarian, so I figured that might as well follow something in the family business, if you will.

Cheryl Peters We have one in Battle Creek who's been in business for seven years and employs thirteen other people.

Last year or the year before, I can't remember, we had an organic goat's milk business come and they brought the goat, so we had the goat here. And the young man sold shares of his goat. And he's turned around and bought more goats, and it's now become a family business.

Andrea F. I think it just brings happiness to everyone, having a cupcake. But I really enjoy baking, too. It's one of my favorite things to do.

Hannah S. My grandmother actually taught me how to make these. They've been made in my family for multiple generations, so.

Martin O. We went to three sporting events so far and out of the three sporting events, we sold out one time, which was really good. We sold everything out and we made a pretty decent amount of money.

Andrea F. I've done pretty good on the caramel corn. I've sold out.

Lulu N. It's something fun that we enjoy, and we can make money off of it, so.

Cheryl Peters So when they get all done, whether they want to be that entrepreneur right away or they want to be an intreprenuer, an employee, we feel that we are contributing and helping them be that better employee, more employable.

Generation E Institute
genei.org

Nick Metzger Financial Opportunity Centers offer financial education, employment services, and public benefit access all in one location. Rather than traveling across the city to individual organizations for individual services, financial opportunity centers are helping people meet their goals by having the services in one place.

In the next segment, we will hear more about these centers and visit the LINC Opportunity Center in Grand Rapids.

---Financial Opportunity Centers---

Sonja Dean A financial opportunity center is an opportunity to bundle services to help families move on the trajectory out of poverty. And so those bundle services include workforce development assistance, financial coaching, and benefits access in one single location.

I think one of the benefits of this model is that individuals can go to one place to get all three of these services, as opposed to having to go across the city or across their community to access each piece of this.

Under the Michigan network, we have sites in Kalamazoo, Grand Rapids, and Battle Creek. We are looking to expand the model into Flint.

---There are also 9 Centers for Working Families in Detroit!---

Vanessa Romero I mean, we've got a ton of successes that we... we have a young lady that – her name is Phyllis – that came to us. She was homeless, no job, and now she has an apartment through us. She has a job, and is moving toward correcting her credit so she can move forward.

Jeremy DeRoo Financial Opportunity Center means that we work with families to help improve their financial position. We really work with families to meet them from wherever they're started to help them achieve their definition of success.

The core to the center is the financial coaching, so it's meeting with this one-on-one coach that we call them a financial coach, but they're really almost a life coach. They're really there to listen to people, help them determine what their next step is in their path and the journey that they're taking.

Vanessa Romero What takes place on your first visit is that we call that a get to know session. We're not asking you to fill out any paperwork. We want to know what you want to do. So I would ask you questions on how is your family, what's your family life like, are you satisfied with your career. What're the things that you want to see for your family?

We're also going to ask questions about your health and wellness, what would you like to see in your community. So we're going to cover all of these bases on what we call an assessment.

Your second visit when you come in with us after you come and sit down and kind of go over in detail that assessment that you've got, we're going to then create what's called a success plan. And in that success plan you actually get – it's a book that you actually get – that has all of your goals already written out for you and the steps that

you need to take to get to those goals. You'll get a copy of that and you'll also get a checklist for each of those sections that we put in.

Whatever that goal is that you put in that success plan, the coach is going to help you to meet that goal. We're going to sit down with you and create those steps that you need to do to get that plan.

Jeremy DeRoo One of the families that went through, she actually came to the organization first looking for an apartment. And she was unemployed, and so she applied for one of our housing units and didn't qualify. But rather than saying no, she got referred to the Financial Opportunity Center, so she was able to meet with a coach and really heard about what her plans are. And what her dream and her goal is to be able to open a catering company, but before she could do that she needed to make ends meet for the meantime.

---After meeting her coach, she was able to start getting experience by working at a restaurant.---

Jeremy DeRoo She's working with a coach to start the budget for school so she can go back to get a degree in culinary arts to prep her for that goal of eventually being able to open her own business.

Sonja Dean In 2011, 3,000 families were able to find employment through the Financial Opportunity Centers model.

---6,300 established budgets to help them plan for the future.---

Financial Opportunity Centers
lisc.org/foc

LINC
lincrev.org

Nick Metzger Now we will stop by the University of Michigan, where Olivia Courant will talk with Assistant Professor Trina Shanks about a strategy called asset building and how it can help people be more financial self-sufficient.

---Special Guest Trina Shanks
Associate Professor at the University of Michigan---

Trina Shanks My name is Trina Shanks.

Olivia Courant And Trina, what do you do here at U of M?

Trina Shanks Well, I'm an Associate Professor, so during the school term I teach classes and then I also have research projects. So most of my research projects are helping low-income families save, particularly children saving for college. And so those are the kind of research projects I do, and also some youth employment things in the City of Detroit.

Olivia Courant So what is asset building for someone who's never heard of it before?

