

Peoria Area Chamber of Commerce – Illinois Central College

Community Leadership School

Class Project – 2004 Class

“Central Illinois Saves”



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This report is not a policy of the Chamber, but reflects a study by the Peoria Area Chamber of Commerce Community Leadership School participants.

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Statement of the Project

A tailored marketing kit and analytical analysis has been completed with trends and data on saving patterns for use by Central Illinois Saves, in order to promote and increase saving and the accumulation of wealth among individuals and families in Central Illinois. Additionally, the project can assist in recruiting and training savers, site hosts, and savings partners.

Statement of Need

According to the Federal Reserve Bank of Dallas, more than 1.4 million individuals filed for bankruptcy in 2001, a significant increase from the 316,000 individuals who filed in 1981. Education costs are growing yearly at a rate of 5 percent per year. Three out of four Americans over the age of 20 will have less than half the money they need to retire and maintain their pre-retirement standard of living. Society has taught us not to worry about our financial future. It has taught us our company or the government will take care of us when we were done working (Rich Dad, Poor Dad, 165). Statistics, however, tell us the exact opposite is becoming true.

Today, consumers face many choices on how to manage and spend their money. Looking forward into the future, it is becoming more and more difficult to predict how much money we will need for things that we want and need. None of us can truly see our financial future in five years and because national trends point towards an individual personal saving crisis, it is absolutely crucial to develop a strong savings discipline now.

On the surface, the concept of saving money is an absolute. There are no questions about it. It is simply a good fundamental idea. The opposite, however, is what

plays out – spend! The reality of the statistical data is that fewer dollars are being saved than ever before, putting individuals and the nation at a critical financial crossroads in having the accumulated wealth necessary to pay off accumulated debt. Central Illinois Saves is asking its participants to make a fundamental social change – “To Build Wealth Not Debt.” To make this change a reality, Central Illinois Saves is filling a community need by creating a social marketing campaign to be used by savers to save towards something. Savers, site hosts, and savings partners will benefit from Central Illinois Saves by strengthening the community through its individuals.

Introduction

America Saves is a nationwide campaign and a model for Central Illinois Saves, in which a broad coalition of nonprofit, corporate, and governmental groups help individuals and families save and build wealth. America Saves began as a collaboration between the Consumer Federation of America Foundation and the Ford Foundation. Their research concluded that community-wide campaigns offered the development of new strategies for encouraging saving and accumulating wealth (www.americasaves.org). Through information, advice, and encouragement, this campaign assists those who wish to pay down debt, build an emergency fund, save for a home, save for an education, or save for retirement. America Saves encourages all Americans, especially the financially vulnerable, to travel down the savings path and build wealth. Many believe that low and moderate-income families cannot afford to save and build wealth. Yet, research shows there are “savers” and “spenders” in all income classes (www.americasaves.org). While those with modest incomes cannot save to the level of the affluent, almost all savers have

the ability to build wealth over time. The goal of America Saves is to convince all Americans they can build wealth and to assist them in doing so.

The project that our 2004 Peoria Area Chamber of Commerce Community Leadership School team has undertaken involves Central Illinois Saves (CIS), a campaign to encourage and support Peoria, Tazewell, and Woodford County residents to save. Similar to America Saves, anyone who agrees to work toward a savings goal can partake by filling out a simple interest form and tracking their savings (see marketing kit, CIS brochure). CIS will offer families a stake in the community through saving towards something. The campaign can help boost employee productivity and loyalty through saving for debt repayment. And CIS will help households increase self-sufficiency and achieve goals that improve their daily lives through saving for basic family needs. Through this message the campaign will cover social marketing. Current social marketing says spend, spend, spend. The Central Illinois Saves' goal is to impact this social behavior, just as "Don't Drink & Drive" or "Buckle Up" campaigns have affected behavior over the past 20 years (Colorado Saves).

For a social marketing campaign to be a successful it must convey a meaningful message, be quickly and easily understood, and viewed to be important says community activist Reverend Tony Pierce of the Christian Family Church. The social behavior for seatbelts was changed by terms like "buckle up" or "make it click." CIS, likewise, will need to develop a tagline and quick meaningful message. One suggestion might be the tag of "Save Towards Something" utilized in the marketing kit. CIS will be working under the premise, like other successful grass root efforts and affecting social behavior by, "piecing together a picture of physical and social turnaround engineered by no central

authority, foreseen by no master plan, but created piecemeal by the independent effort of tens of thousands of people who had a hunch they could do something” (Comeback Cities, 64).

