

WHITE PAPER

The Meal Gap under the Microscope:

New York City Families at the Intersection of Food & Financial Insecurity



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Executive Summary

The Financial Insecurity-Food Insecurity Connection

Sara Amaya, a single mother of four in the Bronx, is one of the lucky ones: she can get help from family members when there is not enough food. With two children in high school and two in elementary school, she works hard to take care of her family. But even putting in eight-hour shifts six nights per week, her restaurant job was leaving her short of meeting her household's expenses by more than \$280 every month.

The Bronx has one of the highest levels of poverty and food insecurity in the countryⁱ, and in this high-need borough, Ms. Amaya is not alone among public school parents struggling to provide for their families and make ends meet. But Ms. Amaya had access to financial coaching through her children's school, and after meeting with a financial coach trained to address issues prevalent among low-income households, she enrolled in the Supplemental Nutrition Assistance Program (SNAP, formerly known as the Food Stamp Program). These food benefits have given her a positive household budget for the first time. Ms. Amaya is now working with her financial coach on establishing credit and saving toward her children's education – starting with developing a plan for the tax refund she expects to receive this year.

In New York City, where costs of basic household expenses are exceptionally high, financial insecurity and food insecurity are inextricably linked. After accounting for rent, MetroCards and utilities, a family's food budget may be determined not by what is needed, but by what is left over. This lack of financial resources for food results in a *Meal Gap* that in New York City amounted to more than 250 million meals in 2012.ⁱⁱ

Research shows that financial capability and food security are linked; even at low incomes, families that are better able to manage household finances are less likely to experience food insecurity.ⁱⁱⁱ

Bringing Financial Empowerment to Schools: The Power of Partnership

This connection between financial capability and food security is the space that Financial Services in Schools (FSS), a new program of Food Bank For New York City (Food Bank), fills. By aligning vital partners and resources, FSS meets parents where they are, and concurrently helps to address the underlying conditions of their families' food and financial insecurity.

Ms. Amaya's children attend a Community Learning School (CLS), a public school where, through an initiative of the United Federation of Teachers, a dedicated staff person coordinates services to address the non-academic needs of students and their families. Because many conditions associated with poverty pose barriers to learning, CLS and Food Bank partner to

ⁱ American Community Survey. United States Census. 2013; Gundersen, C., E. Engelhard, A. Satoh, and E. Waxman. *Map the Meal Gap 2014: Food Insecurity and Child Food Insecurity Estimates at the County Level*. Feeding America, 2014.

ⁱⁱ Gundersen *et al*, 2014.

ⁱⁱⁱ Gundersen, C. and S. Garasky. "Financial Management Skills Are Associated with Food Insecurity in a Sample of Households with Children in the United States." *The Journal of Nutrition*, 2012. Consistent with the definition used by the Consultative Group to Assist the Poor (CGAP) and other organizations engaged in this work, this paper uses the term "financial capability" to mean "the combination of knowledge, skills, and behavior to manage one's money well and make the best financial decisions possible, given one's economic and social circumstances."

connect parents at participating schools with financial education workshops and one-on-one financial coaching sessions. The financial coaches leverage Food Bank's existing expertise and resources for food and nutrition benefits, so immediate needs can be addressed and parents can then focus on financial issues.

The partnership brings together the best of the public and private sectors. The New York City Department of Consumer Affairs' Office of Financial Empowerment (OFE), created in 2006, has spent nearly a decade engaged in continuous improvement of financial empowerment services across the city. OFE worked with Food Bank to adapt its financial coaching model, offered at dedicated Financial Empowerment Centers and through select non-profit service providers, for the school-based setting.

Citi brings crucial support and vision for this program. Longtime leaders in expanding financial empowerment and building financial capability among low-income households, Citi's early support for the Financial Empowerment Centers enabled OFE to demonstrate success and secure City funding to make Financial Empowerment Centers permanent.

Poverty Hidden in Plain Sight

In the first ten months since its launch in March 2014, FSS has provided one-on-one financial coaching to 254 public school parents in communities with some of the City's highest rates of food insecurity. Collectively, this group opens a window into the realities of a New York City where poverty may look no different than a working parent who drops her child off at school and goes about her day. Of the first 254 parents to receive financial coaching:

- 80% are female;
- 77% are Latino/a;
- 74% have no more than a high school education; and
- 79% participate in at least one public benefit program (including 76% receiving SNAP).

Approximately three in five (61%) are employed at least part-time, but more than half (54%) earn less than \$1,500 per month. Participants' average monthly income is \$1,448, but their household expenses exceed their income by, on average, \$335 every month. More than two-thirds (69%) of participants have no savings, and more than half (57%) reported carrying debt, with approximately one in four (27%) having debt of \$5,000 or more.

More than half of parents (57%) were found to have experienced food insecurity in the 30 days prior to their first financial coaching session. This is approximately four times the rate of household food security seen in New York State overall (14%).^{iv} Not only is this breadth of food insecurity remarkable, its depth is shocking: 21% have *very low household food security* – meaning that within the previous 30 days, they had so little food that they had to take such measures as reducing their food intake and/or skipping meals. Very low food security was present in only 5.2% of New York State households at any point in 2013.

High Need, New Access

The evidence of need among the parents reached by FSS is clear and disconcerting, and preliminary data shows that the program is reaching a population that might not have accessed financial empowerment services were they not offered in their children's schools. A

^{iv} Coleman-Jensen, A., C. Gregory and A. Singh. *Household Food Security in the United States in 2013*. United States Department of Agriculture, 2014.

demographic comparison of FSS parents with New Yorkers accessing financial empowerment services through Financial Empowerment Centers and other non-profit partners brings to light key differences.