Trina Shanks Well asset building is strategies for helping people to accumulate assets and build wealth over time. So for example, if someone has no income – or low income – and no wealth, and they don't have much money in a savings account, asset building will help them first of all start to save and eventually perhaps purchase a home or start a business or have retirement savings that they didn't have before.

Olivia Courant Tell me some of the basic strategies behind asset building to get people to save more and build wealth.

Trina Shanks Well oftentimes it starts with financial education classes to help people learn how to budget their current resources better, but then once people realize that they can save and they don't have to spend everything that they have, oftentimes there are incentives for people to save more for particular purposes. So oftentimes whatever people are able to save, it's matched two to one or three to one or one to one. For every dollar, they make an extra dollar or two dollars to help them reach their savings goal more quickly.

Olivia Courant What is an IDA?

Trina Shanks Well, an IDA is an Individual Development Account. So Individual Development Accounts are short term, usually three to four to five years depending on the program, saying that we will match whatever money you save two to one, three to one, sometimes high as five to one. But usually a two to one match is the typical one. So for every dollar you save, you get two dollars. And as you save money over time, usually there's a limit of maybe \$2,000 or \$3,000, but once you save that, we'll match everything you do and that will help you reach your asset building goals more quickly.

The most popular use is homeownership. So you quickly have a down payment for your home. If you save \$3,000, you have a \$3,000 match. That's \$6,000, which for most people they aren't as likely, particularly low-income, to save on their own.

Olivia Courant How do I get an IDA? I can't just walk in to a bank and ask for one, right?

Trina Shanks Well usually they aren't offered directly by banks. IDA accounts are usually offered by community based organizations. Oftentimes Community Action Agencies have IDA accounts. But I think the most interesting thing now is it went from a kind of theoretical idea to a test pilot in certain places in the US between 1998 and 2003, but then the US Government, the Department of Health and Human Services, actually has said, "We want to make this a federal policy."

So now if someone at a local level wants to offer IDA accounts for their community, they can apply to the Assets for Independence program and get a grant to provide IDA accounts in their communities. So if someone was interested in who in their community received these grants, they can look up at the HHS ACF website under Assets for Independence and see if there's any programs in their local area.

Olivia Courant Trina, you specialize in asset building for youth and children. What does your work in that area involve?

Trina Shanks Well, my work has been in two different areas. So one has been doing empirical research using national representative data to see if households that have wealth and assets, if their children do better. And so the research has showed particularly on test scores and on the likelihood of graduating high school and going on to college, families that have more assets, their children do better academically.

So if you look at a low-income, a middle-income, and a high-income household, their vocabulary scores... So for low-income it might be right here, about 300. For middle-income it might be right here, about 700 words. And for higher income it's like 900 words. And so, early as two or three, children start to get behind even before they're in school. And even though we know that specific research for income, it's even worse when you take in wealth inequalities and so in my opinion, if you can start building assets early, and if you can help families and children to one, have economic security, but two, to have the expectation to go to college, it will help our country do better over time.

So not only are people less likely to live paycheck to paycheck and have an emergency throw their economic situation asunder, what you can do is now that you have more economic security, you have children with more stable lives over time, which makes it more likely for them to do well in school and to go on to college and to be productive citizens.

Trina Shanks

Associate Professor at the University of Michigan

Apply for an IDA grant or find an IDA project near you:
idaresources.org

Nick Metzger Coming up next, find out what the Earned Income Tax Credit is, how it works, how families can use it, and how they can claim it on their income taxes.

---The Earned Income Tax Credit---

Megan Kursik The Earned Income Tax Credit, or EITC, reduces the tax burden of working families. The EITC is a refundable tax credit, so if the credit that you qualify for is more than what you owe in taxes, you get the additional amount back in your tax refund.

To get the EITC when you file your taxes, you have to meet some requirements. The two most important requirements are:

- 1) You must have earned income from a job.
- 2) You can't make more than a certain amount of money.

This ensures that the EITC helps only the people who need it most: working individuals and families, especially those with children.

Here's how it works:

Meet John.

John is a single parent who works full time at a local business, where he makes \$30,000 a year. He works hard to support his daughter Natasha, and he pays federal and state taxes.

After paying for groceries, the rent on his apartment, gasoline to drive to and from work, and daycare for Natasha, there is little money left over – let alone money for emergencies, Natasha's college savings, or future homeownership.

This is where the EITC helps John and his daughter Natasha.

John finds out about the EITC and goes to the IRS website to see if he is eligible. He makes \$30,000 a year, so he qualifies for the EITC as a single parent with one child.

When John files his taxes he makes sure to claim the EITC. In his situation, the EITC credit is more than what he owes in taxes. He gets the extra amount back in a tax refund. The extra boost from the tax refund helps John support himself and his family.

The majority of people spend their EITC refund on groceries, transportation costs, utility bills, and paying down debt. The EITC also strengthens communities. When people spend their refund, it helps local merchants and spurs the economy.

You can find out if you qualify for the EITC at irs.gov/eitc. Make sure you get the full amount of federal and state refunds you worked hard for by having your taxes prepared *for free* at a VITA site. Visit michiganeic.org to find a VITA site near you.

