

ECONOMIC EMPOWERMENT TRUST FUND

FY2017
ANNUAL
REPORT



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01. Letter from Treasurer Goldberg



In my capacity as Chair of the Economic Empowerment Trust Fund, and pursuant to M.G.L. Chapter 10 Section 35QQ, I am pleased to file the attached Fiscal Year 2017 Annual Report, the second released by our board. As required, we have included information about all of the programmatic and financial activities of the Trust Fund.

Over the past year, we have been steadfast in our mission to develop new initiatives and strengthen existing ones to ensure economic stability and economic security for all people in Massachusetts. This report examines our statewide impact, including areas in which we have thrived or intend to grow.

Enrollment for SeedMA, our flagship college savings pilot, opened in Worcester in August 2016 and expanded into Monson three months later. For three years, kindergarten families in each community are eligible to receive a free, \$50 deposit when they open a 529 account for their child.

Last fall also marked the beginning of our Women's Economic Empowerment Series. With Citizen's Bank's support, we hosted sessions in Quincy and Newton. After some great success and positive feedback, we brought the program to Worcester, Springfield, and Melrose earlier this year.

This past spring, we were thrilled to announce another seeded college savings account opportunity, SoarMA, which is available to seventh graders in Springfield, Pittsfield, Worcester, Haverhill, and Lowell. Our nonprofit partner, Inversant, has embedded their unique "saving circles" strategy into the program for participating families.

Building on our efforts to close the wage gap, we enhanced EqualPayMA.com with more digital assets, a new editorial page, and a monthly newsletter. The website has been such an effective counterpart to in-person programming, it inspired the launch of our second digital offering, MyFinancialLifeMA.org. This new platform provides financial resources for every life stage and is accessible 24/7 by computer or smartphone for those who cannot attend one of our workshops.

So far, we have implemented 18 out of 22 recommendations of our Financial Literacy Task Force report, and I am extremely proud of where we stand today. I am eager to continue working with you to provide more people the tools they need to thrive in our complex financial world. Together, we will continue breaking down barriers and opening up more opportunity for everyone in our state.

Sincerely,

A handwritten signature in blue ink, appearing to read "Deborah B. Goldberg".

Deborah B. Goldberg
Treasurer and Receiver General
Chair, Economic Empowerment Trust Fund

02. Overview

The Economic Empowerment Trust Fund (EETF or Trust Fund) was created pursuant to Section 35QQ of Chapter 10 of the Massachusetts General Laws. Through a range of initiatives geared towards people of all ages, EETF aims to develop pathways to economic security and stability using educational resources and high-impact tools.

Managed by State Treasurer Deborah B. Goldberg in consultation with a board of trustees, EETF is responsible for implementing programming that supports economic security for all Massachusetts residents. The first-in-the-nation Office of Economic Empowerment (OEE) is responsible for executing EETF’s goals including wage equality, college affordability, and broadened financial literacy for seniors, veterans, and families.

One of the Trust Fund’s top priorities is to ensure access to financial education for all residents. In FY17, Treasurer Goldberg announced the launch of a cutting-edge multimedia platform MyFinancialLifeMA.org. The website provides digital content that responds to life’s varying financial challenges, from families who need help saving for college, to young adults who need guidance to start planning for retirement. Available online or through one’s smartphone, MyFinancialLifeMA.org effectively brings learning opportunities to all corners of the state. Additionally, OEE continues to deliver in-person financial education programs to communities across Massachusetts. This year, the office created a series of workshops for senior citizens. OEE also continues to host financial education fairs for participating high schools, which encourage more students to incorporate budgeting and planning into their lives.

The Trust Fund is determined to help close the wage gap in Massachusetts. In FY16, OEE - in consultations with EETF - launched EqualPayMA.com, another groundbreaking website that offers tools for women and employers to understand salary negotiation, pay transparency and workplace gender equity. Since coming online, EqualPayMA.com has attracted nearly 10,000 visitors from every state in the nation and more than 80 countries worldwide. The site also features editorials from academic scholars, elected officials and community leaders to underscore the wide-scale impact of this issue.

