

Innovative Changes



Making Change Matter

Who we are

Innovative Change\$ is an emerging Community Development Financial Institution that helps low- and moderate-income individuals and families manage short-term financial needs in order to achieve and maintain household stability.

Quick facts

- Nonprofit organization
- 501(c)(3) pending
- Established in 2009
- Founded by Innovative Housing, Inc.
- Serving Oregon

Services

- Financial education
- Credit building opportunities
- Responsible consumer loans
- Alternative financial services
- Resource referrals
- Asset building opportunities

Why Innovative Change\$ and why now?

Oregon is home to approximately 350,000 households, or 790,000 people, living with incomes below \$30,000—and often paycheck to paycheck. Even as incomes grow, many find themselves trapped by:

- Wage garnishments
- High debt loads
- Poor credit and banking histories
- Little or no family or social safety net
- Limited money management skills

As a result, many low-income Oregonians are dependent on the fringe financial sector and stuck in payday-loan cycles. In 2008, 250,213 payday loans worth \$67.3 million were made in Oregon at an estimated cost of \$9.8 million in fees, locking many people into a downward spiral of financial instability.

What is Innovative Change\$?

Innovative Change\$ provides an alternative to payday lenders. We provide financial education, responsible consumer loans, credit building opportunities, resource referrals, alternative financial services, and asset building preparation services.

Financial education includes:

- In-touch education, which informs consumer choices during use of actual financial products
- One-on-one coaching, which addresses root causes of clients' financial challenges, sets goals, and outlines strategies for managing finances
- Group workshops, which include recurring classes and specialized seminars focused on various aspects of personal and household finance

Responsible, small-dollar consumer loans* include our Emergency Loan, Opportunity Loan, and Credit Builder Loan.

Credit building opportunities include our Credit Building Loan understanding credit reports, and dealing with derogatory items and inaccuracies.

Our **alternative financial services** are under development and may include Individual Development Accounts, check cashing, money orders, bill payment, and wire transfers.

Finally, **asset building preparation services** include promoting short- and long-term savings, improving relationships with banks, and enrollment in third-party asset building programs that prepare people for homeownership, small business development, and post-secondary or specialized education.

*Throughout the pilot phase, ICS lending services are available on a referral-only basis. Please contact us for more information about our partner organizations.





“Lack of viable alternatives to payday lenders compounds household financial strain and negatively impacts overall household well-being.”

—Jonathan Zinman,
Dartmouth College

How do we measure our success?

We aim to measure our success in the following areas:

- Increased financial and household stability: stable housing, stable employment, reduced high-cost debt, timely bill payment
- Improved credit reports: increased scores, fewer derogatory items
- Increased access to assets: increased savings, participation in programs that prepare individuals for employment, home purchase, business startup, and post-secondary education
- Improved traditional banking relationships: accounts opened and/or maintained without interruption or significant challenges
- Improved health and well-being: perceptible decrease in individual and family stress, reduction in the tolerance and incidence of domestic violence, greater community participation.

What can you do?

Join us in helping low-income Oregonians make informed financial decisions, manage their financial needs, improve their credit and increase their asset-building opportunities.

In 2010 we plan to serve 150 individuals. In education, 100% of our clients will make informed decisions in managing cash flow, budgeting, banking, and credit building/repair. In loan services, 95% of clients will use their loans as strategic tools to manage their short-term financial needs, borrowing twice in one year at most. In addition, 95% of clients will repay their loans in full. Three out of four clients will improve their credit score by 25 or more points. Finally, as an organization, we will continue to build capacity, launch pilot products or services, build partnerships, grow reserves, and collect data.

Simply put, get involved. Donate funds. Involve your corporation. Donate in kind. Volunteer. Give us a call to discuss the available opportunities.

Thank you for your support.

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