

# Financial Capability and Asset Building

*Achievements, Challenges, and Next Steps*

## A Summary of Conference Proceedings

September 24, 2020 | February 25, 2021

## Conference Report 21-11

May 2021



## Acknowledgments

Thank you to all who participated in this conference, for sharing valuable knowledge, organizing the flow, and capturing the content. We thank our presenters, moderators, attendees, and behind-the-scenes technical operators. Especially, we thank you for your commitment to the goal to build financial capability and assets for all.



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Conference Report No. 21-11

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# Financial Capability and Asset Building

## *Achievements, Challenges, and Next Steps*

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A SUMMARY OF CONFERENCE PROCEEDINGS  
September 24, 2020 | February 25, 2021

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“The foundation of wealth inequality may represent just the *most recent form of wealth extraction*,” part of a “history as old as Black freedom itself.”  
—Devin Fergus

In the midst of a global pandemic that brought untold numbers of families to a financial precipice, experts came together to examine the role of social work in ensuring financial security and equity for all. This conference report details the most recent of five Financial Capability and Asset Building (FCAB) conferences held since 2015. The two-part virtual conference, held in September 2020 and February 2021, convened leaders in the academy and in the field to discuss achievements, challenges, and next steps in FCAB.

Financial Capability and Asset Building aims to ensure that all people have access to the financial policies, services, knowledge, and tools to achieve financial stability and security. Since 2015, a network of leading scholars and organizations have gathered regularly to promote research, education, and practice in FCAB. Its goal to “build financial capability and assets for all” was recognized in 2016 as one of *13 grand challenges for social work* that could make positive social impact within the next 10 years. The *FCAB network* envisions a key role for human service professionals to offer financial guidance for optimal financial decision-making, to empower people to build financial capability and assets, and to inform policy that ensures inclusion and equity.

Members of the FCAB network have advanced research, policy, education, and practice initiatives to expand financial capability and grow assets. A primary focus is to document and reverse institutional bias against low-income and low-wealth groups, especially Black and Brown people, women, and other vulnerable groups. Network members proposed and are testing curricula, policies, and services to build FCAB in vulnerable households. These include *Child Development Accounts, curricula for professional education, and essential financial products and services*. They are developing *practice approaches* to family violence, problem gambling and other finance-related difficulties, the effects of asset limits in public benefits, the burden of student loans, retirement insecurity, and the potential of financial technology to build financial capability and assets.

### About the Conference

The September 2020 and February 2021 virtual *conference* of “Financial Capability and Asset Building: Achievements, Challenges, and Next Steps” convened more than 300 participants to share contributions in FCAB research, policy, education, and practice; discuss challenges; and chart next steps for improving the financial well-being of millions of financially vulnerable Americans.

The Center for Social Development (CSD) at Washington University in St. Louis and the Financial Social Work Initiative at the University of Maryland, Baltimore hosted the two virtual events with primary support from the National Endowment for

Financial Education (NEFE). Additional sponsors include the University of Maryland, Baltimore School of Social Work Dean’s Fund for Innovation, The Woodside Foundation, The Kazanjian Foundation, and the Grand Challenges for Social Work.

Planning for this conference began before the COVID-19 pandemic, which intensified the financial challenges facing millions of families and amplified growing racial inequality in America. The pandemic of 2020–21 brought a greater sense of urgency to the grand challenge of building FCAB for all.

This conference report addresses a range of policy, practice, research, and education issues in FCAB. It is divided into six sections: (1) Racial and Economic Inequality in the Era of COVID-19, (2) Policy and Practice Innovations in FCAB, (3) Developments in International FCAB, (4) Research on FCAB: Concepts, Measurement, and Interventions, (5) FCAB in Social Work Education: Addressing Inequality in the Era of COVID-19, and (6) Resources for FCAB Practice, Policy, Research, and Education.

### Opening Remarks



**Billy Hensley**, *President and CEO of the National Endowment for Financial Education*

Dr. Billy Hensley, president and CEO of NEFE, opened the conference emphasizing the bridge between the financial education discipline and social work’s financial capability. He noted that although financial knowledge is an important component in addressing financial fragility, financial capability, financial well-being, and financial literacy, “it is not the silver bullet it has been advertised to be.” He added, “. . . we have gladly given support to this event because what we understand at NEFE and what our discipline [financial education] is trying to wrestle with is something that social work has been on the forefront for 100 years, and that is spotlight and articulate the factors that either prohibit or inhibit, or open the doors toward, financial well-being.”

“. . . [social workers] spotlight and articulate the factors that either prohibit or inhibit, or *open the doors toward, financial well-being.*”  
—Billy Hensley

Hensley highlighted NEFE's new direction to take its work to a systems level, championing effective financial education focusing on collaboration, research, and leadership.

"Through events like this, we hope to facilitate dialogue, learn from you, and refine our own research agenda. Our vision is that we want every person to live their best financial life and what that means for them."

### Deans' Welcome



Mary M. McKay, dean of the Brown School at Washington University in St. Louis, and Judy L. Postmus, dean of the School of Social Work at University of Maryland, Baltimore, welcomed attendees on each virtual conference day. They highlighted the importance of FCAB, particularly under the current challenges posed by a global pandemic. McKay emphasized how COVID-19 has heightened racial injustice and economic insecurity, making



FCAB innovations, research, and education fundamental. A member of the Leadership Board of the Grand Challenges for Social Work, McKay noted that the FCAB network has made large and important strides in research, curriculum development, practice, and policy in its first 5 years.