The Trust Fund and OEE are taking additional steps through the Women’s Economic Empowerment Series (WEES) and Women in Finance Fellowships. Launched in FY17, WEES brings free financial education and salary negotiation workshops to women of all ages and backgrounds. Over FY16 and FY17, undergraduate fellows have participated in paid, finance-heavy fellowships at Treasury and benefited from field trips to sites such as the Federal Reserve Bank of Boston, relevant research projects and mentorship with women in the field.

Finally, in collaboration with the Massachusetts Educational Financing Authority, EETF continues to grow its children’s savings accounts programs, SeedMA and SoarMA. The former, a 529 savings account pilot in Worcester, provides \$50 to every kindergartner in the city and teaches families how to invest in their children’s higher education. In FY17, SeedMA expanded into the town of Monson. Also in FY17, the Trust Fund introduced SoarMA, a savings account initiative for low-income seventh graders at five middle schools. Through a public-private partnership with Inversant and the Hildreth Stewart Charitable Foundation, the program facilitates financial learning programs for students and families and will launch in FY18. Both SeedMA and SoarMA use data-driven approaches to cultivate college-bound identities for kids in Massachusetts.

FY2017 FINANCIALS

EETF started the year with a total balance of **\$124,866.38**. In FY17, a variety of generous donors awarded **\$51,000** and EETF sincerely appreciates their ongoing support.

REVENUE

<i>SeedMA:</i>	<i>WEES:</i>
\$2,500 from Webster Five Bank	\$30,000 from Citizens Bank
\$3,500 from Monson Savings Bank	
\$15,000 from Greater Worcester Community Foundation	

EXPENSES

Most of EETF’s FY2017 expenses are attributed to the SeedMA program and WEES. Additionally, **\$1,570** was expended for tax preparation services.

BALANCE

Total balance at the end of FY17 is **\$154,237.10**

\$95,999.70 is designated for SeedMA in Worcester.

\$35,441.98 is designated for WEES.

03. Financial Literacy Task Force Report Update

In keeping with her commitment to developing a statewide financial literacy program, Treasurer Deborah B. Goldberg announced the creation of the Massachusetts Financial Literacy Task Force in 2015. A group of policymakers, educators, bankers, and advocates—including several EETF board members—was tasked with examining the state of financial education in the Commonwealth and releasing a report with detailed, quality and scalable action items. Their work culminated with 22 recommendations aimed at empowering people with the skillset needed to budget wisely, save for retirement and understand the impact of money management decisions.

Since the Task Force published their report 18 months ago, OEE, in consultation with EETF's board of trustees, has initiated 18 of 22 policy recommendations, including the following highlights...



Establishing SeedMA to help families save for their kindergartner's post-secondary educational future.



Creating the Women's Economic Empowerment Series, which offers free financial education workshops for women.



Launching MyFinancialLifeMA.org, a first-of-its-kind online platform that helps individuals at every life stage overcome barriers to economic stability.



04. \$eedMA

SeedMA is a universal, seed-funded children’s savings account program designed to help families prepare for post-secondary education and clear the pathway to college and vocational training for more students in Massachusetts. Every 529 account opened through SeedMA receives a \$50 deposit funded by EETF. Philanthropic donations enable the program to be offered at no cost to taxpayers.

The SeedMA program has three principal goals. First, it aims to increase the percentage of children saving for higher education. Second, it seeks to deliver quality financial education programming to families, while also building a culture of saving and prudent budget management. Third, it strives to inspire economically vulnerable and disadvantaged children to enroll at and graduate from higher education institutions, thereby boosting rates at colleges and vocational training schools. In the second year of its three-year pilot phase, SeedMA is open to every kindergartener in the Worcester and Monson public school systems. The long-term goal is to make the program available to every child in Massachusetts.

YEAR ONE

1,000+

Worcester kindergarten students and families participated in SeedMA activities during the school year.