While both the FSS program and Financial Empowerment Centers are more likely to attract women than men, approximately three in four FSS parents (77%) are Latino/a, a far greater proportion than those accessing Financial Empowerment Centers (33%) and select non-profit partners offering these services through a special Capacity Building Initiative (23%). FSS parents report similar rates of workforce participation, but also include a substantially higher proportion of stay-at-home parents (18% in FSS; 1% or less in other settings).

By promoting and offering one-on-one financial coaching in school-based settings in high-Meal Gap communities, FSS is reaching parents who are primarily Latina, and many of whom are working. Because parents already factor time spent at their children's schools into their lives and budgets, offering services at the school itself allows Food Bank to meet both stay-at-home and working parents where they are.

Moving Forward: What's Next?

This was just the first ten months of the program's pilot year: Food Bank has reached out to thousands of parents, engaged hundreds in financial coaching, and observed dozens returning for additional coaching sessions. The model for offering financial coaching in schools is strong, and the signs are positive that parents appreciate this program and what it can do for their families.

Many lessons have been learned already that give the program strong footing to move forward. Coaches have learned, for example, that one-on-one sessions are more effective than small-group workshops. They have also figured out more effective ways to first broach the enormous topic of financial capability to give parents a more familiar setting in which to approach these issues. School and community partnerships are at the core of Food Bank's program model, and they will continue to inform where and how FSS is implemented.

As more data are collected and more parents fully participate in the financial coaching services, outcomes will become a central component of success. And with more expansive data collection will come the opportunity for program evaluation and review, ensuring the Financial Services in Schools program's success and strength for the future.

Long-term goals for the parents look toward becoming financially and food secure, and focus on what financial coaching means for food security. Outcomes of interest include:

- Decreasing the difficulty in affording needed food;
- Decreasing the tradeoffs between food and other expenses;
- Decreasing household financial stress;
- Increasing household food security; and
- Increasing planning and saving for children's higher education goals.

More broadly, this program represents a critical next step in understanding the impacts that financial coaching and capability have on food insecurity. The Financial Services in Schools program has the potential to offer empirical data connecting financial capability with increases in household food security. This information could impact the way income insecurity and food insecurity are addressed across the country.

Introduction

In New York City, 1.4 million people, or nearly one in five, are at risk of hunger – for many, the existing resources just aren't enough.¹ After Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamps) benefits were cut in November 2013, New York City's food pantries and soup kitchens have faced such high demand that in September 2014, the majority reported running out of food at some point in the month; many were so overwhelmed that they had to turn people away.²

In the United States, food insecurity is largely a product of poverty – it is generally a lack of financial resources for food, rather than the availability of food, that forces sacrifices in both the quality and quantity of food families consume. Nevertheless, poverty alone fails to explain food insecurity – given equal resources, some households fare better than others. Research has identified one possible factor to explain this: the association of food security with financial capability.³

At first glance, the connection between food insecurity and financial insecurity seems intuitive. Less intuitive might be the connection between financial *capability* and food insecurity. Or financial capability, food insecurity, and education. Or any number of concurrent challenges that lower-income families face but may not have the resources to address. These connections between financial capability and more traditional social service needs aren't always obvious, until suddenly, they are.

Sara Amaya, a single mother originally from Central America, lives in the Bronx, working eight-hour shifts, six nights a week at a restaurant to raise her four children in one of the most food-insecure parts of the country. She is one of the lucky ones, receiving help from family members to put enough food on the table when things get hard. But she still struggles, with her household expenses exceeding her income by more than \$280 each month. She wants better for her children. Drawn to Food Bank's Financial Services in Schools program to learn more about budgeting, Ms. Amaya applied for and began receiving SNAP benefits. With this new support for purchasing food for her family, she has a positive budget for the first time, and now, she is ready to take the next step towards her own financial empowerment. By working with Food Bank's financial coach to make a plan for her expected tax refund, open a savings account and begin establishing credit, this mother will be able to start saving for her children's education. Through the financial coaching program, she is now able to make the connection between food and income insecurity, and is on her way to overcoming both, and giving her children a strong foundation from which to grow.

Anti-hunger organizations have long offered programmatic interventions to improve household food security, and anti-poverty organizations have services to alleviate household financial stress through debt reduction, credit repair, financial education and the like. This white paper explores the need for holistic integration of this work, and details the unique public-private partnership that has developed and implemented financial empowerment services in New York City public schools.

¹ Gundersen, C., E. Engelhard, A. Satoh, and E. Waxman. *Map the Meal Gap 2014: Food Insecurity and Child Food Insecurity Estimates at the County Level*. Feeding America, 2014.

² *The Hunger Cliff One Year Later: 56 Million Meals Lost, Need for Emergency Food Remains High*. Food Bank for New York City, 2014.

³ Gundersen, Craig G. and Steven B. Garasky. "Financial Management Skills Are Associated with Food Insecurity in a Sample of Households with Children in the United States." *The Journal of Nutrition*, 2012. Consistent with the definition used by the Consultative Group to Assist the Poor (CGAP) and other organizations engaged in this work, this paper uses the term "financial capability" to mean "the combination of knowledge, skills, and behavior to manage one's money well and make the best financial decisions possible, given one's economic and social circumstances."

Poverty Hidden in Plain Sight

By virtually every measure, hunger in New York City is at a crisis point: more than 1.7 million New Yorkers participate in SNAP to help them purchase basic food necessities⁴; almost 1.4 million New Yorkers rely on emergency food assistance to meet their basic nutritional needs⁵; and approximately 79% of the total New York City public school population, are from families earning so little income that they qualify for free or reduced-price lunch.⁶

Food insecurity is measured by the United States Department of Agriculture (USDA, the agency that administers SNAP) with three categories: food security (all household members have access to adequate, healthy food at all times); low food security (reduced quality, variety or desirability of food); and very low food security (evidence of disrupted eating patterns and reduced food intake). Households are classified as food insecure if they fall into the second or third group.⁷

One key metric is the Meal Gap, which represents food insecurity as a number of missing meals that result from insufficient household resources to purchase food. New York City had a meal gap of 250 *million* in 2012, with 17.4% of residents categorized as food insecure.⁸ Food Bank For New York City tracks the meal gap in each community district to map the areas of greatest need. In the Bronx, 50% of community districts have a meal gap of 4 million or more meals, for a total of 53 *million* missed meals in the borough annually. The Bronx only has about 1.4 million residents,⁹ but a borough-wide food insecurity rate of 21.8%.¹⁰ Bronx County also has one of the highest rates of child food insecurity in the country.