Postmus reinforced the role of social workers. "Social work plays a critical role in easing financial distress across a range of settings and populations. The growing discrepancy and rising rates of income and wealth inequality are alarming, and COVID has only exacerbated those rates." She added that "Social workers bring a unique lens through which to participate in a national dialogue around financial capability." Postmus underscored these efforts and the role of FCAB in social work: "This conference brings to light our commitment and ethical mandate of social workers to racial, economic, and social justice for vulnerable and marginalized populations in our communities."

# Racial and Economic Inequality in the Era of COVID-19

History has shaped financial capability and asset ownership. In the United States, scholars have documented the impact of policies and practices that have systematically benefited white people and harmed Black and Brown people and the poor. The first plenary explored key aspects of asset ownership by African Americans in America:



### *The Afterlife of Slavery and the Next Reconstruction*

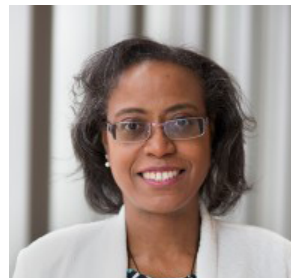
**Devin Fergus**, Arvarh E. Strickland Distinguished Professor, History and Black Studies, University of Missouri.

**Discussant: Trina R. Shanks**, Harold R. Johnson Collegiate Professor of Social Work; Director of Community Engagement; Founding Director

of the Center for Equitable Family & Community Well-Being, University of Michigan School of Social Work

Racial inequality in FCAB is the historical legacy of racism. The foundation of wealth inequality may represent "just the most recent form of wealth extraction," part of a "history as old as Black freedom itself," according to Fergus. His remarks focused on property rights and ownership—specifically homeownership—the historical mainstay for asset building in America.

Fergus discussed the differences in homeownership rates from 1870 to 2007 between Black and white Americans and the systematic exclusion of Black people through mortgage application denials, redlining, and lack of capital investment in Black and Brown neighborhoods. Today, he emphasized, "asset building is less about racial exclusion and more about the high cost of financial exclusion for Blacks and other historically disenfranchised populations."



Putting a face to the numbers, discussant Trina Shanks portrayed the ongoing effects of that history: "Someone who lost money in the Freedman's Bank, their children and grandchildren probably heard about that and maybe don't trust banks. Just like the children or grandchildren of people who were mistreated in the Tuskegee experiment. They don't trust hospitals." Shanks added, "Real people are hurt by the racial injustices that occur, both historically and today. Then those people pass stories along to their children and loved ones. You have to overcome some of those stories and that emotional angst as you try to get people to participate openly and fully in our financial system today."

Could such financial trauma have been avoided? Fergus responded that economic security cannot be separated from political security. The right to vote, access, and freely participate in the institutions of American democracy are important ingredients for improving the potential of financial well-being.

**"Real people are hurt by the racial injustices . . . those people *pass stories along to their children and loved ones.*"**  
—Trina Shanks

Bridging the past to the present, the next session, by Bill Emmons, put the question about Building Financial Capability and Assets for All into current times.



### **COVID-19 and FCAB: Where Do We Stand Now?**

**William R. Emmons**, *Economist and Assistant Vice President, Federal Reserve Bank of St Louis*

Emmons assessed current economic conditions and their impacts on financially vulnerable households.

The financial exclusion continues to challenge such households, and the COVID-19 pandemic has magnified the effects. Compared to past economic recessions, this one “. . . is even worse because of . . . the way our economy is organized with so many lower wage jobs in the service sector.” Emmons’s research highlights that in almost all recessions, Black prime-age workers have an unemployment rate twice that of white Americans that takes longer to decline. In the current situation, the employment shock has been more regressive than usual, disproportionately hurting non-white workers.

Emmons expected the recession dynamics to play out over several years:

- Incomes are likely to decline, with a slow jobs recovery.
- Likely increases in delinquency rates of mortgage payments, and even higher delinquency rates for renters, leading to even greater housing insecurity.
- Government assistance, including the CARES Act, along with low interest rates, have delayed but not eliminated debt delinquency and housing insecurity. [Note: the American Rescue Plan Act of 2021 had not yet been passed at the time of this session.]

What policies could change this trajectory? Emmons responded that future policy should build financial capability and resilience in the short run, which would help families withstand shocks. In addition, economic policy should build households’ ability to manage inevitable future financial shocks.

**“The 2008 recession taught us that *financial stability is everyone’s problem.*”**  
—Jonathan Mintz

# Policy and Practice Innovations in FCAB

Some of the nation’s most successful leaders in FCAB policy and practice presented innovations that are improving people’s financial lives and well-being. Pioneers in the field, these individuals and their teams are building financial guidance systems that have the potential to reach communities on the margins of mainstream financial services on a large scale.

## Plenary Sessions



### **FCAB & the Cities for Financial Empowerment: Experiences with Family Financial Stability during COVID-19**

**Jonathan Mintz**, *Founding President and CEO, Cities for Financial Empowerment Fund*

“The 2008 recession taught us that financial stability is everyone’s problem,” according to Mintz.

In response, we have to “design programs and services that are equitable in delivery, touching [the millions of] people we want to help.” This reality has given rise to greater involvement of government and opened the door to a “municipal financial empowerment” strategy that Mintz and his team have been developing for years.

Mintz discussed how **The Cities for Financial Empowerment (CFE)** coalition connects municipal governments across the country to advance financial empowerment initiatives at local, state, and national levels. He emphasized that when such systems and structures are in place, leaders can respond quickly to community hardship. “Financial empowerment is essential to disaster preparedness.”

The CFE Fund also operates the “Bank On” platform and created “Bank On National Account Standards,” for financial institutions serving people who are unbanked and under-banked. In response to the COVID pandemic, the CFE Fund launched a financial navigator to help clients get immediate referrals to benefits programs, and worked with 11 of its banking partners and the Internal Revenue Service to open a portal to allow people to provide their account information for direct deposit of their stimulus checks.