35%

of eligible Monson families enrolled in SeedMA. This ratio is in line with similar programming such as Maine’s Alford Scholars and Indiana’s Promise model.

33%

of Worcester Public School kindergarten teachers participated in SeedMA training, exceeding the participation goal.

59

eligible Worcester families enrolled in SeedMA. This is consistent with the national enrollment rate for 529 accounts.



35

PEOPLE TRAINED

65

EVENTS

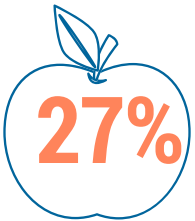
49

LOCATIONS

60

PARTNER AGENCIES
& ORGANIZATIONS

SAVINGS DATA



made contributions to
their accounts



median family contribution



total value of all family
contributions

YEAR TWO

The SeedMA Pilot Program continues to be monitored and evaluated to inform the creation of a sustainable Children's Savings Account (CSA) program that will encourage post-secondary preparation, increase financial literacy, and nurture college and vocational training-bound identities throughout Massachusetts.

IN YEAR TWO, BASED ON LESSONS LEARNED, STAFF WILL:

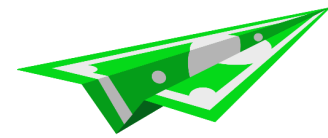
- ➔ Seek to enroll a greater percentage of 2017-2018 kindergartners in Worcester Public Schools through a streamlined registration process;
- ➔ Incorporate financial education into student learning by facilitating new relationships between community-based organizations and schools;
- ➔ Work with local ambassadors to offer a SeedMA Working Group that ensures all families have access to financial education opportunities and college savings accounts, and;
- ➔ Increase citywide higher education aspirations by strengthening the network of community partners engaging with Worcester families about college savings and financial education.

SPOTLIGHT ON FINANCIAL EDUCATION

SeedMA financial literacy workshops aim to promote economic stability among students, their families and the entire community. Strong partnerships with nonprofit organizations and schools enable parents and guardians to understand financial concepts and risks, particularly related to saving for their child's higher education. Participants become aware of the tax advantages of opening a 529 account and debunk myths that often deter families from saving for college.

Public schools supported SeedMA's financial literacy goals primarily by coordinating teacher trainings. Twenty-nine kindergarten teachers in Worcester, representing one-third (13) of all public elementary schools, were trained. In Monson, Quarry Hills Elementary School engaged kindergarten and third grade teachers with a financial literacy curriculum overview. Additionally, all participants received detailed information about SeedMA, branded piggy-banks and related classroom resources to help advance the program's goals.





05. \$oarMA

Pursuant to Chapter 133 of the Acts of 2016, this fiscal year saw the launch of SoarMA, a two-year children's savings account pilot designed to help low-income seventh graders and their families save for higher education, develop positive financial management behaviors, and establish college-bound identities. Facilitated by OEE and EETF, this universal, seed-funded program provides financial education curricula in addition to matched savings. The 529 college savings accounts are offered through the Treasurer's Office, in collaboration with the Massachusetts Educational Financing Authority (MEFA), Inversant, and the Hildreth Stewart Charitable Foundation.

SoarMA will serve the second round of cities participating in the Federal Reserve's Working Cities Challenge grant program, including Haverhill, Lowell, Pittsfield, Springfield, and Worcester. A school has been identified in each location, each representing the city's most economically disadvantaged middle school:

- Haverhill: Consentino Middle School
- Lowell: Stoklosa Middle School
- Pittsfield: Reid Middle School
- Springfield: South End Middle School
- Worcester: Worcester East Middle School

EVERY ACCOUNT OPENED FOR AN ELIGIBLE SEVENTH GRADER RECEIVES...



\$50 deposit through EETF and OEE, funded by the public-private partnership.

