

Introduction to CAST-UT Financial Literacy Program



Dr. Ching (Qing) Xu 徐青 博士
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Bio – Dr. Ching (Qing) Xu



Ms. Xu is a VP, Portfolio Credit Leader-CRA at Synchrony Financial in Salt Lake City, Utah. She manages the credit underwriting and portfolio risk of Synchrony Bank's \$1B commercial lending and investment portfolio for CRA. She is the bank's Utah site leader for Asian Professional Engagement Network.

Ching joined Synchrony Bank (formerly known as GE Capital Retail Bank) in 2011 from American Express, where she was a Director in Risk Management, with the responsibility for developing risk strategy to grow the online channel for international markets. In her 10+ years with American Express, she had held various fraud and credit risk roles with increasing responsibilities. She is Six Sigma Black Belt trained and has the expertise in data analytics and process improvements.

Ching has international experience in banking from Hong Kong and China. She graduated from the Management Trainee program with Dao Heng Bank Ltd. in Hong Kong, and has managed the financial operations of a non-profit project office that was UNDP funded and World Bank executed in Beijing, China.

Ching holds a Ph.D. in Economics from Utah State University, an MBA from the University of Utah EMBA Program, and a B.A. degree in Management from Peking University in China. She has served on the adjunct faculty for University of Phoenix since 2009, teaching online courses in macro and micro economics.

Agenda

- **Objective**
- **Core Components**
- **CRA**
- **Building a Sustainable Program**
- **Survey**

Objective

The objective is to increase the future economic security and work readiness skills of the underserved low- to moderate-income Chinese families involved, who may face language, cultural, educational and economic barriers.



- *Program will leverage the knowledge and language skills of CAST-UT members, to provide financial education and services, which cover financial literacy seminars and follow-up counseling, and trainings related to language, social and job skills, with the aim to provide the building blocks and resources necessary to become financially stable and secure.*

Core Components



- Identify Community Needs:
 - # LMI families
 - Helpful topics
 - # & \$ for counseling services
- Provide Supportive Services:
 - Educational seminars
 - Financial counselling
 - Job skills training
 - Community activities
- Seek Bank Funding:
 - CRA eligible
 - Operational expenses
 - Cost for services
 - Incentive for learning

CRA stands for The Community Reinvestment Act of 1977 (revised in 1989, 1995, and 2005)

CRA Requirements



The Community Reinvestment Act is a United States federal law designed to encourage banks and savings associations to help meet the needs of borrowers in all segments of their communities, including low- and moderate-income neighborhoods. Congress passed the Act in 1977 to reduce discriminatory credit practices against low-income neighborhoods, a practice known as redlining.



The Act instructs the appropriate federal financial supervisory agencies to encourage regulated financial institutions to help meet the credit needs of the local communities in which they are chartered, consistent with safe and sound operation (Section 802.) To enforce the statute, federal regulatory agencies examine banking institutions for CRA compliance, and take this information into consideration when approving applications for new bank branches or for mergers or acquisitions.



Bank complies by CRA activities include making loans, qualified investments and grants, as well as providing volunteer service, with focus on serving predominantly low- to moderate-income people, and meeting the criteria of **Community Development** which covers Affordable Housing, Community Services (*including Financial Education*), Economic Development and Revitalize/Stabilize.

Bank CRA Funding

Bank CRA funding focus on serving predominantly low- to moderate-income people and meeting the criteria of **Community Development**

			
<h2>Affordable Housing</h2>	<h2>Community Services</h2>	<h2>Economic Development</h2>	<h2>Revitalize / Stabilize</h2>
<ul style="list-style-type: none"> • Housing needs for low or moderate-income households • Support multi-family affordable housing • Support single family affordable housing 	<ul style="list-style-type: none"> • Providing financial expertise to community organizations (i.e. credit, HR, IT, Accounting, etc.) • Financial education • Access to critical community services (including healthcare) • Job training and placement 	<ul style="list-style-type: none"> • Financing small businesses • Microenterprise lending • Job creation • Etc. 	<ul style="list-style-type: none"> • Neighborhood redevelopment, improved housing, and/or essential community services • Activities in designated underserved rural areas and designated disaster areas.

* **Low- and moderate-income means** the household earns 80% or less of the area median income (AMI), or the average income of the geographic area is at or below 80% of the AMI. Generally if the beneficiaries of the volunteer activity are primarily (51% or greater) from low- and moderate-income households, or the program serves a low- or moderate-income neighborhood, it will be a Community Development purpose.

Examples of CRA-Eligible Programs

- **Banking on Women (BOW)**

- <http://www.umlf.com/banking-on-women/>
- Now in its 8th year, the program provides female business owners with small business financial education classes, mentoring, and opportunity to apply for a microenterprise loan. By investing in women entrepreneurs, the program supports job creation/retention and economic development in our local communities.