Where do we go from here? Mintz stressed the critical importance of research to measure progress. What we do not know, he said, are the longer term outcomes of the clients. Do people who make progress do better over the long run or is it a short-term outcome? This is an important research question to explore over the next few years.

**“Technology will continue to perpetuate the same power structures that define our society today unless we expect different inputs and *demand better outcomes.*”**  
—Mae Watson Grote



***The Future of Financial Security: Tech, Equity, and the Role of Nonprofits***

**Mae Watson Grote**, *Founder and CEO of Change Machine (previously The Financial Clinic)*

Mae Watson Grote echoed the importance of structures, and suggested that technology has an important role. But it is not a panacea, she warned: “Technology

will continue to perpetuate the same power structures that define our society today unless we expect different inputs and demand better outcomes.” Using the hashtag #techforequity, Grote reinforced the point that financial technology must prioritize the financial security of those who have been most economically marginalized.

Grote launched **Change Machine** in 2015 with the goal of connecting action-based tools (e.g., financial coaching, a database for measuring customer progress and program performance, a learning network for practitioners) with social service agencies. According to Grote, “In the first year, the platform users served more customers than my team did in our whole 7-year history.”

Grote underscored the importance of incorporating the voices of those they serve. With that in mind, at least 30% of the financial products featured on Change Machine’s platform are owned, operated, or produced by women and/or people of color.

Ultimately, Grote asked the audience to consider whether technology facilitates our mission and vision. Does it solve the enduring challenges facing Black and Brown women and their families, and close racial and gender asset, income, and debt gaps? Does it help families achieve their financial goals? In other words, can technology contribute to systemic change? She concluded: “These are the questions—and values—before us as a field.”

Three discussants brought their national leadership experience serving different populations to the question of “tech for equity.”



**Christy Finsel**, *Executive Director of Oklahoma Native Asset Coalition (ONAC) and citizen of the Osage Nation*

Christy Finsel described the contributions that **ONAC** has been making to FCAB in Indian country over the past 20 years. Founded as a resource center and network for practitioners in Oklahoma, ONAC has expanded nationally to provide services and intermediary funding in

response to growing needs in Native households and communities across the United States.

Speaking of the challenges with using financial technology, Finsel noted that 44.5% of American Indians/Alaska Natives are unbanked and underbanked, and many lack access to broadband. Even with internet access, there is widespread distrust about sharing personal information over the internet given the complex history of exploitation and oppression of Native tribes.

ONAC has made important service delivery inroads and improvements, such as financial coaching by phone and teleconference; seed deposits for child savings accounts in 529 college savings plans; emergency cash assistance held in safe and affordable bank accounts; support of Native VITA programs; and direct emergency cash assistance during the pandemic. Speaking of efforts to distribute cash assistance, she reflected, “So this is where we have hit some of the challenges, especially related to the access to technology . . . We are seeing that there are many individuals that have either an older device like a flip phone, an unstable mailing address, may not have an email address, or are without a bank account.” Working with multiple tribal partners, ONAC has generated workarounds for program applications to provide assistance to hard-to-reach Native families.



**Margaret Libby**, *Founder and CEO, MyPath*

**MyPath** creates, tests, and scales models designed to promote economic mobility among low-income youth and young adults. Youth experience a “decade of financial firsts from age 14 to 24,” Libby explained. As such, MyPath integrates youth-designed financial education with banking access. It aims to spark

systems change that promotes youth leadership, fosters trust, and eliminates the racial wealth gap by building a pathway to economic mobility.

Guided by an inclusive and democratic process, MyPath includes youth in the design of products and services. “We want youth to have the knowledge, tools, and confidence they need to get on a path to building wealth,” said Libby.

For example, 4 years ago, the program developed the MyPath Money platform “using technology + relationships” to reach to young people across the country. The platform currently operates in 14 cities with 11 credit union partners and at 90 partner sites.

Responding to the financial damage wrought by the pandemic,

MyPath offers direct assistance and engages in advocacy. It initiated municipal pilots that pair guaranteed income with financial mentoring for youth facing significant financial difficulties. MyPath is also collaborating with youth to develop a “Youth Economic Bill of Rights” to engage policymakers and mobilize stakeholders. The MyPath Wealth Equity Lab, composed of Black- and Brown-owned firms, will inform the next iteration of the MyPath technology platform (MyPath NEXT).



**Cathie Mahon**, *President and CEO, Inclusiv (formerly the National Federation of Community Development Credit Unions)*

Cathie Mahon opened by describing the unique role community development credit unions play in promoting financial inclusion and empowerment of historically excluded communities. The **Inclusiv** network of credit unions aims to direct capital to distressed and underserved communities to build stronger economies.

Mahon stressed the importance of well-designed financial products and a digital platform that meets customers’ needs. For example, Inclusiv’s mobile banking application accepts alternative forms of identification and provides both account balance and a list of pending transactions to decrease overdrafts.

According to Mahon, “Credit unions have been first responders during the pandemic.” The Inclusiv network remained open to provide online and some in-person services. “Technology is critical for enabling our institutions to move forward and be able to bring more tools and capabilities to their membership, but it’s never going to be a replacement for just being there,” said Mahon.

To express the importance of the FCAB field’s shared goal to “scale through collaboration,” Mahon posed this question: “What should we be doing from a collaboration point of view? What have we done well and what more do we need to do to be able to make sure that these fields are continuing to work together well and productively and continue to reach folks that we haven’t yet been able to get to?”