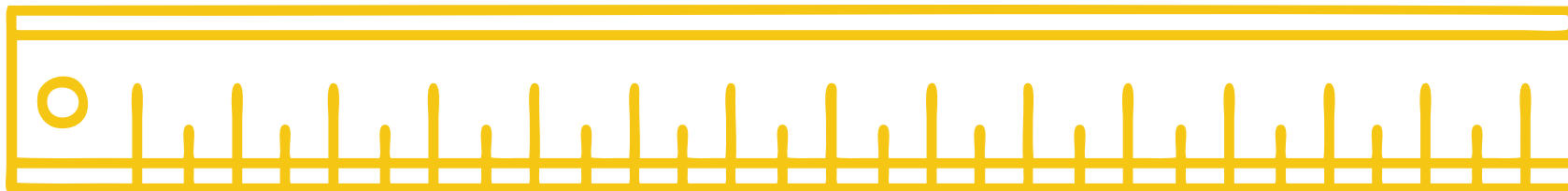


Families that save **\$100** in the first calendar year will receive a monetary match, up to **\$400**.

LEARNING CIRCLES MODEL

With high proportions of low-income and immigrant families, students at the five gateway cities and middle schools selected for SoarMA face substantial barriers to accessing higher education. Nationwide families in similar communities rarely utilize college accounts and lack engagement with traditional financial investment tools. The Treasurer's Office has a unique engagement opportunity to help families overcome these barriers.

To bridge that gap, OEE has partnered with Inversant, considered one of the nation's leaders for supporting college access. Inversant's engagement model focuses on providing low-to-moderate income families with the resources and knowledge they need to achieve higher education goals. Inversant's Learning Circles will engage SoarMA parents and guardians in a yearlong financial education program that fosters skills and confidence to support their child's higher education journey. Facilitators will provide coaching on topics related to college accessibility, including standardized testing, institutional options and costs, and the application process.



06. Women's Economic Empowerment Series

OEE and EETF created WEES with the support of Citizens Bank and in collaboration with the American Association of University Women (AAUW). The free, multi-session program provides women training related to salary negotiation, money management, retirement, and investment strategies. Specifically, WEES addresses the Financial Literacy Task Force's recommendation "to promote financial education for women to enhance economic standing with a focus on wage equality and the tools they need to be financially successful," among others. The workshops also complement other OEE initiatives targeting women's economic security.

In fall 2016, WEES launched as a pilot program in Quincy and Newton. In spring 2017, additional funding from Citizens Bank enabled the program to expand to Worcester, Springfield, and Melrose. OEE also partnered with the Boston Chinatown Neighborhood Center to offer sessions in Mandarin. During each series, OEE worked closely with community organizations to tailor the format and topics to the participating population.