The rest of the city's highest-need community districts are faring no better. When *all* New York City boroughs are analyzed together, almost one in four children is food insecure.¹¹ Families with children are at greater risk of income insecurity to begin with: 59% of New York City families with children live in households with inadequate income, and that rises to 65% when there is a child under the age of six.¹²

These families earn so little income that there are times when they cannot afford enough food for basic health and living. Even when emergency food, supplied through food pantries, soup kitchens and other community-based charities, is accounted for, there is still an annual shortfall of more than 100 million meals in the city.¹³

⁴ "HRA Facts: November 2014." New York City Human Resources Administration, 2014.

⁵ *Hunger's New Normal: Redefining Emergency in Post-Recession New York City*. Food Bank for New York City, 2012.

⁶ *Demographic Snapshots*. (2014). New York City Department of Education. While New York City eliminated the reduced-price category for school meals, opting to offer those students free meals as well, federal reimbursements for those meals differ based on a student's eligibility for the free or reduced-price category.

⁷ "Definitions of Food Security." United States Department of Agriculture, 2014.

⁸ Gundersen *et al*, 2014.

⁹ State & County QuickFacts 2013. United States Census Bureau.

¹⁰ Gundersen *et al*, 2014/

¹¹ *Ibid*.

¹² Pearce, Diane M. *Overlooked and Undercounted: The Struggle to Make Ends Meet in New York City*. Women's Center for Education and Career Advancement, 2014.

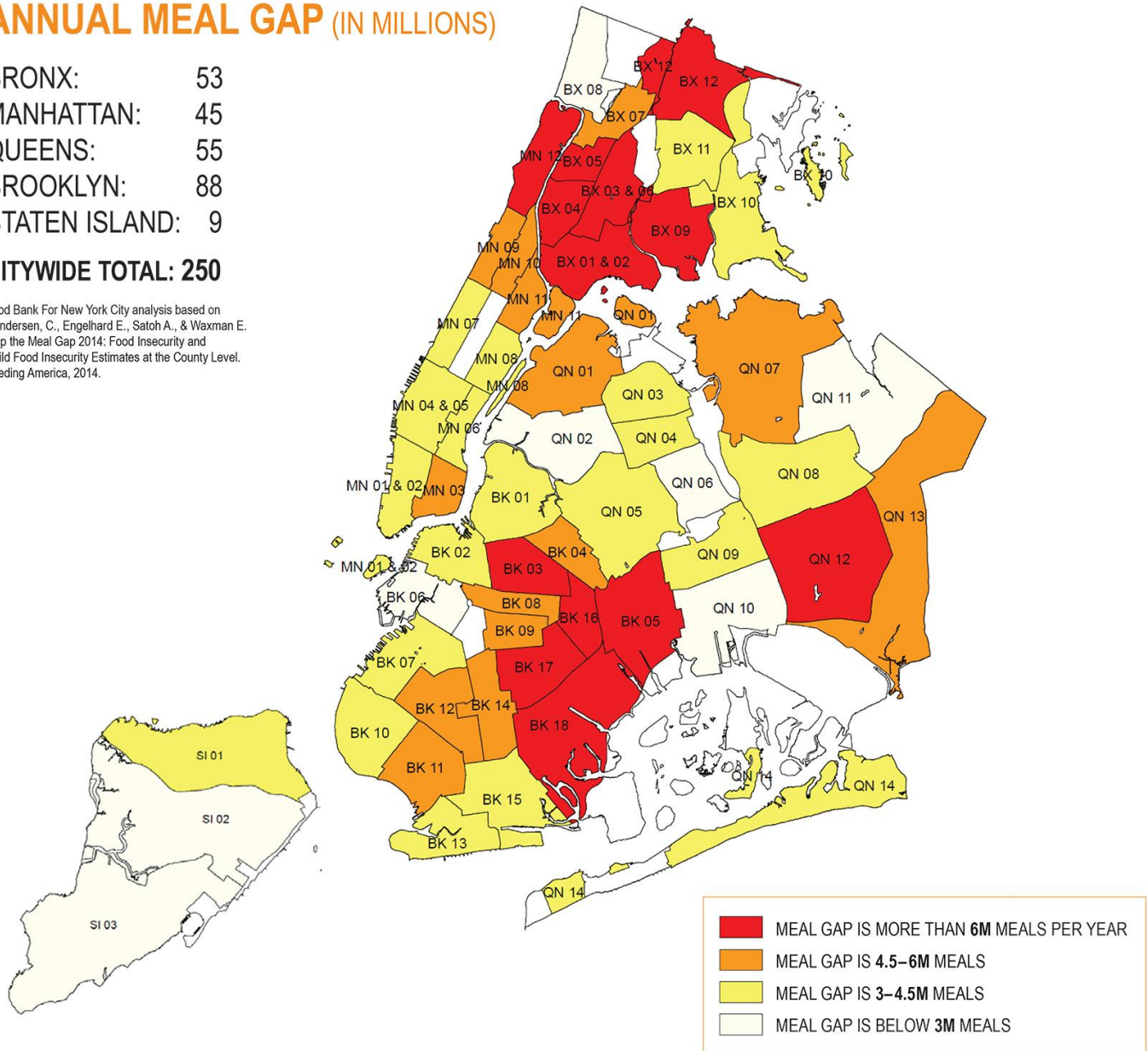
¹³ *The Hunger Cliff One Year Later: 56 Million Meals Lost, Need for Emergency Food Remains High*. Food Bank for New York City, 2014.