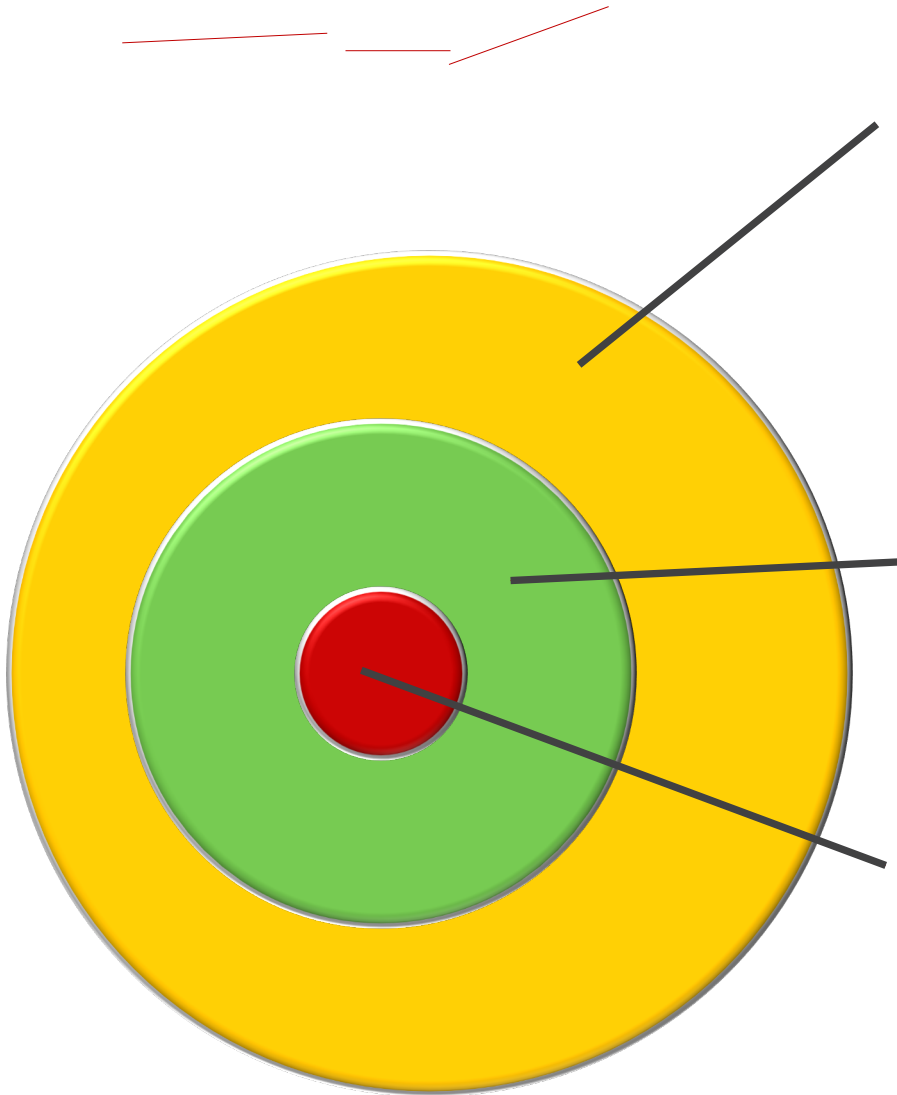
- **The Volunteer Income Tax Assistance (VITA)**

- <https://www.irs.gov/individuals/free-tax-return-preparation-for-you-by-volunteers>
- Program offers free tax help to people who generally make \$54,000 or less, persons with disabilities and limited English speaking taxpayers who need assistance in preparing their own tax returns.

- **Junior Achievement of Utah – Synchrony High-Impact Program**

- <http://ja-utah.org/synchronyhighimpactpost/>
- The Program pairs 18 students from Kearns High School, through their sophomore to senior years, with a business mentor from Synchrony. The objective of this program is to greatly increase the future economic security and work readiness skills of the students involved. Over the span of the three years, students will participate in Junior Achievement programs including Finance Park, Personal Finance, Career Success, JA Company and Job Shadow, with the aim to provide these students the building blocks and resources necessary to become financially stable and secure, and to provide them with the skills needed to succeed in their future careers.

Building a Sustainable Program



Program Services

- Coordinate financial education and counselling services
- Provide high school students with community service and learning opportunities
 - Financial assistants & analysts
- Girls Can Code initiative

Financial Experts

- Partner with the Program to become the resources for financial education and counselling, and job skills training

LMI Families

- Learn the basics and gain skills to become more financially secure

Summary

■ **Program**

- Focus on supporting low- to moderate-income Chinese families
- CRA-eligible for bank funding
- Engage expertise from CAST-UT members

■ **Activities**

- Financial literacy seminars and follow up counselling services
- Provide community service hours and learning opportunities for high school students to support college application
- Girls Can Code initiative to inspire and educate girls on programming and technology
- Community activities

■ **Program Contact**

- Ching Xu, greenbird0331@yahoo.com
- Zhonghua Zhan, zhonghuazhan@gmail.com

Thank you ... Fill the Survey
...Enjoy the Conference!



Survey 问卷

1. Your interest in CAST-UT Financial Literacy Program 您对犹他科协金融知识普及项目的兴趣
 - Not Interested 没兴趣
 - Somewhat Interested 有点兴趣
 - Very Interested 很有兴趣

1. Your annual household income 您的家庭年收入水平
 - > \$60,000
 - <= \$60,000

2. Gender 性别 : Female 女 Male 男

3. Age 年龄 : 0 -18 19 – 25 26 - 55 56+

4. Your Residence 居住的 Zip Code 邮编: City城市:

5. Financial topic(s) most helpful to you 对您最有帮助的金融话题 :
 - Credit System & Budgeting 信用系统和预算
 - Fraud 商业诈骗
 - Tax & Insurance 税收和保险
 - Financial Planning 理财
 - Other 其他 (请写下具体话题) :