### Research Paper Presentations

Participants presented papers on social work policy and practice:

#### **Basic Finance as a Public Good: FCAB for All**

**Michael Sherraden**, George Warren Brown Distinguished University Professor, Center for Social Development, Washington University in St. Louis

**Jin Huang**, Professor, Saint Louis University

**Margaret Sherraden**, Research Professor, Washington University in St. Louis

The authors propose that financial inclusion has characteristics of a public good; therefore, it should be provided

to everyone through an integration of market finance and social policy.

#### **Reducing Financial Exclusion through Practice and Policy: The Banking Perspective**

**Julie Birkenmaier**, Professor, Saint Louis University

**Amy Oliver**, The Housing Partnership STL

**Jin Huang**, Professor, Saint Louis University

The authors find that financial institutions recognize the challenge of financial exclusion and suggest a mix of policy, organizational capacity, and practice methods to influence consumer behavior such as expanding the capacity of various types of financial organizations and changing the CRA incentives to weight the Services Test more heavily.

#### **Can Financial Capability Explain State Variation in Emergency Savings? Disentangling the Individual and Contextual Contributions**

**David Rothwell**, Associate Professor, Oregon State University

**Leanne Giordano**, Postdoctoral Scholar, Oregon State University

**Robert S. Stawski**, Associate Professor, Oregon State University

The authors find that a state’s level of financial account ownership is the largest predictor of individual emergency savings, and state policies that improve overall financial access have promise to promote emergency savings among individuals.

#### **The Magic and Misdirection of Student Loan Forgiveness**

**Julie Miller**, Research Scientist, MIT AgeLab

**Matthew S. Rutledge**, Associate Professor, Boston College

**Lucas Yoquinto**, Research Associate, MIT AgeLab

**Joseph Coughlin**, Director, MIT AgeLab

The authors explore the meaning borrowers ascribe to prospective loan forgiveness to understand if and how magical thinking contributes to enrollees’ perspectives on prospective loan forgiveness.

#### **Integration of an Empowerment-Based FCAB Practice in WIOA Statewide Workforce Innovation Program in Illinois**

**Philip Hong**, Professor and Associate Dean for Research, Loyola University Chicago

Hong finds that integrating an empowerment-based psychological self-sufficiency component helps build financial capability.



# Developments in International FCAB

Financialization, growing financial insecurity, inequality, and fintech are global trends. This session discussed advancements in FCAB work in East and Southeast Asia and sub-Saharan Africa.

## International session



### **FCAB in East and Southeast Asia**

**Jin Huang**, Professor, Saint Louis University

Huang spoke about the rapid development of FCAB and social work in **Singapore**, Korea, Taiwan, Hong Kong, and **Mainland China**. Huang attributes these developments to a recognition by social work educators of the importance of family financial

development in an increasingly financialized and digitized society: “While this [financialized and digitized] trend will create new opportunities for us, they also generate risks and challenges for individuals and families’ financial security and financial development.”

Expansion in FCAB builds on a variety of asset-building policies and programs for different populations previously established in Korea, Taiwan, and Singapore. Huang said, “In promoting FCAB in Asia, we borrowed a strategy that was originally developed at CSD: initiate FCAB in social work education first, and then expand FCAB into the social work practice field.”

Moreover, the social work profession is young, especially in China. This offers, according to Huang, flexibility to respond to current conditions. In China, the Council on Social Work Education has created a financial social work commission. The Sunghui Business College has established an FCAB research center. In the practice community, academic partners are collaborating with China’s central bank to conduct the first online FCAB training with frontline social work professionals. Practice innovations include creating a technology-based microfinance platform for low-income children with developmental disabilities. Huang said, “An FCAB vision has been created among social work educators and practitioners and a structure now is in place to further support FCAB development in China.”



### **FCAB in Sub-Saharan Africa**

**David Ansong**, Associate Professor, University of North Carolina at Chapel Hill

Ansong and his colleagues are launching a new initiative called **FCAB Africa**. This is only the latest FCAB-related work on the continent, which has included several CSD-sponsored research projects such as AssetsAfrica

and YouthSave. FCAB Africa, like the work in Asia, will begin with professional education and training, aiming for outreach to a wide variety of human service professionals such as clergy, teachers, social workers, and counselors.

The initiative, according to Ansong, is aligning its agenda with the United Nations Sustainable Development Goals (SDGs), engaging both formal and informal institutional sectors, and collaborating with the financial technology sector. A key aim will be to engage policymakers in setting the agenda and leveraging existing infrastructure to reach scale. Social work educators will collaborate with the financial sector and nongovernmental organizations to develop curriculum and conduct training.

The initiative aims to reach across the continent. Ansong reported that, to date, the initiative has been joined by collaborators in Ghana, Liberia, Sierra Leone, Uganda, Kenya, and Ethiopia. FCAB Africa officially launches in July 2021.

## Research Paper Presentations

Participants presented papers and posters on international FCAB:

### ***The Effects of Self-Determined Short-Term Emergency Savings Accounts of Young Workers in South Korea***

**Dong-Ho Jang**, Associate Professor, Namseoul University, Korea

**Intae Yoon**, Associate Professor, North Carolina State University

The authors tested a city government matched savings program that included voluntary online financial coaching and planning services in Korea. The study shows positive outcomes in reduced debt, lower duration of unemployment, and higher self-esteem.

### ***Child Development Accounts: Evidence-Based Policy Design, an Opportunity for Azerbaijan***

**Aytakin Huseynli**, PhD candidate, Brown School at Washington University in St. Louis

**Michael Sherraden**, George Warren Brown Distinguished University Professor, Center for Social Development, Brown School at Washington University in St. Louis

**Daniel Gottlieb**, Associate Professor, London School of Economics

The paper explored the potential for a national CDA policy in Azerbaijan and identified design elements for implementing CDA policy.