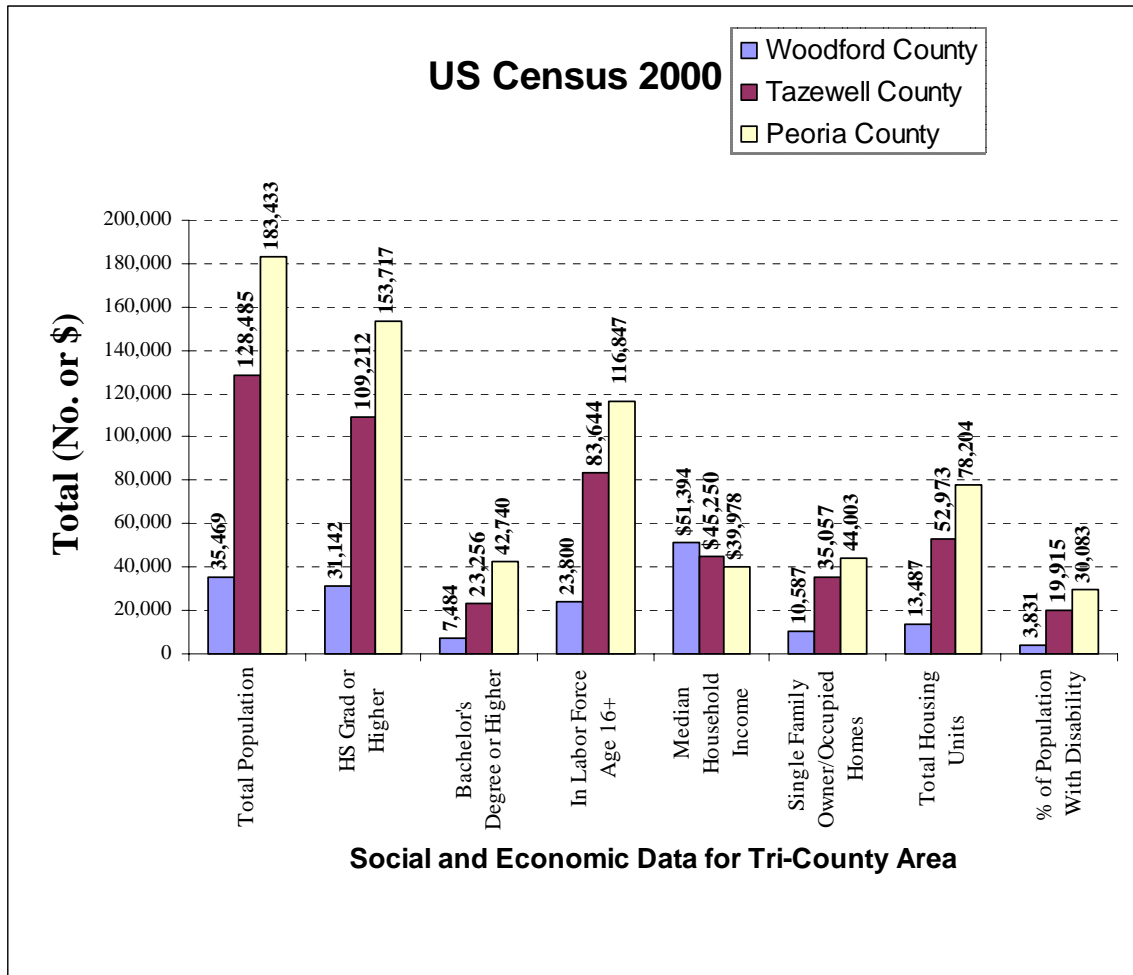
The vision for economic security as defined by The Charter for Illinois Children is that all children have economic security and justice, meaning access to food, clothing, transportation, and safe affordable housing. In addition, all families have equal opportunities to provide these basic economic needs. For Central Illinois children to prosper we must meet all their basic issues. CIS has the ability to offer families a way to meet these requirements. Farrell Davies, Director of Community Affairs, Children’s Home, has been instrumental in the startup and development of CIS through her initial involvement in creation of the Charter for Illinois Children. She has worked closely with Terry Flynn, Executive Director, Consumer Credit Counseling Service of Central Illinois to form a collaborative effort in bringing the national campaign, America Saves, to Central Illinois, and forming Central Illinois Saves. This project’s potential is unlimited, and its rewards to our communities are endless.

Data Research

Data research on the subject of savings is difficult to find at the local level and more readily available at the national level. According to Bill Polley, Professor of Economics at Bradley University, the local data would closely reflect the national data. The statistical data ties together the anecdotal information society has become very familiar with through today’s headlines. Figure 1 pulls data from the 2000 US Census to

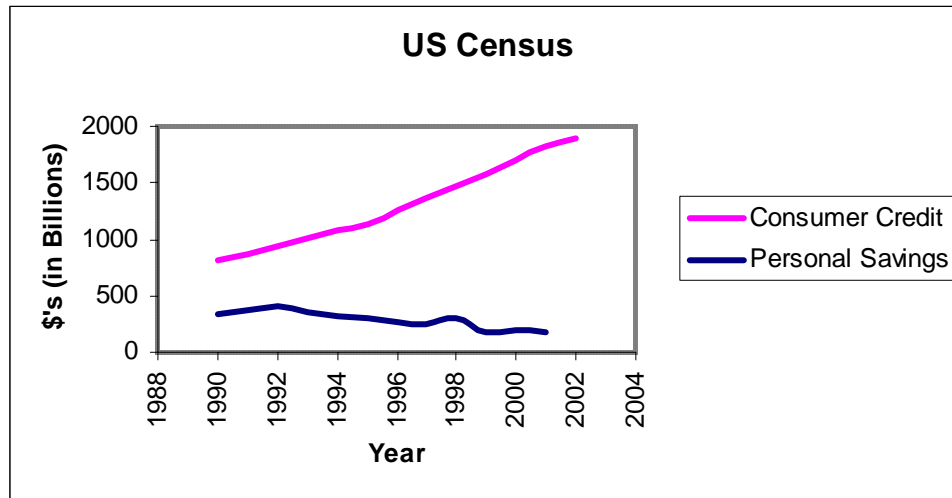
provide an economic illustration of the tri-county area (Peoria, Woodford, and Tazewell Counties) that will be the main focus of CIS.