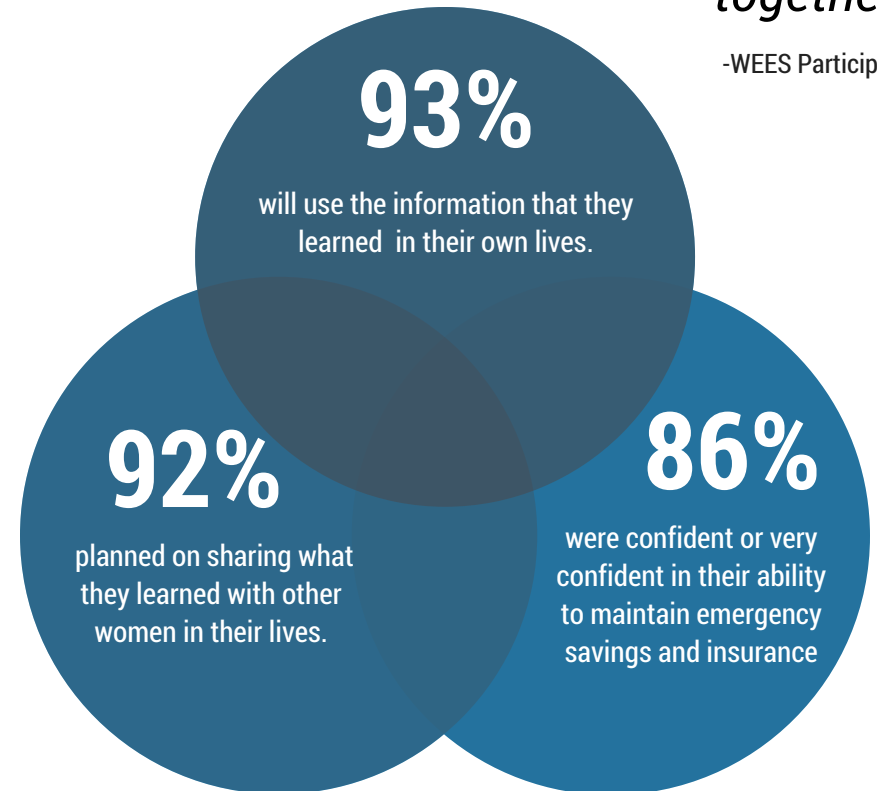


During the first year of implementation, WEES served five communities and 184 women. The average age of participants was 42 years old (ranging from ages 15 to 77), and most were highly educated (37 percent of women held a bachelor's degree and 38 percent held a postgraduate degree). The majority were employed, as 55 percent of women reported working full time and 12 percent reported working part-time. However, 32 percent of participants reported having an annual household income of less than \$45,000. Most participants were also banked, as 82 percent reported holding a savings account and 92 percent reported holding a checking account.

PROGRAM IMPACT

“Being with other women, sharing information, becoming empowered together.”

-WEES Participant



07. Operation Money Wise

Operation Money Wise is a financial education grant opportunity offered by EETF and OEE to empower service members and their families to make informed financial decisions. In February 2016, \$25,000 was awarded to support Massachusetts nonprofit organizations, public agencies, and higher education institutions that foster financial literacy in the Military, Veteran, Family and Survivor Community (MVFSC).

Culminating in December 2016, five grant recipients served more than 900 members of the MVFSC through regional conferences. Surveys indicated 97 percent of participants had excellent or very good experiences.

PAST GRANT RECIPIENTS

- Heidrea for Heroes
- Consumer Credit Counseling Services, Inc
- United Way of Pioneer Valley
- Community Teamwork, Inc.
- Quincy Community Action Programs

Heidrea for Heroes, created a webinar, a great resource for Veteran Service Officers (VSO's) and career center counselors when assisting veterans. It was viewed **over 720 times**.



900

members of the
MVFSC served

**\$25,000
AWARDED**

97%

indicated an excellent
or very good
experience

08. Financial Education Fairs



The Financial Education Innovation Fund (FEIF) is a subsidy vehicle for high schools to develop or expand financial education fairs. These events have been held in Massachusetts for more than a decade and proved to be an accessible and interactive way for students to gain critical money management skills.

As a result, the Treasurer, as EETF Chair, facilitated the partnership between OEE and the Division of Banks to help the fairs grow. Since its inception in 2015, FEIF has provided funding to help serve more than 20,000 students across the Commonwealth. EETF has been updated about the funding and execution of this program at scheduled board meetings.

The 2016-2017 academic year marked FEIF's second year of implementation. Grants were available to any public school or charter school, inclusive of special education schools and programs, that could demonstrate cost-effective, educational and well-organized programming. The Innovation Fund awarded more than \$140,000 to 52 high schools serving more than 10,000 students across the state. OEE measured impact by administering pre- and post-fair student surveys.

SPECIAL EDUCATION SCHOOLS

This year, the Innovation Fund expanded its eligibility criteria to include Massachusetts public and private, day or residential, special education programs approved by the Massachusetts Department of Elementary and Secondary Education, in accordance with 603 CMR 28.0.

Special education programs reported to OEE that financial literacy lessons can be embedded into the "transition" curriculum, which is the overall planning process as students age and prepare for life after high school. Beginning at age 14, every student has an Individualized Education Plan (IEP) that incorporates a plan for transition.