### ***Don’t Give a Man Fish Nor Teach Him to Fish. Finance the Purchase of the Fishing Rod! Contesting Financial Inclusion in Argentina***

**Tomás Nougués**, PhD candidate, Centro de Investigaciones Sociales, Consejo Nacional de Investigaciones Científicas y Técnicas- Instituto de Desarrollo Económico y Social, Argentina

The author explores Argentina’s microcredit programs’ efforts to address unemployment and housing deficits of vulnerable groups. Nougués’ findings suggest that the strategy may be creating greater indebtedness instead.

# Research on FCAB: Concepts, Measurement, and Interventions

In addition to innovations in the field both domestically and globally, FCAB research has also grown in the past decade. Topics range from concepts and measurement to interventions for specific populations.

## Conceptual and Measurement Issues in FCAB

Several authors presented their research on the latest FCAB conceptual and measurement issues.

### ***A Scoping Review of Consumer Capability Measurement with Recommendations for Future Research***

Julie Birkenmaier, Professor, Saint Louis University  
David Rothwell, Associate Professor, Oregon State University  
Mary Caplan, Associate Professor, University of Georgia

The authors assess the current state of empirical research on measures of financial access, and make recommendations for advancing more holistic, consistent, and valid measures.

### ***Household Financial Capability and Economic Hardship: An Empirical Examination of the Financial Capability Framework***

Sicong Sun, PhD candidate, Brown School at Washington University in St. Louis  
Yu-Chih Chen, Assistant Professor, The University of Hong Kong  
David Ansong, Associate Professor, University of North Carolina-Chapel Hill  
Jin Huang, Professor, Saint Louis University

The authors find, in an analysis of the 2015 National Financial Capability Study, that financial socialization and financial education are significantly associated with both financial access and financial literacy, which are associated with positive financial behavior and negatively associated with economic hardship.

### ***Using Assets to Improve Poverty Measurement***

Felix Muchomba, Assistant Professor, Rutgers University  
Christopher Wimer, Senior Research Scientist, Columbia University  
Irwin Garfinkel, Professor, Columbia University  
Laurel Sariscsay, Post-Doctoral Research Scientist, Columbia University

Discussing their research comparing measures of poverty, the authors determine that including assets in the definition of household resources may improve the accuracy of poverty measurement.

### ***Is Financial Capability a Determinant of Health?***

Sicong Sun, PhD candidate, Brown School at Washington University in St. Louis

Yu-Chih Chen, Assistant Professor, University of Hong Kong

The presenters use data from the 2012 National Financial Capability Study linked with the 2012 and 2016 RAND American Life Panel to show that financial capability is positively associated with health. The authors suggest that financial capability may be a modifiable factor to improve population health.

### ***Does Neighborhood Effect Exist in Financial Well-Being?***

Euijin Jung, PhD candidate, University of Kansas  
Jihong Zhang, PhD candidate, University of Iowa  
Kahee Han, PhD candidate, University of Kansas

The authors present research that indicates living in an under-resourced neighborhood has a negative effect on financial well-being.

### ***Interacting Influences on Financial Well-Being***

Jeffrey Anvari-Clark, PhD student, School of Social Work, University of Maryland, Baltimore

Anvari-Clark presents his findings that behavioral factors (i.e., saving habit, amount) have a far stronger relationship with financial well-being than structural factors (i.e., financial shocks, income volatility, the use of financial products).

### ***A National Examination on Payday Loan and Financial Well-Being: A Propensity Score Matching Approach***

Zibei Chen, Assistant Professor, University of Southern Mississippi School of Social Work

Chen uses the 2015 National Financial Capability Study dataset to examine the impact of payday loan use on household financial well-being.

## FCAB Strategies and Outcomes for Specific Populations

Scholars also examined FCAB strategies and outcomes for specific populations, including public housing residents, survivors of interpersonal violence, immigrants, people with gambling problems, those with student debt, and preretirees.

### ***Family Self-Sufficiency Program Participation During and After the Great Recession***

Anna Maria Santiago, Professor of Social Work, Michigan State University

Using data from the Denver Housing Authority's Family Self-Sufficiency program, Santiago examines the effects of the program on public housing residents. Results indicate that the positive outcomes of such programs on participants are constrained by external economic shocks such as the Great Recession.

### ***A Process to Identify and Address Barriers to Providing FCAB Programming for Survivors of Intimate Partner Violence***

**Sarah Tlapek**, Assistant Teaching Professor, University of Missouri  
**Leslie Knott**, Social Worker & Substance Use Counselor, Community Counseling Center

**Rachel Voth Schrag**, Assistant Professor, University of Texas at Arlington

The authors present their piloted and tested replicable method for agencies to identify and address barriers to implementing financial capability with survivors of intimate partner violence.

### ***Household Language Barriers, Community Language Resources, and Asset Ownership among Immigrants and Refugees in Western New York***

**Yunju Nam**, Associate Professor, School of Social Work, State University of New York at Buffalo

**Yingying Zeng**, Doctoral student, Brown School at Washington University in St. Louis

**Sarah Richards-Desai**, PhD candidate, State University of New York at Buffalo

The authors find that language affects homeownership among immigrants and refugees, and recommend mobilizing community language resources.

### ***Developing and Testing a Brief Intervention for Problem Gambling in Credit Counseling***

**Jodi Jacobson Frey**, Professor, University of Maryland, Baltimore

**Paul Sacco**, Associate Dean for Research, University of Maryland, Baltimore

**Christine Callahan**, Research Associate Professor, University of Maryland, Baltimore

**Amanda Mosby**, Project Manager, Academic Affairs

**Orrin Ware**, PhD candidate, University of Maryland, Baltimore

**Rachel Imboden**, PhD candidate, University of Maryland, Baltimore

The authors examine an intervention on problem gambling. They reported on the aims and progress of the study to adapt evidence-based brief interventions for gambling within credit counseling settings.