Meal Gap by Community District

ANNUAL MEAL GAP (IN MILLIONS)

BRONX: 53
 MANHATTAN: 45
 QUEENS: 55
 BROOKLYN: 88
 STATEN ISLAND: 9
CITYWIDE TOTAL: 250

Food Bank For New York City analysis based on Gundersen, C., Engelhard E., Satoh A., & Waxman E. Map the Meal Gap 2014: Food Insecurity and Child Food Insecurity Estimates at the County Level. Feeding America, 2014.



Food insecurity doesn't occur in a vacuum. Food needs compete with other costs of living, including housing, child care, health care and transportation. The Self-Sufficiency Standard, a measure of the income needed to afford basic household needs, shows that more than two out of five New York City families (42%) have inadequate income to afford the "basic necessities" for survival.¹⁴ For comparison, only 17% of New York households (not counting elderly or disabled) live below the federal poverty level.¹⁵ That's quite a gap to fall into for families struggling to make ends meet.

¹⁴ Pearce, 2014.

¹⁵ *Ibid.*

An overwhelming number of New Yorkers living below the Self-Sufficiency Standard are minorities: 78% in total, including 36% Hispanic and 25% African-American. More than half (53%) of all households with insufficient income have children. At least one in four households in every borough lives with insufficient income, and every borough has at least one neighborhood where more than half of the population is income inadequate.¹⁶ (Note that this is a likely underestimate as elderly and disabled households are excluded from the analysis.) Approximately four in five (81%) of New York City households living below the Standard spend more than 30% of their income on housing; 30% or less is the generally accepted cost of “affordable” housing.¹⁷

And according to recent city data, almost *half* of New Yorkers live in poverty or near-poverty conditions.¹⁸

The challenges faced by low-income households are interconnected, and effective, long-term solutions require thinking holistically.

The Financial Empowerment Connection

Holistic integration of services represents a critical response to the intersecting problems of food and financial insecurity that far too many New Yorkers continue to face. Organizations have made great strides in connecting the dots between the key areas of need to help households in crisis. The next logical step, then, is to help low-income families move beyond financial crisis and into financial stability.

Food Bank For New York City, for example, has integrated nutrition education into high-need public schools with its CookShop program, and operates the free Tax Assistance & Financial Services Program that helps tens of thousands of low-income households obtain the tax credits and refunds to which they are entitled. Through the Tiered Engagement Network (TEN), Food Bank enables member charities to refer clients to many of the “beyond food” resources they need to find stability.

While income supports are one thing, longer-term financial health is another. Why is increasing financial capability important for families with such limited incomes?

Because the less a family has to start with, the more that family needs to know how to work with what they do have. Financial coaching services are absolutely essential for low-income households; in many ways, they are essential *especially* for these households. With limited sources of income but similar expenses as other families (rent, food, utilities, transportation, child care, and so many others), knowing how to manage their finances is critical to not merely staying afloat, but to finding stability.

Every day, Food Bank staff see far too many families who live without a household budget. They exist from crisis to crisis, never having the financial breathing room to plan. With such precarious finances, a single misfortune can cause irrecoverable harm. Many people come to Food Bank in crisis, and those crises must first be addressed before families can even begin to consider their longer-term financial situation.

Income supports can to help alleviate the stress on limited household resources, but widespread myths surrounding benefits like SNAP must first be overcome. Misconceptions about immigration

¹⁶ *Ibid.*

¹⁷ *Ibid.*

¹⁸ *The CEO Poverty Measure, 2005-2012: An Annual Report from the Office of the Mayor.* The City of New York, Office of the Mayor, 2014.

status, for example, are common, and parents often do not realize that their children may be eligible even if they are not. Food Bank's financial coaches report that some immigrant clients have shared an unwillingness to apply for SNAP because they have been told they will have to pay back the benefits once they are granted citizenship.

Recent research has found that people with stronger financial management skills are less likely to be food insecure compared to people without such skills.¹⁹ These findings were consistent at all income levels, which underscores the importance of how financial counseling and coaching can help low-income households stabilize their financial and food security levels. Helping bring increased financial capability to New Yorkers struggling to afford food, Food Bank's Financial Services in Schools (FSS) program offers a glimpse of this intersection between food and financial insecurity.

The Financial Services in Schools Program

The Financial Services in Schools program is an approach to offering low-income parents comprehensive financial empowerment services to help them reduce household financial stress and improve their food security. FSS capitalizes on the relationship that exists between parents and their child's school. It is a place that parents already spend time, such as at parent-teacher conferences or Parent-Teacher Association meetings. Parents entrust schools to teach and care for their children; they know that schools are a place where education is provided on any number of subjects. FSS leverages that trust to reach parents who are struggling with low incomes and financial challenges.

"Initially, we were on a path, as most institutions were, to provide financial education, which is still critically important. But we realized that in order to really serve our community better, our work needed to evolve from financial education to financial capability – focusing on one-on-one coaching, and really working with an individual to make behavior changes that empower them to make better financial decisions, build assets and plan for the future."

– Eileen Auld, Citi Community Development

Food Bank For New York City works with several partner organizations to make this program a reality. Citi Community Development, a longtime supporter of financial coaching to promote financial stability, provided pilot funding to launch a program targeted to low-income parents, 70% of whom citywide were reporting difficulty affording food.²⁰ The United Federation of Teachers Community Learning Schools Initiative (CLS) helped to identify schools and communities where financial coaching for low-income parents could do the most good. The Department of Consumer Affairs' Office of Financial Empowerment (OFE) worked with Food Bank to tailor their existing financial empowerment model to better fit a school-based program. Community-based organizations that know these schools' and neighborhoods' populations serve as critical allies in ensuring that the tools provided by this program are meeting community needs.