One special education program reported using an intergenerational and empowerment focused strategy at their fair. At The Cotting School, students and parents participated in the fair, which focused on providing knowledge that best prepares students for post-secondary life. The school further encouraged families by inviting alumni students and parents to share tools that help individuals with special needs live a well-rounded, stimulating life.

“ *Always buy necessities first before things you want because you may not have enough money and it could possibly put you in debt.*

- Credit for Life Fair Student Participant

79%

of students
rated the overall
fair experience
“very good” or
“excellent.”

2/3

were likely or
extremely likely
to use the
information that
they learned at
the fair.

51%

reported the fair
is the only in-
school financial
literacy activity
they receive.

“I think it is so important to mentor other women. I will actively try to bring other women into the industry.

- 2016 Fellow

09. Women in Finance Fellowship

In 2016, Treasurer Goldberg launched the Massachusetts Women in Finance Fellowship, a new program for undergraduate women interested in the financial field. After tremendous success in the first year, OEE welcomed its second cohort of students in June 2017.

For the past two summers, fellows have been placed in various Treasury departments (Administration, Debt Management, Pension Reserves Investment Management, Massachusetts State Lottery Commission, and Massachusetts School Building Authority) to fulfill a paid opportunity for ten weeks. Program objectives include identifying and training prospective female employees for the financial industry, building a network and pipeline of talent, and advocating for more women in leadership roles.

The 2017 cohort included six women attending Wellesley College, Smith College, Boston College and the University of Massachusetts Boston. Their majors centered around economics and management, and each student had aspirations to work in the financial industry after graduation. Two fellows previously attended Bunker Hill Community College. Applicants were chosen based on merit, intentions to pursue a career in finance, interest in Treasury, and enthusiasm for giving and receiving female mentorship. Once selected, each fellow was placed in a department and assigned a senior female mentor.

One of the program's key components is its weekly educational session. The 2017 schedule included roundtables at State Street, the Federal Reserve Bank of Boston, and Ernst & Young, a tour of the State House, a panel with mentors from the program, a Start Smart salary negotiation workshop from the American Association of University Women, lunch with Treasurer Goldberg, and a resume/interview workshop provided by Human Resources.

Surveys from the 2016 cohort revealed that both fellows and mentors had an excellent experience with the program, and all seven fellows would recommend the program to a friend. Through the program, they gained substantive financial experience by taking the lead on projects such as a new payroll workbook, a report on bond deals, a special election database, automated fund-level reporting, and research related to the municipal bond market and the economic cycle framework.



10. Seniors

This past spring, OEE also created a new financial education program designed to help older adults learn strategies to prevent exploitation and effectively manage their personal funds.

Through public-private partnerships, workshops center around fraud and scam prevention, banking, credit, saving, financial recovery, and other topics. Volunteer financial educators from People's United Bank train seniors based on the FDIC's Money Smart for Older Adults curriculum. Sessions are available upon request to communities throughout the Commonwealth.

Across Massachusetts, more than 100 seniors have been served through educational workshops, and nearly 900 seniors have been reached at community resource fairs, including people in Andover, Dartmouth, Fall River, Falmouth, Marlborough, Methuen, New Bedford, Quincy, and Worcester.



This program has drawn significant interest from senior centers, Councils on Aging, and volunteer programs throughout the state. New workshops are slated for fall 2017, including several designed to accommodate seniors with low English proficiency. Ongoing program evaluations will enable OEE to keep modifying its resources to meet participants' needs.



87% of
participants
were women

76%

indicated a positive
experience at the
workshop.

78%

agree or strongly agree
that they will apply the
information they learned
to their own life.



More than 50%
reported annual
income of \$50K
or less

92%

confirmed that after
attending this program,
they know where to find
resources on managing
money and reporting
financial exploitation.