### ***Help When You Need It: Sources of Advice for Student Loan Borrowers***

**Julie Miller**, Research Scientist, MIT AgeLab

**Samantha Brady**, Research Specialist, MIT AgeLab

**Alexa Balmuth**, Technical Associate, MIT AgeLab

**Joseph Coughlin**, Director, MIT AgeLab

Using mixed methods to explore the experiences of student loan borrowers and how debt influences various domains of their lives, the authors findings suggest the importance of support, advice, and advocacy for borrowers leading up to the decision to take on loans and through the repayment process.

### ***The Role of Secured and Unsecured Debt in Retirement Planning***

**Zibei Chen**, Assistant Professor, University of Southern Mississippi School of Social Work

**Karen Zurlo**, Associate Professor, Rutgers University

The authors find that though payday loans serve as a cash flow alternative for families with few other options, they can be harmful to household financial stability and are likely to increase financial stress.

### ***FCAB in Older Adults and Children***

Several other research papers addressed the status of financial capability and assets in older adults and children.

### ***An Investigation of Financial Capability Profiles in Later Life***

**Yu-Chih Chen**, Assistant Professor, The University of Hong Kong

**Sicong Sun**, PhD candidate, Brown School at Washington University in St. Louis

The authors use data from the 2015 National Financial Capability Survey to assess and profile sociodemographic factors and financial outcomes of adults aged 55 and older.

### ***Frictions in Saving and Claiming: An Analysis of Unclaimed Retirement Accounts***

**Anita Mukherjee**, Assistant Professor, Risk and Insurance Department, University of Wisconsin-Madison

Using data from state unclaimed property databases, Mukherjee provides an estimate of the extent of unclaimed retirement savings, and a model to calculate welfare impacts related to potential policies that could reduce savings and claiming frictions (e.g., auto-rollovers or reminders about previous accounts).

### ***Financial Socialization of Six to Eight Year Old Children***

**Mahasweta Banerjee**, Professor, University of Kansas

Banerjee explores the qualitative data on the similarities and differences in financial socialization among children from higher and lower income families.

# FCAB in Social Work Education: Addressing Inequality in the Era of COVID-19

The pandemic has intensified the financial troubles of millions of families and increased overall levels of economic inequality. To address inequality in the era of COVID-19, there must be a workforce equipped with the knowledge and tools necessary to improve family financial security. Social workers and other human service professionals work with the populations most likely to be excluded from mainstream financial services and least able to benefit from existing policies that build household assets. This section explores social work education's role in preparing such a workforce.

## Dean's plenary



The President of the Council on Social Work Education (CSWE), **Darla Spence Coffey**, hosted a panel of three deans of schools of social work to discuss FCAB in social work education. Their comments focused on the importance of FCAB, the financial well-being of students, and the potential for FCAB to link micro and macro practice in social work.

**FCAB is foundational.** In recognition of FCAB's historical roots in social work, **Jenny L. Jones**, Dean of Clark Atlanta University's School of Social Work, observed, "We have made progress in moving this content back into the social work profession. The Grand Challenges for Social Work has increased the visibility of this issue in our profession in a way that wasn't there in the past." In one course with FCAB content, Jones reported that her master's level students asked her "Why are we just [now] learning about this?" And a colleague asked, "Why aren't we doing this all along in social work?"



Panelists agreed that FCAB is a foundational topic in social work education, but Coffey noted, "There is a reality that the curriculum is already really packed and people act as though this is an add-on . . .". **Martell Teasley**, dean of the School of Social Work at the University of Utah, responded: "There is a lot in the curriculum

but [FCAB] needs to be foundational in terms of who we are and what we are putting out there as social workers ready for society and today's problems." Coffey agreed: "FCAB is not an area of specialized practice—this should be an essential component of our foundation."

Since 2016, when FCAB was named one of the Grand Challenges for Social Work important progress had been made. "The grand challenges has certainly made the profession aware of this issue . . . allowed us the space to be able to present research on this topic that wasn't there in the past" said Jones. "We have to stay at it."



**Mary McKay**, Dean of the Brown School at Washington University in St. Louis, emphasized, "This is not about tinkering or improving slightly . . . these [grand challenges] need to be solved . . . Focusing on the disproportionate burdens on people of color can more meaningfully tackle the pillars of the grand challenge."

**Begin with financial well-being of social work students.** Teasley suggested that social work educators should begin by "clean[ing] our own house first" by helping social work students achieve financial well-being. Today, students leave school with large debt for often low-paying social work jobs. In addition, minority populations lost about half their wealth in the last recession, Teasley emphasized, which limits their ability to pay for higher education. Though a college education helps with upward mobility, student debt may exceed that gain. He underscored the need to develop strategies to lower the cost of education. Jones agreed, stating that her students learn how loans work but not about basic money management. Many are beginning to question the value of their social work degree.

McKay said that FCAB is "one of our tools in our advancing equity toolbox. Sometimes I talk about student debt as the result of failed social policy." In applying that to FCAB she asks "Are we as a field doing enough around some of these failed social policies around how student loans have become one of the ways to finance your MSW?" To eliminate reliance on

**"We *have made progress* in moving [FCAB] content back into the social work profession."  
—Jenny L. Jones**

post-graduation debt, social work education must consider access and affordability.

FCAB contributes to overcoming the micro-macro divide in social work. An advantage of FCAB, according to McKay, is that it bridges the macro-micro divide. Eliminating the binary nature of micro and macro practice, according to Teasley, is a big challenge. “. . . one of the challenges I have faced . . . is the delinking between macro and micro. I’m really trying to get rid of that binary economy between the two . . . so I want to change the curriculum so the students are getting both.”