FSS began in March 2014 in six Community Learning Schools across the city. Food Bank mapped the meal gap across the city, and identified communities that showed high need as well as existing community relationships through Food Bank programming, whether school-based nutrition education, free tax preparation services or Tiered Engagement Network resources. This allowed Food Bank to capitalize on its own programmatic footprint, and to build on the CLS model for integrating social and community services into the school environment

¹⁹ Gundersen and Garansky. 2012.

²⁰ Auld, Eileen. Personal Interview. January 23, 2015.

Partnerships: The Organizations Making It Happen

Citi

Citi, the leading global bank, has approximately 200 million customer accounts and does business in more than 160 countries and jurisdictions. Citi provides consumers, corporations, governments and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, transaction services, and wealth management. Citi has worked closely with the New York City Department of Consumer Affairs, and in 2008 funded Financial Empowerment Centers to provide free financial coaching to all New Yorkers. This work was a crucial precedent to the Financial Services in Schools program.

United Federation of Teachers Community Learning Schools Initiative

The United Federation of Teachers is a union of approximately 200,000 members, representing teachers, nurses, and other professionals in New York City. Based on a successful community schools model developed in Cincinnati, Ohio, UFT launched the Community Learning Schools Initiative (CLS) in 2012 in an effort to facilitate connections between public schools and their neighborhood resources. This initiative brings social and community services into the school itself, turning the building into place for students and parents to receive the resources they need but may not know about or know how to access.

New York City Department of Consumer Affairs Office of Financial Empowerment

The New York City Department of Consumer Affairs is the city agency responsible for ensuring consumers and businesses have a fair and vibrant marketplace. They launched the Office of Financial Empowerment (OFE) in 2006, the first local government initiative of its kind in the country, to provide innovative financial empowerment programs, products, and services to low-income families and individuals. OFE developed a financial counseling model that covers core areas of financial education, which they have worked with Food Bank to adapt to a school-based environment. OFE provides ongoing training and technical assistance in their Financial Empowerment Center counseling model, as well as support in developing the Financial Empowerment in Schools program's research and evaluation design.

Community Partners

The success of the Financial Services in Schools program relies heavily on support from community-based organizations working in the neighborhoods surrounding the schools. These organizations work directly with the communities where parents and students live, and are in the best position to help Food Bank understand what other issues need to be addressed in order for financial capability and empowerment services to do the most good. Community partners are invaluable to ensuring that Financial Services in Schools is doing all that it can to serve the neighborhoods that are home to these parents and children.

FSS financial coaching starts with an initial financial health assessment, adapted from the OFE model to include additional questions specifically addressing food security. This immediately builds food into the larger financial capability conversation, and allows FSS staff to track both as parents move through the program.

Who Are the Parents?

The Financial Services in Schools program initially targeted six schools in some of the highest Meal Gap communities in New York. Since it started, the number of schools engaged with the program has grown to 18, with six schools offering dedicated space for regular office hours.

Students at these schools live in some of the most income- and food-insecure neighborhoods in the city. More than 90% of students at every FSS school are eligible for free or reduced-price lunch, compared to the citywide rate of about 79%.²¹ Eligibility is based on household income, with the threshold set at 185% of the Federal Poverty Level.²² In New York City for a family of four, this becomes a household income of \$44,123 for the reduced-price category and \$31,005 for free lunch.²³ More than one in three children live below the poverty level in each school's community district, and African-American and Hispanic students make up the overwhelming majorities of the student bodies at all FSS sites.

"Working alongside Food Bank and the New York City Office of Financial Empowerment on the Financial Services in Schools initiative provided a unique opportunity to respond to the connection between food insecurity and financial insecurity by integrating financial capability into a signature anti-hunger program. If an individual has improved access to education, skills and resources for handling their finances, they can manage their limited resources better. They will be empowered to budget, to save and to have money needed to put food on the table every day."

– Eileen Auld, Citi Community Development

Parents participating in the Financial Services in Schools program tell a similar story. Early data collection offers a snapshot about FSS parents:²⁴

- 80% are female;
- 77% are Latino/a;
- 97% have children (with 43% having two or more); and
- 74% have no more than a high school education.

While nearly four out of five (79%) participate in at least one public benefit program (including 76% receiving SNAP), 38% do not have public or private health insurance.

Financial health information starts to reveal where clients' counseling needs are likely to lie. It also begins to show clear links between income insecurity and food insecurity. Approximately three in five parents (61%) are employed at least part-time, but more than half (54%) earn less than \$1,500 per month. Participants' average monthly income is \$1,448, but their household expenses exceed their income by an average of \$335 every month. In addition:

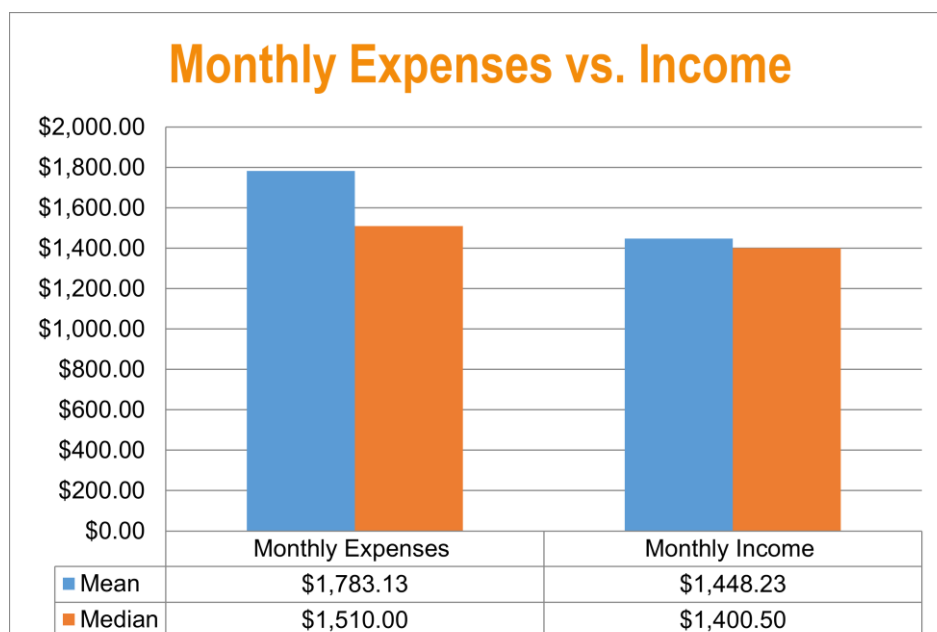
- 69% have no savings;
- 57% carry debt (with 27% owing \$5,000 or more);
- 30% are unbanked; and
- 59% said that it was somewhat or very difficult to afford food in the month prior to their first coaching session.