Figure 1



Using national data from the 2002 US Census for personal savings plotted against consumer credit with statistical data starting in 1990 continuing to 2002, Figure 2 shows growth in personal savings from 1990 to its peak in 1992 (\$413.7 billion), then the non-linear decline to present date (\$169.7 billion). Consumer credit meanwhile has shown and is still showing steady growth up from \$808 billion in 1990 to \$1,895 billion in 2002.

Figure 2



Workers' Retirement Preparations and Confidence from the American Savings Education Council shows that 44 percent of workers stated they have attempted to ascertain how much would be needed for a comfortable retirement, yet 30 percent cannot give an amount needed. Fifty percent stated the calculations resulted in different savings patterns. Fifty-three percent began saving more and 24 percent changed the investment allocation of their money. Forty-seven percent of non-savers feel they could manage \$20 a week for retirement, while 60 percent of savers felt they could add an extra \$20 a week. While savers felt more comfortable with their retirement future only 29 percent said they felt "confident" they would have enough to live comfortably throughout retirement. Only seven percent of nonsavers expressed confidence. Individuals saving for retirement have decreased: 75 percent, 2002; 71 percent, 2001; 59 percent, 1998; and 61 percent, 1994.

Minority/Ethnic related data

Looking specifically at research data for Hispanic Americans and African Americans, along with information provided by Thomas Stanley and William Danko in

their book The Millionaire Next Door, shows there is drastically different saving and spending patterns by different ethnic groups.

Hispanic Americans

Hispanic Americans are more likely to spend all of their income than are other Americans. Hispanic Americans are younger than other Americans resulting in less time to save or build personal wealth. The 2002 Census shows the median age of a Hispanic American is 26 years while it is 35 for all Americans (Consumer Federation, 2003).

Forty-four percent of Hispanic Americans are foreign-born while only 11 percent of the entire American population is born outside the U.S. Language can, therefore, be a barrier in employment and homeownership. Forty-eight percent of Hispanic Americans own their home compared to 68 percent for all Americans. Hispanic Americans are more likely to send money outside of the U.S. totaling more than \$10 billion a year (Consumer Federation, 2003).

African-Americans

African Americans had a net wealth increase of 221 percent from \$5,919 in 1989 to \$19,010 in 2001. The typical U.S. household rose from \$64,788 in 1989 to \$86,100 in 2001, an increase of only 32.9 percent. Typical American homes that held a net wealth of at least \$100,000 was 42 percent while only 18 percent of African-American homes experienced that level of wealth (Consumer Federation, 2002).

According to www.bet.com, the African-American homeownership rate increased from 42 percent in 1990 to 48 percent in 2003, however, it continues to lag the 68 percent

homeownership rate of the U.S. population. An important reason for rising African American household wealth has been a growing number who are planning ahead and saving regularly. Between 1989 and 2001 the proportion of regular savers rose from twenty-nine percent to forty-two percent. More than 3,300 African-Americans have enrolled in the national Black America Saves campaign. Their reasons for joining are: emergency fund (26 percent), homeownership (22 percent), debt repayment (21 percent), and retirement (12 percent).

See Figure 3 for a comparison of the two largest ethnic groups with all Americans.

Figure 3

HOUSEHOLD FINANCES			
		1989	2001
Median Net Wealth	Hispanic Americans	\$6,883	\$11,450
	African Americans	\$5,919	\$19,010
	All Americans	\$64,788	\$86,100
Planning Horizon Next Several Months	Hispanic Americans	45%	28%
	African Americans	44%	27%
	All Americans		18%
At Least 5 Years	Hispanic Americans	23%	33%
	African Americans	22%	30%
	All Americans		41%
Do Not Save	Hispanic Americans	37%	34%
	African Americans	43%	28%
	All Americans		22%
Save Regularly	Hispanic Americans	29%	33%
	African Americans	29%	42%
	All Americans		41%

Data research concludes the gap between personal savings and consumer credit is widening. The difference between savings and spending patterns is dramatic. We must

determine how to change our savings and spending habits. The first step in the solution is to identify why this is occurring. Although there may be many reasons given for lack of success in saving money, the large majority of families fall into one of only a few categories that we identify in barriers to saving.

Barriers to Saving

One of the ways CIS can be successful in its campaign is to try to resolve as many “barriers to saving” as possible. Many of us have heard the saying, “most people do not plan to fail, and they simply fail to plan.” Why do people fail to plan? What are the barriers or reasons why people do not save?

CLS Team 4 prepared a survey and solicited comments from over 50 individuals regarding Barriers to Saving. One of the key barriers identified in the survey was the importance of setting a realistic budget and “sticking to it.” Our survey confirmed the barriers our team identified were common throughout.