Jones agreed: “We must keep the big picture in mind . . . We create a dichotomy by asking students to focus on micro, mezzo, or macro practice.” McKay added that this is “not just about teaching financial literacy to our clients. It’s also about policies and structures and communities. This is social work practice at its best: focused certainly on individuals but also focused on their intersection with an incredibly burdensome, unfair environment.”

**Next steps.** In addition to encouraging integration of FCAB content into courses, Jones suggested leveraging field education opportunities. She was able to place students in internships at a local community financial empowerment organization internship, which was, “eye-opening for students.”

In closing, Teasley pointed out that the “bully pulpit from CSWE” might facilitate progress in FCAB. CSWE President Coffey encouraged conference attendees to submit comments to the proposed [EPAS 2022](#): “That’s the place to advocate for more FCAB content in the social work curriculum.”

“This is *social work practice at its best*: focused certainly on individuals but also on their intersection with an incredibly burdensome, unfair environment.”  
—Mary McKay

“FCAB is not an area of specialized practice, *this should be an essential* component of our foundation.”  
—Darla Spence Coffey

“. . . We place a lot of emphasis right now on diversity and inclusion, but we really should just be *placing as much emphasis on FCAB* in terms of working with students. . .”  
—Martell Teasley

### Research Paper Presentations

Participants presented three research papers on social work education:

#### *Developing a Financial Social Work Certificate Program to Meet Needs of Community Practitioners*

Christine Callahan, Research Associate Professor, University of Maryland, Baltimore

Jodi Jacobson Frey, Professor, University of Maryland, Baltimore

Rachel Imboden, PhD candidate, University of Maryland, Baltimore

The authors describe findings from an evaluation of a Financial Social Work Certificate continuing education program.

#### *Assessing the Financial Knowledge, Behaviors, and Well-Being of College Students from Underserved Backgrounds*

Sofya Bagdasaryan, Associate Professor, California State University, Los Angeles

Joanna Doran, Associate Professor, California State University, Los Angeles

The authors examine the financial behaviors and well-being of a group of minority undergraduate students at a public university in Southern California. They test the construct that financial capability includes both financial literacy and financial inclusion.

#### *A Scoping Review of the Financial Toxicity Literature: Investigating its Application for Financial Literacy Education*

Yesenia Alvarez Padilla, PhD student, The Ohio State University

Caecilia Loibl, Associate Professor, The Ohio State University

The authors assess the impact of opioid use disorder and the cost of treatment on financial well-being. Preliminary findings suggest that the cost of travel to treatment can impact adherence to treatment.

# Resources for FCAB Practice, Policy, Research, and Education



Resources for FCAB research, education, and practice exist, but this is a relatively new area of funding for social work. The panel offered counsel for those seeking research funding for FCAB.

**Meg Woodside**, Trustee of The Woodside Foundation, hosted a panel of representatives from three foundations. Woodside has been a key contributor to

the development of the Financial Social Work Initiative at the School of Social Work at the University of Maryland, and has supported two FCAB conferences.

## **Jill Jones, Managing Director of Research, National Endowment for Financial Education (NEFE)**

Jones told conference participants that NEFE had recently launched its strategic plan with a vision that “everyone has the knowledge, confidence, and opportunity to live their best financial life.” Articulating why the FCAB community is important, Jones said, “We understand that social work is on the forefront of understanding the broader personal finance ecosystem and the types of foundational and idiosyncratic factors that shape an individual’s financial capability and well-being.” NEFE provides grant opportunities twice a year (June and December) focused on four areas of research: measurement, systemic inequality, youth, and data and methodological biases. A key funder of research on financial education, NEFE was the primary funding partner for this conference.



## **Padmini Parthasarathy, Senior Program Officer, The Walter and Elise Haas Foundation**

Parthasarathy said that the “north star” of their economic security portfolio is closing the racial and gender wealth gap. The foundation, which supports FCAB programs and initiatives in the San Francisco Bay area, focuses on three priorities: research

on informing policy change, income support, and public benefits; work; and wealth building and protection. Regarding possible partnerships with social workers, Parthasarathy observed: “I don’t think that some of the asset building or financial coaching programs that I find have partnered with social work schools, but now that I am learning more about it, I am eager to talk with them about that.” She added, “We have multiple schools of social work here in the Bay area that I think would be great partners . . . a great addition to a lot of the work that my grantees are doing.”



## **Sarah Bainton Kahn, Vice President for Corporate Responsibility and Philanthropy, JP Morgan Chase & Co.**

Bainton Kahn emphasized that the company’s corporate social responsibility sector provides grant funding to nonprofit organizations across four pillars—financial health, small business expansion, jobs and

skills, and neighborhood revitalization—with an emphasis on racial wealth equity. Their commitment to racial justice is reinforced in the grant making process, including the racial mix of leaders of organizations and their board members. Within financial health, the foundation funds fintech solutions, financial coaching, pathways to financial stability, and resiliency. The latter area was added in response to the COVID-19 pandemic in recognition of the critical need for emergency supports. Bainton Kahn ended her session by posing several key research questions: How do we measure COVID-related outcomes and impacts? How do we measure the impact of financial coaching and more scalable techniques like technology? How can we keep the personal element in technology delivery?