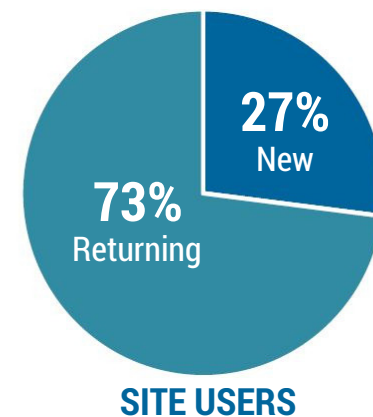
11. MyFinancialLifeMA.org

In April 2017, Treasurer Goldberg announced the launch of MyFinancialLifeMA.org. This cutting-edge multimedia platform provides resources for the financial challenges that people face over their lifetimes.

The website's user-centered design makes it easier for residents to access tools they need to achieve financial security. Building on current programming offered by EETF and OEE, MyFinancialLifeMA.org is available in multiple languages for people of all ages, backgrounds and levels of financial knowledge.

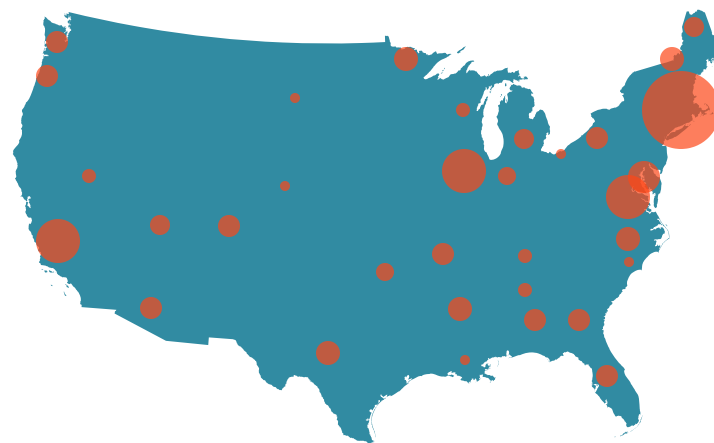
Digital content offerings are organized by identity, including women, families, high school students, people in their twenties and thirties, couples facing marriage and divorce, veterans and seniors. This format is designed to help visitors make informed money management decisions tailored to their individual life stages.

USER DEMOGRAPHICS

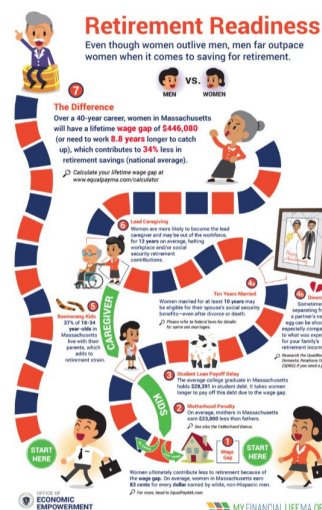


Top User Locations

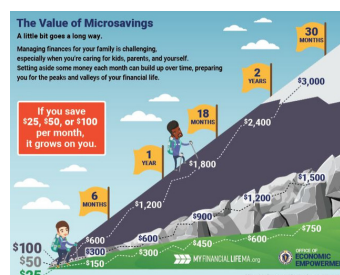
Massachusetts
New York
Connecticut
Virginia
California
Rhode Island
New Hampshire
New Jersey
District of Columbia
Illinois