Nick Metzger If you want to save money right now, have you ever thought about using grocery coupons? Coming up are practical tips on how to get started, what to do with your coupons, and what to avoid so you don't waste money.

---Extreme Couponing
Tips from the Asset Independence Coalition---

Amber Paxton Hi, I'm Amber Paxton. I work for the Asset Independence Coalition, which does free income tax preparation and financial education in Eaton, Clinton, and Ingham counties.

We are at the Rite Aid in Frandor to talk about extreme couponing. Extreme couponing is something that's very easy to learn how to do and it can be something you just spend a couple hours a week on or many hours a week, and you can save as much as 40% or more on your expenses on your home by shopping using extreme couponing.

I have some top tips for you. And one of those is my favorite tip, which is if you are doing a buy one get one free, then you can actually use two coupons. The store considers you to be buying two products and so this week at Rite Aid there are a ton of buy one get one frees. What that means is if you can find a printable coupon, for instance online, you can print two of them as long as there's not a limit of one and you can use both of those to get both items for less price.

Stacking coupons is the best way to get the best deal, and the way that you stack coupons is to know that you can use one manufacturer coupon, one store coupon and a sales price all at the same time, and we call that the perfect storm. So you can use a coupon that's in either your store's website or their paper ad, combined with a manufacturer's coupon, combined with a sale.

So for an example, if Kellogg cereals were on sale at Meijer for \$2.50 a box and you had a manufacturer's coupon that was \$1.00 off three boxes and there was a store coupon for buy two get one free Kellogg Cereals, you could use all three of those at the same time, and that's the way to maximize your savings.

When you can find really good deals the key is to buy as many as possible as you can get at that deal. Now often it's limit four or something of that nature and you need to check, but what I do is stock up, especially on paper products. So I have a shelving unit in my garage that contains paper products, cleaning products, anything nonperishable that I've stockpiled. And what that does is that makes it so about

every fourth shopping trip I do, I spend about half as much because I'm relying on my stockpile.

Okay, let's talk about what not to do. What you shouldn't do is buy things just because you have a coupon, because frequently the generic brand of a particular item will still be cheaper than the price of a name brand with a coupon, and you need to be careful of that. The second thing is don't buy something that you would not normally buy. In other words, something you're not going to use, unless it's free. Then buy it anyway and give it away.

And you must be watching the register as things are rung up, and if a certain coupon doesn't work and you wouldn't have wanted that item at that price, then ask them to return it. It's really not an issue for the store to be willing to do that, and we don't want you to end up spending money and feeling regretful on the way out of the store.

So some of you may be wondering why we're talking about grocery store coupons but we're standing in front of Rite Aid, and the answer is that you can actually make money here using extreme couponing. The reason is they have a Rite Aid Plus Up rewards card here and if you don't already have one you should go into the store and get one. If you go to crazycouponlady.com, she has an extreme couponing at Rite Aid section every week. It's generally posted on Saturday night and it's for the following week and that one will show you how to get about \$20 in product every week for about \$5. But what Plus Up rewards do is they give you cash back on your next order, so you can use those Plus Up rewards to use that to be the \$5 you spend to get \$20 in product and actually walk home with \$20 in free product in a given week.

So those are my extreme couponing tips. If you'd like more information or would like to know more about Asset Independence Coalition's other financial ed classes or to attend an extreme couponing class, just give us a call at 517-256-1466 or email me at aic.midmichigan@gmail.com.

Asset Independence Coalition
assetindependencecoalition.org

Nick Metzger Financial empowerment and asset building in Michigan are helping people increase their financial wealth. From youth starting their own local businesses to Financial Opportunity Centers, people are finding a way for a brighter future.

Thank you for joining me, Nick Metzger, on The Bright Side. If you would like more information on today's show or to suggest an upcoming episode, or even watch today's episode again, please visit brightsidetv.com.

---Outtakes---

Sonja Dean In 2011, 6,300 families were able to establish budgets to help them...
[looks at paper] plan for their future.

Olivia Courant Cut! [laughs]

Sonja I know. Yup.

Olivia Courant Alright, so, first thing...

Martin O. [ducks head and starts laughing]

Olivia Don't worry!

Nick Metzger Have you ever thought?...

Olivia Courant I have, actually! I have thought.

Nick Okay!

Olivia Courant Give me some of your top tips.

Amber Paxton Oh my gosh, I didn't look at that slide. Hold on.

Dog [walking slowly toward camera]

Olivia Courant [sighs] Can't you move any faster? Geez!

---Credits---

Host

Nick Metzger

Producer

Olivia Courant, CEDAM

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Music

Tyler Vander Maas – The Bright Side Theme

Kevin MacLeod – “Happy Alley,” “Honey Bee,” “Airport Lounge,” “Jarvic 8”
(incompetech.com)

Dan-O Songs – “The Lady of Vastness” (danosongs.com)

stellarartwars – “116 – 80’s pop stems”

hjcrbass – “Bossa Nova Loop”

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