²¹ *Demographic Snapshots*. New York City Department of Education, 2014.

²² *New York City Public School Indicators: Demographics, Resources, Outcomes*. 2013. New York City Independent Budget Office.

²³ *Income Eligibility Guidelines*. (2014). *Federal Register*, vol. 79, no. 43. New York City has eliminated the reduced-price lunch category, offering free lunch to students who meet the income threshold for that category.

²⁴ Parent data reflects information collected from the 254 parents who have participated in FSS one-on-one financial coaching between March 1, 2014 and January 12, 2015.



More than half of parents (57%) reported food insecurity in their households in the 30 days prior to their first financial coaching session. This is approximately four times the rate of household food security seen in New York State overall (14%). Not only is this breadth of food insecurity remarkable, its depth is shocking: 21% have *very low household food security* – meaning that within the previous 30 days, they had so little food they had to reduce their food intake and/or skip meals. Very low food security was present in only 5.2% of New York State households at any point in 2013.

Almost all (92%) of FSS parents rent their homes, with 9% living in New York City Housing Authority public housing developments. The data do not capture more detail on the situations of families renting private housing, but it should be noted that FSS financial coaches have reported learning that in some cases, these families are not renting full apartments, but instead are in subdivided apartments, single rooms or even repurposed hallway space.

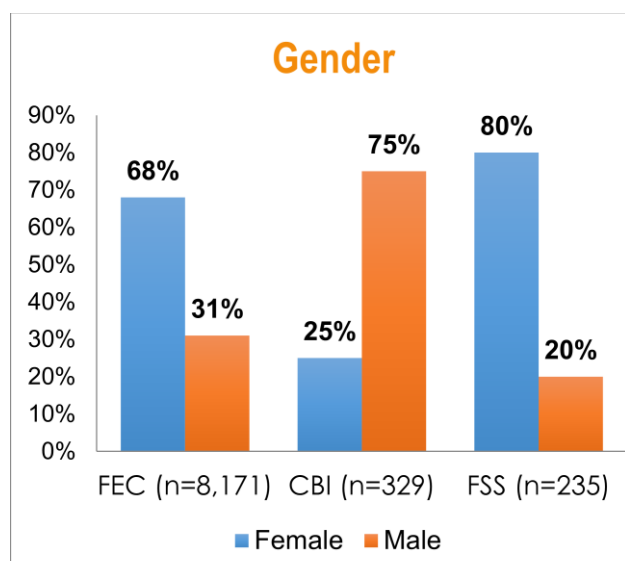
A picture begins to emerge from just a few data points about who FSS is reaching. These parents are predominantly Latina women with limited educational attainment. Not only do over half of these parents carry debt, more than two-thirds have no savings of any kind. More than half of participating parents had difficulty affording needed food for their families, even with the 76% of parents already receiving SNAP. Much of this reflects the financial and food insecurities of New York City as a whole, and points to the need for a new approach to offering financial coaching and services.

FSS aims to bridge the gap between where these parents currently are and where they want to be. This program is designed to help parents build their financial capability and provide financial stability for their families. This will help get them to a place where household financial stress is not merely reduced, but where they can help their children achieve brighter futures. Food Bank and its partners firmly believe that a key long-term goal is to help parents reach a point where they are financially secure enough to begin saving for their child's higher education.

High Need, New Access

OFE works with several nonprofit organizations to implement their financial counseling model. It is offered at approximately 22 designated Financial Empowerment Centers, where New Yorkers can schedule appointments for one-on-one financial counseling sessions, and walk-ins are accommodated as available. In addition, in 2012, OFE launched the Capacity Building Initiative (CBI), funded by Citi. OFE provided grants to five social service organizations (serving formerly incarcerated adults, low-income youth and young adults, and non-custodial parents) to integrate the OFE financial counseling model into social service delivery at five social service organizations.²⁵ While it is premature to draw definitive conclusions at this early stage, demographic comparisons across the populations accessing FECs, the CBI organizations and FSS provide an intriguing glimpse into the characteristics of those who are being reached by the three modes through which this free financial counseling model is offered, and suggest that the FSS program design has the potential to offer a new and meaningful point of access to these services for families in need.²⁶

With respect to gender, 80% of FSS clients are female. This is consistent with, though somewhat higher than, the proportion of women seen at Financial Empowerment Centers. It is nearly the opposite of the clients seen at CBI organizations, who are predominately male (75%).



The starkest difference is seen in race/ethnicity. More than three in four (77%) FSS parents are Latino/a – a much larger proportion than seen at FECs (33%) or CBI organizations (23%). By contrast, a far smaller proportion of FSS parents are African-American (22%), relative to clients at FECs (51%) or at CBI organizations (69%).