Together, the panelists offered tips for potential grantees:

- Applicants should make a clear argument for its relevance for social work and investigators’ expertise.
- Listen to and involve your clients/customers; they know the best solutions for themselves.
- Listen to the funders and address their areas of interest.
- Carefully research the foundation, including its mission.
- Understand the process of applying for funds.
- Review what they fund and don’t fund.
- Network with others to understand how funding happens.
- Know that funders work together and share information about grantees.
- Ask a funder to make an introduction for you to another funder.
- Keep your proposal simple and clear. Funders are not looking for highly academic and technical language.
- Remember that funders share similar goals with their grantees.
- Ask about the funder’s priorities and constraints.
- Be confident and speak up when discussing potential project changes.
- Communicate with others in the field and with the public about project outcomes to help with field building.
- Articulate the expected impact of the project.
- What policy will the research inform and in what ways?
- If possible, partner with nonprofits to do applied research.

# Conference Products

The conference resulted in two major outcomes. The first is the publication of papers in journal special issues, and the second is the expansion of the FCAB network. Presentation materials, recorded research posters, and video of certain sessions are also available.

## Journal Special Issues

With the announcement of the FCAB convening, the FCAB team solicited an open call for papers. We invited scholars to submit papers that (a) analyze financial vulnerability and explore strategies to improve financial well-being, (b) assess FCAB policy and practice among vulnerable populations, or (c) examine FCAB teaching approaches. Two social science journals—*Families in Society* and *Journal of Family and Economic Issues*—have agreed to publish special issues on FCAB. Selection of papers is currently underway with publication of the two special issues anticipated for late 2021 and 2022.

Editors of these additional journals have indicated that they welcome submissions related to financial capability and asset building:

- *Children & Schools*
- *Family & Consumer Sciences Research Journal*
- *Global Social Welfare*
- *Health & Social Work*
- *Journal of Community Practice*
- *Journal of Policy Practice & Research*
- *Journal of Social Work Education*
- *Journal of the Society for Social Work and Research*
- *Social Service Review*
- *Social Work*
- *Social Work Research*

## Expansion of the FCAB Network

More than 300 people registered across the two days of the FCAB conference. To boost opportunities for virtual networking, some participants shared [brief introduction videos about their research and areas of interest](#) or their [teaching materials](#). The conference organizers will continue to encourage collaboration through email updates and through participation in the Grand Challenges for Social Work FCAB network. For more information about joining the FCAB network, please contact CSD Project Director Gena McClendon at [ggunn@wustl.edu](mailto:ggunn@wustl.edu).

To receive the Grand Challenges for Social Work newsletter, go to <https://grandchallengesforsocialwork.org/join/>

## Conference Presentation Materials

The CSD website houses copies of the PowerPoint slides used in presentations and video recordings of most of the conference sessions held on [September 24, 2020](#), and [February 25, 2021](#). In addition, CSD's YouTube channel hosts the prerecorded [research poster sessions](#).

# Conference Support

## About the Sponsors

### National Endowment for Financial Education (NEFE)



The National Endowment for Financial Education (NEFE), primary sponsor, champions effective financial education. NEFE is the independent, centralizing voice providing leadership, research, and collaboration to advance financial well-being. As one of the first organizations to embark on the mission of wholly dedicating its efforts on improving the effectiveness of financial education, NEFE continues its legacy of strengthening action-oriented research agendas, mobilizing intermediaries, and creating better solutions for researchers, educators, practitioners, and policymakers. For more information, visit [www.nefe.org](http://www.nefe.org).

### Center for Social Development



The Center for Social Development's mission is to create and study innovations in policy and practices that enable individuals, families, and communities to formulate and achieve life goals, and contribute to the economy and society. Through innovation, research, and policy development, CSD creates intellectual and applied contributions in social development theory, evidence, and policy. CSD is celebrating over 25 years of innovative contributions to better lives and well-being. For more information, visit [CSD](http://www.csd.wustl.edu).

### University of Maryland, School of Social Work and Financial Social Work Initiative (FSWI)



The University of Maryland School of Social Work, Financial Social Work Initiative (FSWI), is a leader in financial capability and asset building research, teaching, training, and practice. With support from the Dean's Fund for Innovation, we focus on advancement of social workers and the profession to build financial well-being and economic justice through direct service with and policy and program improvement for individuals, families, and communities. For more information, visit [FSWI](http://www.fswi.org).

### The Woodside Foundation

The Woodside Foundation is a private family foundation focusing primarily on program development, outreach, and advocacy in the areas of family financial security and asset building in Maryland. The Foundation has been championing the expansion of financial social work education, research, and practice in the social work profession since 2008.

### Grand Challenges for Social Work



Initiated by the American Academy of Social Work and Social Welfare, the Grand Challenges for Social Work is a groundbreaking initiative to champion social progress powered by science. It's a call to action for all of us to work together to tackle our nation's toughest social problems. The 13 Grand Challenges for Social Work define a far-reaching social agenda, promoting individual and family well-being, a stronger social fabric, and a just society that fights exclusion and marginalization, creates a sense of belonging, promotes trust, and offers pathways for social and economic progress. For more information, visit [Grand Challenges for Social Work](http://www.grandchallenges.org).

### The Kazanjian Foundation



The Calvin K. Kazanjian Economics Foundation is a non-political, non-profit foundation that supports new ideas and approaches to helping people more fully understand how economics can play a role in making their lives, their communities, and the world a more prosperous place. It gives grants to organizations, initiatives, and researchers who are on the cutting edge of advancing economic education.

## Conference Organizers

Jodi Frey and Christine Callahan, Financial Social Work Initiative, University of Maryland

Julie Birkenmaier and Jin Huang, Saint Louis University

David Rothwell, Oregon State University

Margaret Sherraden, Lissa Johnson, Gena McClendon, Tanika Spencer, John Gabbert, and Chris Leiker, Center for Social Development, Washington University in St. Louis

For more information, contact [csd@wustl.edu](mailto:csd@wustl.edu).







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