SALARY NEGOTIATION GUIDE



RETIREMENT PLANNING GUIDE



MICROSAVINGS INFOGRAPHIC



CREDIT SCORE VIDEO FOR HIGH SCHOOL STUDENTS

12. Wage Equality - EqualPayMA.com

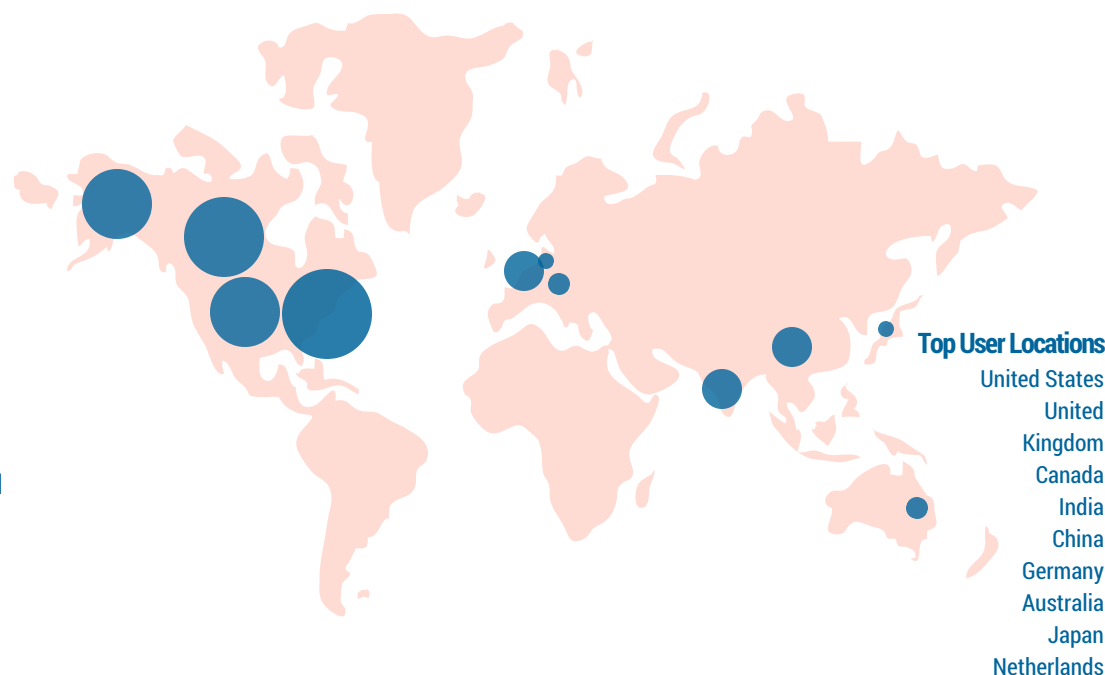
In consultation with EETF board of trustees, on Equal Pay Day 2016, Treasurer Goldberg and OEE launched EqualPayMA.com, a robust digital platform designed to help close the wage gap.

The website's innovative features—including a wage gap calculator, anonymous email platform, and business toolkit—have been used all over the world. Over the last year alone, the site has been viewed from every state in the nation and from 82 countries.

About 100 emails have been sent from EqualPayMA.com to encourage employers to examine internal wage policies and create positive workplaces for women and people of color. The business toolkit also has been downloaded in dozens of countries. And, the calculator has been used more than 20,000 times.

Since the site's inception, OEE has incorporated new assets such as a Massachusetts wage gap fact sheet, a salary negotiation video and an equal pay law infographic. Additionally, an editorial component was launched in which diverse thought leaders are invited to publish written pieces on the intersectional nature of wage inequality. Contributors include former constitutional officers, the president of Planned Parenthood, Boston City Councilors, anti-domestic violence advocates, academic scholars, urban designers and the Treasurer.

SITE DATA (APRIL 1, 2016 - JUNE 30, 2017)

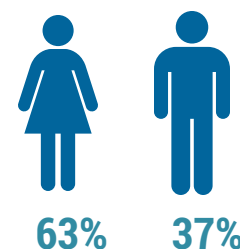


39,347 PAGEVIEWS
8,924 USERS
694 NEWSLETTER SUBSCRIBERS
97 ANONYMOUS EMAILS SENT

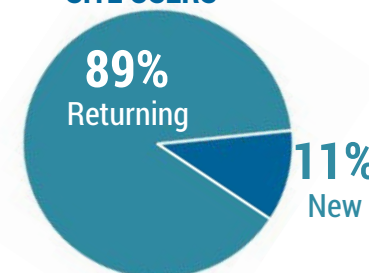
USED 304 TIMES



USER DEMOGRAPHICS



SITE USERS





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mass.gov/treasury/empowerment