One of the first barriers is simply the unwillingness to discuss personal finances. Individuals and families are focused on the day-to-day expenses of life and are living paycheck to paycheck, not thinking about the future. Who can they talk with, confidentially, that will offer them education and resources for credit counseling to aid them in developing a plan? This is a problem. Secondly, in order for individuals to give specific financial planning advice, there are particular licensing requirements that need to be met. Obviously, it is not the intent of CIS to violate any licensing requirements. All in all, this creates another barrier to solving the saving problem.

The next barrier to saving is how to get started. What are the available savings opportunities? What is the first step? How do I overcome minimum initial deposit required to open a savings account? These are all examples of steps and barriers that need to be overcome and worked through to develop a savings campaign, but as one of our surveyed individuals simply expressed, “The only barrier is not living by the budget you set.”

Some barriers out there not only make it more difficult to save, but entice individuals and families into a debt trap. The programs out there targeting the financially vulnerable include predatory lending, short-term, high interest loan programs, and easy access to credit cards. All of the programs stated play on the instant gratification, get something for nothing mentality that overwhelms our society today. In an Employee Benefits News article, Kathy McNally, vice president for financial literacy at the National Foundation for Credit Counseling suggests that, “We truly are an instant gratification nation, where people have stopped differentiating between wants and needs.”

It is often not the individual’s fault that they do not adequately save. The United States celebrates consumption over savings. It is much easier to borrow than to save. We have not educated the nation on the personal reasons to save and the consequences for not doing so. People spend more money than they make and the accumulation of wealth is a foreign term to them. People in the low and moderate income categories believe they cannot afford to save, but there are savers and spenders in all income classes.

The key to eliminating these barriers is education. Central Illinois Saves would bring an education component to the people of Central Illinois. The campaign would also include a marketing segment with outreach efforts to everyone from banks and financial

institutions, to business and employers, to individuals and households that have debt and/or have not started accumulating wealth through savings. The campaign would increase public awareness on savings and allow more individuals to understand what opportunities are available to them. Where needed, individuals and households would have availability to a wealth coach (explained later in the paper) to help them, confidentially, explore what savings opportunities are right for them.

Comparing Saving Campaigns

Agencies from consumer counseling, economic education, to savings councils offer a variety of similar, yet varying, programs revolving around a marketed message of “saving” to low-income individuals, children, and those planning toward a specific life event (i.e. retirement, education, etc.). The surface evaluation of these programs shows the variety of resources available to those interested in saving. CIS has the ability to utilize components of other resources in order to best meet the needs of the saver. While the discussion on like programs is not all-inclusive, it provides a guide to similar ones, their mission, and sponsors.

American Savings Education Council

“The American Savings Education Council (ASEC) is a nonprofit national coalition of public- and private-sector institutions undertaking initiatives to raise public awareness about what is needed to ensure long-term personal financial independence. ASEC works through its partners to educate Americans on all aspects of personal finance and wealth development, including credit management, college savings, home purchase,

and retirement planning. ASEC's goal is to make saving and planning a vital concern of all Americans” (www.asec.org). The campaign provides outstanding worksheets and calculators for retirement planning and promotional materials. The limitation of the campaign is the implementation component and ability for a community to become wholly involved in it.

College Illinois!

College Illinois!, Bright Start College Savings Program, and other similar programs provide a saving pattern towards a college education. With College Illinois! an individual can lock in tuition and fees for a particular state university thus, protecting the saver against future tuition increases. A participant can pre-purchase as many semesters as desired and the College Illinois! fund then pays for those when used, regardless of increases over time (www.collegeillinois.com). Similar type programs offer a balance against increasing tuition costs and relatively low initial contribution levels, providing great benefit to its participants. The efforts are limited to solely targeting college education and the penalties are stiff if the money is not used for college.

National Council on Economic Education

“The National Council on Economic Education (NCEE) is a nationwide network that leads in promoting economic literacy with students and their teachers. NCEE's mission is to help students develop the real-life skills they need to succeed: to be able to think and choose responsibly as consumers, savers, investors, citizens, members of the workforce, and effective participants in a global economy.” The NCEE offers training

workshops for teachers on their curriculum, including one sponsored by the Center for Economic Education at Bradley University in August 2002, and is funded by State Farm Insurance (www.ncee.org). The limiting component of the NCEE is that it is age specific with curriculums based for grades 6-8 and 9-12.

America Saves

The America Saves campaign and subsequent development of Central Illinois Saves was initially selected instead of other campaigns because of its all-inclusive nature. Simply, Central Illinois Saves includes everyone. The entire community can participate without delineation of income level or what savings might be used for, and America Saves can be introduced through an individual workplace or other entity with which people may be affiliated. Central Illinois Saves incorporates a grass-roots level social marketing campaign where people and the community are “empowered to make their own decisions,” states Farrell Davies, of the Children’s Home.