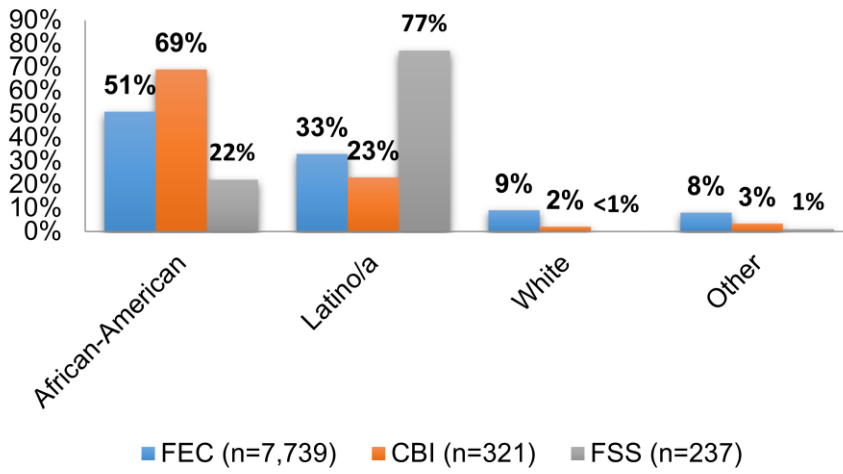
Looking at employment status, FEC clients and FSS parents show similar rates of full-time employment (40% and 36%, respectively). FSS parents are more likely to report part-time employment than clients seen at FECs (25% and 13%, respectively).

Notably, the reach of FSS into parent populations is evident in the relatively high proportion of those reporting their status as a stay-at-home parent (18%). While CBI organizations do not target this group, it also appears that very few stay-at-home parents seek out the services of Financial Empowerment Centers, which reported only 1% of those reached in 2014 were stay-at-home parents.

²⁵ *Building Financial Counseling into Social Service Delivery: Research and Implementation Findings for Social Service Programs*. New York City Department of Consumer Affairs, Office of Financial Empowerment, 2014

²⁶ Demographic comparisons were made by Food Bank For New York City using FSS client data from March 1, 2014 to January 12, 2015; FEC client data for 2014 provided by the New York City Department of Consumer Affairs Office of Financial Empowerment; and *Building Financial Counseling into Social Service Delivery: Research and Implementation Findings for Social Service Programs*. New York City Department of Consumer Affairs, Office of Financial Empowerment, 2014.

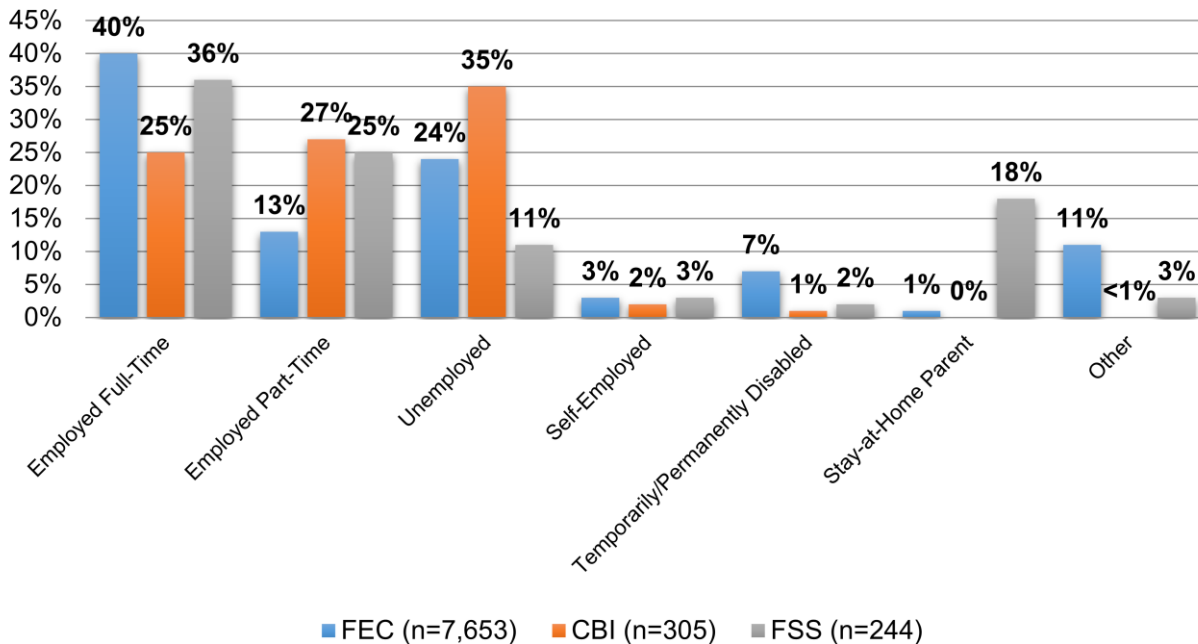
Race/Ethnicity



Taken together, these data offer insight into some of the differences between the clients that FSS targets and New Yorkers reached by other organizations offering the OFE financial counseling model. By promoting and offering one-on-one financial coaching in school-based settings in high-Meal Gap communities, FSS is reaching parents who are primarily Latina, and many of whom are working. Because parents already factor time spent at their

children's schools into their lives and budgets, offering services at the school itself allows Food Bank to meet both stay-at-home and working parents where they are.

Employment Status



FSS in Action: the International School for Liberal Arts

To best understand what the Financial Services in Schools program is really doing for people, one need only to see the program in action. The International School for Liberal Arts (ISLA) in the northern Bronx is an example of the program's strengths and its potential for growth.

A Father's Story

A single father in the Bronx immigrates from the Caribbean and works piecemeal construction jobs, trying to make ends meet for himself and his two sons. His rent accounts for almost *half* of his average monthly income and he faces eviction. His monthly expenses are higher than his income. He doesn't know about the resources available to him, and despite his financial hardships has not applied for any benefits.

