

**Success Story - December 2005**  
**Plan #300 – Money for Life**

**Smart Spending and Saving**

**Situation:**

A needs assessment completed by families participating in last year's free tax preparation services indicated they would like educational information on budgeting, recordkeeping, saving and investing. In addition, 86% of the participating families received a tax refund and 56% claimed the Earned Income Tax Credit with the average EITC being \$1415. Often families do not set goals for the use of their tax return and end up spending it on unnecessary wants rather than needs.

**Response:** Before tax season (November and December 2005) four Smart Spending and Saving workshops were held in Southwest Iowa. Local HeadStart Centers hosted the workshops which included a family meal, child care (provided by local 4-Hers) and parent education on financial management topics. Activities and materials were presented on getting organized, recordkeeping, meal planning, spending plans, tracking spending, setting goals, and savings. Participants were also made aware of the upcoming free tax preparation services and match money through Individual Development Accounts (IDA's) for first time homebuyers.

**Impact:**

A total of 48 families participated in the programs. An end of meeting evaluation was completed by 37 participants with the following results:

- \* 36 indicated the program provided helpful information.
- \* 27 rated their overall satisfaction with the program as excellent or above average
- \* 32 indicated they would attend another workshop with topics of highest interest being savings/investing, buying a house, rent to own, understanding credit, banking services, and managing a checking account.

Responses to the statement, "As a result of participating in this program I learned..."

- Ideas for setting up a spending plan/budget/tracking spending – 10 responses
- Importance/value of saving – 6 responses
- Recordkeeping ideas/organization tips – 6 responses

Responses to the statement, "As a result of participating in this program I plan to..."

- Start saving/save more money/ save for house/save for kid's college – 9 responses
- Develop a spending plan/budget money/track spending – 10 responses

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