The other campaigns previously discussed provide a great breadth of resources and, if properly utilized, can be important components of any saves campaign. The weakness of the America Saves campaign is the variance of tools, calculators, etc. based on specific need available on its website to help a saver develop a saving goal and the tools for accomplishment. Utilization or development of worksheets, profiles, and calculators, similar to other campaigns, will be a resource America Saves should develop to have the desired tangible benefit to the saver community. The CIS marketing kit has developed saving profiles for homeownership, credit counseling, college education, and

retirement, along with an internet resource guide to get further information, calculators, and worksheets for each.

The ability for those enrolled in the campaign to make decisions based on their needs and wants is fundamentally essential to the CIS campaign. It is important to note as Terry Flynn, of the Consumer Credit Counseling Service, states “the attitude of spending is not necessarily a bad thing. It must be a balance of spending and saving though.” A vital component of the campaign is the essence of saving towards something, in order to have a goal, accountability, and sense of accomplishment in saving. In America Saves, the individual is left with the decision of what that something may be and then provided with the tools to make it become a reality. It is here where America Saves excels as a campaign for the community and where community resources can be invested into a broad sweeping initiative. The limitation of other initiatives previously discussed is the options are narrowed into a single program based solely on either income level, educating children, or saving toward a life event.

The choice of America Saves involves the community, includes the community, and can be of benefit to the community.

Central Illinois Saves – How Can It Benefit Our Community?

Project Definition

Central Illinois Saves can encourage homeownership, boost employee productivity and loyalty, and encourage self-sufficiency and money management. CIS is a campaign to encourage and support the tri-county residents to save. Our target markets in this effort will be potential savers, site hosts, and savings partners.

Low and moderate-income families often have consumer debts exceeding their entire total assets. Those moving from welfare to work have zero or negative assets that impact their ability to move from governmental assistance to financial independence. This lack of wealth adversely affects communities as well as households. Those without a material stake in society are less likely than financially secure individuals to take the responsibility of helping maintain and improve the community. CIS can offer families a stake in the community through saving towards something.

Research shows, workers who worry about unpaid bills and mounting debt are not only distracted, but also spend time, on the job, trying to deal with their financial difficulties (www.americasaves.org). Local employers face reduced productivity when their employees struggle with financial stability. CIS can help boost employee productivity and loyalty through saving for debt repayment.

Individuals and households lack of financial security can have severe personal consequences, including the ability to handle financial emergencies, afford a home, pay for one's own education or of one's children, and support oneself during retirement. Living paycheck to paycheck reduces our citizens' ability to be self-sufficient and to plan for long-term goals. CIS can help households increase self-sufficiency and achieve goals that improve their daily lives through saving for basic family needs.

Educational Opportunities

According to Ross Black, Neighborhood Development Manager for the Office of Planning & Growth Management with the City of Peoria, the City has over 20 programs available with a variety of low interest loans. Homeownership is one way the city has

identified to help the community build equity to increase wealth, but who is aware that these programs even exist? How to get savers exposed to these programs and the CIS educational opportunities can be accomplished through several means. One typical method is the use of a CIS website available to the public. Most websites are modeled after the americasaves.org website from the national America Saves organization, but are modified to include local information for viewers to become familiar with along with the national information. Another opportunity is through the Human Resource departments at individual companies. CIS would provide the marketing kit (brochure) to the HR people and they could include this information in mailings, payroll checks, etc. to employees. To further this idea, if companies would allow payroll deduction to a savings account, more individuals would find saving for the future even more convenient.

Almost everyone receives a utility bill. CIS could target utility companies to include savings education information in their mailings for an opportunity to reach the community. CIS could also work with local tax accountants, such as H & R Block, to provide them with information to give to their customers to help increase the outreach efforts. Another idea for educating the public is through the press/media. Advertising on the radio, in the local newspaper, or having an event, are other ways to get the savings message out. These are just a small list of the endless possibilities to educating the public on the many opportunities that CIS can and will provide.

Recruitment of Participants

On December 5, 2003, Farrell Davies, Terry Flynn, and Laurie Peterson of National City Bank, hosted an initial interest meeting for the CIS project. There were

over 100 reservations secured for this meeting ranging across the community spectrum. Additionally, on February 3, 2004 a meeting was held to further recruit participants and to begin to form working groups. At this meeting, our team made a brief presentation as to the workings of our project and its developing role.

Davies and Flynn are confident they have the key participants in place to make CIS a success, including many key savings partners, employers, and service agencies. Working groups have been developed and recruitment of participants will continue and can be performed by enhancing the speaking points for potential savers, site hosts, and savings partners found within the marketing kit. Maureen Keown of Philadelphia Saves, encourages telling others who are currently onboard and if necessary use them as motivational competition to continually recruit participants to CIS.

Pitfalls to Developing Saves Campaign

It is important to again recognize saving, in theory, is assumed a good idea. Yet, with consumer credit increasing 66 percent from 1995 to 2002 and savings decreasing 56 percent during the same time frame (US Census 2002), the reality to saving is a major issue facing the economic viability of our country. Additionally, a savings campaign does not include pay increases to its participants. A saving campaign affects “both sides of the ledger” (Flynn, 2004); meaning spending less in order to save more. In order for a saving campaign to be successful the theory of saving must be put into practice.