When he meets with Food Bank's financial coach at ISLA, this father is immediately connected to several services he needs, including a rental assistance program that helps him get back on track with his rent, and SNAP benefits to help him put food on the table for his children. Working with the financial coach to build and maintain a realistic budget, this father now believes the Financial Services in Schools program arrived at his child's school just in time.

ISLA is part of the Walton Educational Campus, which it shares with five other high schools, in the northern Kingsbridge area of the Bronx; it is the only one on the campus that also houses a middle school. The Walton Campus sits among a larger spread of educational institutions: PS 86 Kingsbridge Heights and PS 340 to the south and east, and Lehman College (CUNY) to the north. ISLA is an ideal setting for innovative educational and community programs.

The school itself is a unique reflection of the diversity and changing demography of New York City. ISLA is a bilingual school, growing its students' capacity for learning and community engagement in both Spanish and English.²⁷ The population is 100% minority, and nearly 100% Hispanic; 75% of students are economically disadvantaged.²⁸ Adult education, GED, and English as a Second Language courses are all regularly offered to parents and community members.

ISLA is also a Community Learning School. UFT launched the Community Learning Schools Initiative in 2012, working with the parents, teachers, students, and communities that are a part of individual schools to bring wraparound services and resources *into* the school itself. No single program

or organization anchors the Community Learning School; rather, it is the inclusive and participatory nature of the model that makes it so strong. The school and community have direct say in what they need access to, and the dedicated, on-site resource coordinator helps make those connections happen – whether it is SNAP outreach and application assistance, a community health clinic, or arts and music programs. Through the CLS model, ISLA is in the unique position of being able to achieve exactly what it wants for its students, parents, and community. These programs are tailored to meet the specific needs of the ISLA community; what works at a school in Corona, Queens, won't necessarily work in the North Bronx.

One such program that represents a critical need for these families is the on-site food pantry. Food insecurity is endemic to the neighborhood, and such need has led to the extension of many programs at ISLA to parents from all the schools on the Walton Campus. Parents coming in for SNAP assistance run the gamut, from those who don't know that they're eligible, to those who are eligible but have never applied, to those whose applications required mediation. With SNAP as a key entry point to begin talking about household spending on food and where budgets are the tightest, FSS is able to start the conversation about broader financial counseling subjects.

²⁷ *Mission Statement*. (2015). International School for Liberal Arts.

²⁸ International School for Liberal Arts. (2014). *US News & World Report Education*.

Unfortunately, food insecurity is far from the only concurrent issue to building financial capability. Some families' immigration status makes them hesitant to reach out for assistance from government programs. Employment also represents a serious challenge: anecdotal evidence indicates that many parents work in low-wage jobs with little job security, and irregular hours and shifts. Without the security of a steady income, household budgeting and longer-term financial planning is difficult.

Another roadblock is the difficulty in getting parents to confront their financial stresses in the first place. Early indications are that success in managing client relationships may be found in how the financial coaches discuss sensitive, personal financial education topics. FSS financial coaches often begin conversations with topics like identity theft, framing financial education and capability as a way for parents to protect their families.

While full program evaluation and data analysis are yet to come, early indications are that the Financial Services in Schools program is already making a significant impact on parents' lives. At ISLA, the program is rapidly exceeding its first-year milestones, with more than 60 parents directly served by the financial coach. Citywide, FSS has surpassed its outreach goal, reaching more than 6,700 parents with information about financial coaching.

Moving Forward: What's Next?

This was just the first ten months of the program's pilot year: Food Bank has reached out to thousands of parents, engaged hundreds in financial coaching, and observed dozens returning for additional coaching sessions. The model for offering financial coaching in schools is strong, and the signs are positive that parents appreciate this program and what it can do for their families.

Many lessons have been learned already that give the program strong footing to move forward. Coaches have learned, for example, that one-on-one sessions are more effective than small-group workshops. They have also figured out effective ways to first broach the enormous topic of financial capability to give parents a more comfortable setting in which to approach these issues. School and community partnerships are at the core of Food Bank's program model, and they will continue to inform where and how FSS is implemented.

As more data are collected and more parents fully participate in the financial coaching services, outcomes will become a central component of success. And with more expansive data collection will come the opportunity for program evaluation and review, ensuring the Financial Services in Schools program's success and strength for the future.

Long-term goals for the parents look toward becoming financially and food secure, and focus on what financial coaching means for food security. Outcomes of interest include:

- Decreasing the difficulty in affording needed food;
- Decreasing the tradeoffs between food and other expenses;
- Decreasing household financial stress;
- Increasing household food security; and
- Increasing planning and saving for children's higher education goals.

More broadly, this program represents a critical next step in understanding the impacts that financial coaching and capability have on food insecurity. The Financial Services in Schools program has the potential to offer empirical data connecting financial capability with increases in household food security. This information could impact the way income insecurity and food insecurity are addressed across the country.

About Food Bank For New York City

Food Bank For New York City has been the city's major hunger-relief organization working to end hunger throughout the five boroughs for more than 30 years. Nearly one in five New Yorkers relies on Food Bank for food and other resources. Food Bank takes a strategic, multifaceted approach that provides meals and builds capacity in the neediest communities, while raising awareness and engagement among all New Yorkers. Through its network of more than 1,000 charities and schools citywide, Food Bank provides food for more than 63 million free meals for New Yorkers in need. Food Bank For New York City's income support services, including food stamps (also known as SNAP) and free tax assistance for the working poor, put more than \$100 million each year into the pockets of New Yorkers, helping them to afford food and achieve greater dignity and independence. In addition, Food Bank's nutrition education programs and services empower more than 275,000 children, teens and adults to sustain a healthy diet on a low budget. Working toward long-term solutions to food poverty, Food Bank develops policy and conducts research to inform community and government efforts. Learn how you can help at foodbanknyc.org.



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