Monthly Coaching Call
Minutes
January 24, 2013

Minutes:

- Coaching Requirements for Participants – New Matched Savings Requirements for participants starting in the November classes forward. 9 sessions required over 10 months. Coaches can record the dates of their meetings with participants in the back cover of the Financial Empowerment Passport where there is a section for notes.
  - What do the participants expect – participants are told that the coach can assist them in completing homework assignments like reviewing credit report, building a budget and establishing solid written goals, developing a debt reduction plan and the like.
  - Role of Coach – the coach doesn’t have to have all the answers but can refer to organizations who may be better equipped to meet an urgent need, like housing, credit counseling, legal actions and the like. The coaches role is to educate, hold participants accountable and to encourage participants as they make changes in their habits.
  - When to Refer – when confronted with sticky cases outside your expertise use the coaches listserv (bankoncoaches@googlegroups.com), and if there are community resources refer to those resources while you still focus on the basics with the participant.

- Matched Savings Requirements (offers $150 of matched savings to establish a $300 emergency fund).
  - Not an employee of Virginia Beach
  - Lives in Virginia Beach
  - Saves $150 of their own money
  - Attends all Bank On Classes
  - Meets 9 times out of the 10 months with the coach
  - Makes progress in the Passport toward the Mayor’s Action Challenge
  - Referred by Coach

- Open Forum for Coaches to discuss challenging cases or field questions related to Bank On
  - Challenging Case 1: participant upside down in car payment – loan balance escalating what options are available
    - Perhaps another financial partner may be able to offer a combination of products to offset the difference between FMV and the Loan Value.
    - Sounds like the loan is usurious – (high interest, high fees) there may be legal actions that can be taken to prevent the lender from collecting beyond FMV of the car
    - Use tax refund to bridge the gap on the amount owed; enough perhaps to refinance at a lower interest rate.
  - Challenging Case 2: participant overwhelmed by student loan debt carried for child. Unable to make monthly obligations as a result.
    - Legislation is before congress to limit the amount of income that can be consumed by student loan debt. Not passed yet, but is being considered.
    - If the participant is less than 150% of poverty, a forbearance may be possible if the loan is causing financial distress.
    - Parentplusloan.com has payment options available.
    - Potential for a debt consolidation service
    - Roll loan on to home if she owns a home
- Collateral loans may be lower than Parentplus
  - Do you have a challenging case? Send the outline to me at bankonvb@vbgov.com or call 385-3551
- We will invite a speaker to our next call and have them speak on options for breaking free from upside down car loans.

Next Call: February 28, 9:00 am
Dial In Instructions:
- The conference bridge phone number is 385-1785 (for local callers) and 877-222-2238 (for long distance callers). The meeting ID number is 5947.