The CIS campaign addresses a major need for the tri-county area and has been very comprehensive in its development. It could be very easy to look at the provided data and become overwhelmed with the need for a campaign and attempt to be very

broad and idealistic in the campaign's scope. Developing executive committee's and our Community Leadership School team will need to remain true to the "grassroots efforts and the social marketing" (www.americasaves.org) aspects that have made other similar campaigns successful. Maureen Keown says they "have a lot of media and press coverage for each event and make it FUN."

Each of the America Saves campaigns are independently run and organized with a great spirit of cooperation amongst the groups; including a posting board at www.knowledgeplex.com of materials and information. Along with this, each campaign is individually run and usually by a single group/person who are serving as volunteers or as just one part of their current job description. Janis McCubbrey of Colorado Saves warns, "This project is so huge and we are just learning as we go along. You need a lot of patience and a committed team."

In order to overcome the potential pitfalls of program development, George Barany founder of Cleveland Saves says make sure you have large working groups and regular meetings, a couple of times a year do something in public, and get community, business, and faith based leaders to buy in and help promote the organization.

Central Illinois Saves – Potential Savers

A Saver is anyone willing to pay down debt, build an emergency fund, save for a home, save for an education, or save for retirement. Savers Clubs may be formed to act as a "support group" choosing to discuss money-savings tips, savings options or their own savings progress. They may also ask the local campaign to provide financial experts to discuss issues of interest to club members.

For savers to be successful there are several keys to success (Rich Dad, Poor Dad, 166-183):

1. Savers need a reason to save, more than just than the statistical reality – Save Towards Something;
2. The choice to save must be made daily;
3. Master a saving formula and then you'll be challenged to have to learn a new one to keep you going and to continue to accumulate wealth;
4. By paying yourself first (paying what you must), you will learn the power of self discipline;
5. Assets buy luxuries, which we all desire;
6. Heroes must be present – wealth coaches; and
7. Teach others and you shall also receive wealth, new ideas, etc.

To enroll in Central Illinois saves, an individual must complete a brief application found on the website or within the CIS brochure (marketing kit, brochure). The saver can set a goal to save any amount and the money they save can be used completely at their discretion. The cost of being a saver is ZERO; you set the goal, work toward it, and tell CIS you are on track (marketing kit, saver). As a saver, if you saved \$20 (more) per week for retirement, in 30 years at a 5 percent rate of return that money would become \$16,645.17 (americasaves.org).

Central Illinois Saves – Site Hosts

A site host can be an employer, neighborhood based organization, religious institution, or any other place where people would naturally gather. The requirements of

a site host are as follows: provide a facility for three workshops per year, provide a volunteer to serve as host at each workshop, provide a volunteer to serve as a wealth coach or educational support volunteer and publicize workshops to customers, clients, and constituents. Employers who can sponsor workshops and other activities show support for their employees in achieving personal goals (marketing kit, site hosts).

Human Service Organizations

CIS has already established a relationship with many of the human service, nonprofit, and religious organizations in the tri-county area. Most of these agencies provide direct services to a diverse population that reflects the target groups of individuals, both economically and culturally. This pool of potential savers can receive direct information (marketing kit, site hosts – service agency) on the benefits of CIS from these organizations. In turn, the agencies will benefit from a wealthier community by creating a better place to live, stronger families, and a larger donor base.

Religious Institutions

There were several religious institutions that attended the initial interest meeting of CIS. An interest lays within them in a want to contribute to the well-being of their congregations and work towards the social concerns of their communities. A congregation could be introduced to CIS and encouraged to participate throughout a variety of resources available to religious institutions.

Reverend Pierce suggests the more members who see a benefit; the more their positive word of mouth will drive its success. He also warns there are a variety of similar

campaigns out there and some of them are driven by the religious institution like the 1000 Churches Program (developed by the New York Stock Exchange and the Rainbow Push Coalition) his Christian Family Center Church is involved with as well. It will be important to work with religious institutions that, by developing a CIS campaign, it will not take the place of their programs. It will, however, enhance their efforts and tie their institution back to the workings of the entire tri-county community (marketing kit, site hosts – service agency). An individual can be a Central Illinois Saver and a part of the entities own savings efforts; they work mutually together.

Benefits to Human Service Organizations and Religious Institutions

Last year alone 76.3 percent (Chronicle of Philanthropy) of all charitable gifts were made by individuals. By creating a community with a stronger financial worth, nonprofit organizations create a community that is better able to support human service organizations. In essence, when an agency refers someone to CIS they are building a future donor base. It is also true that individuals are more likely to support an organization with which they have a personal or prior relationship.

Human Service Organizations and Religious Institutions have main objectives to build stronger families and communities. CIS mirrors these goals. Personal financial wealth decreases family stress, creates a stronger community through saving towards something and provides for more personal independence.

Increased personal wealth has been proven to assist in building more desirable communities. People who own their own homes are often more invested in the beauty, safety, and future of their neighborhoods and communities. Parents who save for their

children's education are sending a clear message of expectation to those children. In turn, higher education leads to a higher income potential creating a cycle of wealth in a community. Stronger communities benefit everyone including human service organizations. It also creates a stronger donor base, broader volunteer base, wider employee pool, and a better place in general to live and work (marketing kit, site hosts – service agency).

Employers

Recruiting employers to publicize and incorporate CIS into their organizational culture can create the largest CIS participant base and is the crux de core of the campaign. Having employers involved and supplying the information to their employees will ultimately determine the success of CIS. Information can be sent through e-mail blasts, human resource publications, payroll information, and through the CEO's personal commitment to supporting CIS.

Savers can enroll through their employer and take advantage of direct deposit opportunities. By establishing support groups and internal wealth coaches, employees can seek assistance from those they know and respect (marketing kit, site hosts – employers).

Benefits to Employers

By being a CIS participant, employers show support for an employee achieving personal goals. The workplace becomes more attractive to employees who know they can receive personal coaching when appropriate; thus, bringing about higher workplace

productivity with less time spent on personal financial problems. As a CIS participant an employer shows its involvement in a community wide social marketing campaign to employees and customers (marketing kit, site host – employers).

Roles of Site Hosts

Refer potential savers to CIS by distributing prepared campaign materials to clients, consumers, congregation, volunteers, and employees. Occasionally provide private meeting space for savers and wealth coaches. Host a CIS seminar for groups of potential savers. Network together with CIS by displaying the logo in a predominate area, provide a link on your web page and state collaboration on any appropriate advertising or media events. The wealth coach can best be described by defining his/her role. The wealth coach reinforces the “I can do it” spirit, while offering realistic encouragement and specific wealth building goal setting as needed. Wealth coaches contact prospective Savers using information submitted when they enroll. Within the marketing kit are sample site host event maps coordinating the initial meeting, site coordinator meeting, kick-off meeting, motivational workshop, and saver centers (marketing kit, site host).

Educational Entities

In developing savers, the educational aspect of a social marketing campaign is absolutely essential in creating an understanding of the need for saving. Likewise, working with educational entities to have a saving campaign and attitude implemented into a program or curriculum base could begin an attitudinal change amongst students.

Essentially translating into future behavior and potentially changing current saving behaviors.

Examples of implementation could be a class period of a freshman seminar course at Bradley University focusing on credit, its importance and pitfalls. A similar class period could be used at ICC and other similar institutions during a personal finance course. Secondary schools throughout the area either host or could be encouraged to host a career day where the role of money and importance of saving is incorporated. Organizations, such as Junior Achievement, Girl/Boy Scouts, Boys/Girls Club could receive recognition for completing information on the role of a bank and managing money. Within each of these examples, the CIS campaign could be introduced and students actively recruited to prepare for their own futures in a non-competitive environment.

While it would seem like an easy opportunity to target these entities, one our group initially made as well, the immediacy and impact of a saves campaign needs to be more ingrained in the culture before this outreach. Additionally, the priorities of the schools are not in saving money and they will want to see the success of the initiative in action. George Barany states, "A saves campaign must be supported within the institutional structures. First with the teachers, administration, and parents then incorporated to the children as savers. They must be a part of the message." The Cleveland Saves campaign has been developing a Youth Saves campaign and did not begin working on it until after a full-year of its saves campaign (three years after Cleveland Saves was conceptualized).

Central Illinois Saves – Savings Partners

Financial Institutions can create attractive products for small savers and work with their customers in helping them meet their objectives. Many savers will already have a bank or investment account that they can use to build savings. This should not be a checking account since it will be difficult to protect any savings from expenditures. The most basic savings account is one at a bank, thrift, or credit union. The advantages of these accounts are that they are usually easily accessible and can receive regular and automatic deposits from a checking account at the same institution. The campaign should ask financial institutions to waive the fees on accounts for “Savers.” Another attractive savings product is U.S. Savings Bonds. They offer relatively high interest rates, their Easy Saver program is easy to maintain, and they can be purchased for as little as \$25.

The role the banks of Central Illinois will play within the CIS campaign is as crucial as any other entity involved. Promoting and increasing saving and accumulation of wealth among individuals and families is the goal stated in the mission of CIS, therefore banks being the institution best known for providing these services are very important.

The main roles the banks in Central Illinois will play involve helping with the promotion of the campaign, being available for savers to use their services, and relaxing normal fees and charges involved with savings (marketing kit, potential savers). The services imperative to the campaign involve the opening of savings accounts for general saving purposes, retirement saving purposes, educational saving purposes, and/or lending purposes. As individuals and families develop these savings relationships with banks they will be more apt to save on a regular basis. In order for beginning savers to make

the first step, the normal fees, minimum balances and opening deposits, and charges will need to be relaxed.

Initially our team phoned several area savings partners and received information regarding what it would take to open an account. The information included nominal fees, minimum account balances, and general usage charges. In order for CIS to be successful savers will need to identify themselves as CIS participants. Savers could do so either verbally on the phone or by showing their Central Illinois Saver's card (marketing kit, savers card) in person.

The potential benefits to the banks of Central Illinois are many in scope and exponential in growth. Individuals and families opening savings accounts will obviously bring additional money into the institution. As relationships develop and these individuals and families begin to succeed at saving, a loyalty will develop between them and the banking institution that helped them reach this status. They will have a new client, and will be able to service their needs whether it is in the savings or lending realm. The potential for exponential growth will come from the potential referrals and new customers they will receive from the people they have helped. Additionally, the Community Reinvestment Act requires every bank to meet the needs of its entire community, including low- and moderate-income neighborhoods, consistent with the safe and sound operations of a bank (Comeback Cities, 109). By being a CIS bank, they will be meeting some of the guidelines of the Act.

Central Illinois Saves will need to incorporate as many local saving partners as possible, including banks, lending institutions, and financial planning representatives. Initially they have expressed interest, including National City Bank being a sponsoring

organization. Other banks important to get on board in the tri-county area will be CEFCU, which as 30 percent (\$1.9 billion in 2001) of the Peoria area deposit market, and Associated Banc-Corp., which has \$471.5 million in deposits (www.aba.com/industry+issues/cuarticle061102.htm).

Summary

Central Illinois Saves presents a valuable campaign to the tri-county area. Together the attitude, data, and research collected show a need for the continued development of CIS. The social marketing approach of CIS combines elements of education, marketing, and social expectation. It tries to communicate with residents community-wide, institutionally and personally. Team Four from the 2004 Chamber of Commerce Community Leadership School has developed a marketing kit and supporting documentation with data trends to savers, site hosts, and savings partners to aid in the successful launch of Central Illinois Saves.

Recommendations/Conclusion

Central Illinois Saves is currently in the development stages of its pilot program. A general interest meeting was conducted in December 2003 that included over one hundred different groups and individuals expressing interest. A follow-up meeting was held in February 2004, to start developing the five different working groups that have been identified. These working groups are as follows:

1. Marketing – specific to the recruitment of Central Illinois Savers;

2. Organization Based Marketing/Education – recruitment of site hosts and savings partners;
3. Motivation – keeping all parties full of energy and fun;
4. Savings Club – support groups for the Central Illinois Savers; and
5. Financial Products – development of the education tools, etc. in support of the campaign.

Team 4 identified our major role within Central Illinois Saves as filling the need of the first two working groups. In order for the campaign to move forward, the marketing kit was developed specifically to target recruitment of Central Illinois savers, site hosts, and savings partners. The development of the marketing kit provides CIS a uniform marketing product, which offers supporting documentation and allows them to begin immediate recruitment of savings partners and site hosts.

Our recommendations to Central Illinois Saves include the following:

1. Obtain 501 (c)(3) status: This tax code designation will allow any donation to be deducted by the contributor and is often required for many grants or other funding;
2. Develop a quick and easily understood social marketing message that explains the problem and how to fix it. An example might be “Build Wealth not Debt” or “Save Towards Something;”
3. Designate a point person to be the contact person for CIS. Additionally, organize complete working groups and interested parties who are committed to the cause, have available time, contacts at high levels, and energy to motivate;

4. Kickoff a Central Illinois Saves Pilot Campaign to use as a baseline and establish success stories;
5. Follow-up with interested parties and working groups established at the first two interest meetings and consistently and continually provide contact via e-mail or newsletter to the volunteers; and
6. Set a date and prepare a Central Illinois Saves kickoff event that will include media coverage, local leaders from throughout the Peoria area (e.g. political, religious, celebrities, business, etc.), and lots of FUN activities to get savers to come out and get involved.

In conclusion, Central Illinois Saves will address a significant and often overlooked problem that affects our community and nation as a whole. By implementing a campaign to educate, coach, and recruit savers, site hosts, and savings partners, CIS will empower individuals to better their lives and ultimately our community. Through the research and exposure to the CIS campaign, Team 4 was motivated to make their own personal financial changes. Each member chose a tangible way to decrease spending and increase savings in an effort to apply the message of CIS. The following identifies the team member, what savings step they implemented, and their approximate savings for the month:

- David Horton – Brought lunch to work two days per week - \$24 savings
- Amy Johnson – Eliminated fast food one night a week with family - \$56
- Ruth Lane – Bought soda at the store instead of buying out of the machine - \$21
- Bernadine Nolan – Cut cell phone minute plan from 400 to 100 minutes - \$30
- Nathan Thomas – Discontinued digital cable - \$13

- Joshua Waite – Brought lunch to work two days per week - \$24

Team 4 members are honored to have had the opportunity to help further such a valuable and important campaign. We hope our contribution of detailed data, project overview, and subsequent specific marketing tools will provide immediate promotion of Central Illinois Saves. These materials have been designed specifically to meet the needs of the tri-county area and launch this great benefit into our community.

“People seek organizations for a sense of stability,” said Dr. Charles Stoner, professor at Bradley University, to the Community Leadership School class. Central Illinois Saves is the organization to provide that sense of stability for an individual to accumulate wealth.

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Maureen Keown, Philadelphia Saves, February, 23, 2004

Janis McCubbrey, Assistant Director of Consumer Affairs for the Certified Financial Planner Board of Colorado

Tony E. Pierce, Senior Pastor, Christian Family Center Church, Peoria, IL

Dr. Bill Polley, Professor of Economics, Bradley University, January 29, 2004

Dr. Charles Stoner, Professor of Business, Bradley University, February 20, 2004, CLS 2004 Class Speaker