

WHATS THE ISSUE?

FINANCIAL LITERACY ↘

THERE IS A LACK OF FINANCIAL EDUCATION IN DETROIT, LEADING TO MANY POORLY MADE FINANCIAL DECISIONS, CAUSES A CYCLE OF GENERATIONAL DEBT AND FINANCIAL INSTABILITY



Did You Know?

62%

of Detroit Residents have a bad credit score (between 300 and 579)

60%

of Detroit Residents rely on loans to pay for housing

59%

of Detroit Residents are cost burden

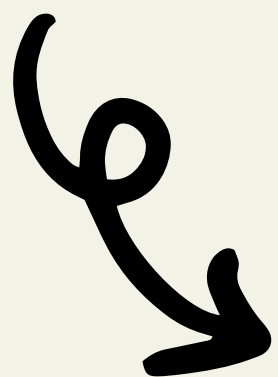
27%

of Detroit Residents say they know how to build or improve their credit

OUR SOLUTION

CREATE AN ORGANIZATION

GDFF



G-Growing
D-Detroits
F- Financial
F-Future



ORGANIZATIONS MISSION:

This organization aims to provide a more hands-on approach to tackling Detroit's issue of dismal financial literacy programs. This non-profit organization will be Detroit-based and geared towards helping the community grow more financially literate. Through a partnership with the Detroit public schools system, financial literacy would be developed in the youth through collaboration with accountants, financial institutions, and other professionals in money management to create a well-rounded and very hands on curriculum for Detroit students outside of taking a Financial literacy class.

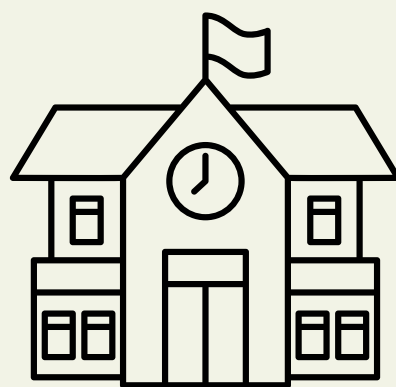
HOW WILL TEACHING FINANCIAL LITERACY GROW DETROIT?



IF MORE PEOPLE BECOME FINANCIALLY STABLE, THEY ARE ABLE TO BUY HOUSES AND THAT MEANS MORE PROPERTY TAX MONEY. PROPERTY TAX MONEY IS WHERE A BULK OF THE EDUCATION FUND COMES FROM.

Education

THE MORE MONEY PUT INTO THE EDUCATION SYSTEM, THE MORE RESOURCES THAT CAN BE MADE AVAILABLE SUCH AS MORE TEACHERS, CLASSES, ETC.



Wealth

IF MORE PEOPLE BECOME FINANCIALLY STABLE, THEY ARE ABLE TO BUY MORE HOUSES. HOMES BUILD EQUITY AND BECOMES ASSETS.



Property

OWNING A HOME HELPS LOW INCOME PEOPLE GAIN WEALTH. THE MORE WEALTH GAINED THE MORE MONEY THAT CAN BE PUT BACK INTO THE CITY



BEING FINANCIALLY STABLE INCREASES THE CHANCES OF NOT EXPERIENCING FINANCIAL STRESS. VARIOUS STUDIES HAVE LINKED FINANCIAL STRESS TO DEPRESSION AND TO A DECLINE IN MENTAL HEALTH



Mental Health

STUDIES SHOW THE HAPPIER PEOPLE ARE IN A CITY, THE MORE SUCCESSFUL THE CITY TENDS TO BE

PEOPLE WHO OWN HOMES ARE MORE LIKELY TO TAKE CARE OF THEM, WHICH INCREASES THE PROPERTY VALUE OF THE HOMES AND NEIGHBORHOODS

The link between health and Financial Well-Being. (2024, June 20). Columbia University Irving Medical Center. <https://www.cuimc.columbia.edu/news/link-between-health-and-financial-well-being#:~:text=%E2%80%9CAdditional%2520money%2520adds%2520up%2520in,leaving%2520more%2520time%2520for%2520exercise.>

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Weinman, J., & Weinman, J. (2019, April 9). *Do Low-Income families build wealth through homeownership?* | EconoFact. Econofact | Key Facts and Incisive Analysis to the National Debate on Economic and Social Policies. <https://econofact.org/do-low-income-families-build-wealth-through-homeownership>

Credit Karma. (2023, April 21). *Americans' financial stability hinges on homeownership, study finds* - Intuit Credit Karma. Intuit Credit Karma. <https://www.creditkarma.com/about/commentary/americans-financial-stability-hinges-on-homeownership-study-finds#:~:text=According%20to%20a%20study%20conducted,81%25%20compared%20to%2052%25.>

Elliott, D., Ratcliffe, C., & Kalish, E. (2016). *The financial health of Detroit residents.* <https://www.urban.org/sites/default/files/publication/84361/2000940-2-the-financial-health-of-detroit-residents.pdf>

Branche-Wilson, A., Cooney, P., University of Michigan, Thibos, M., Friedline, T., & Melford, G. (2020). *The Financial Well-Being of Detroit Residents: What do we know?* (By Poverty Solutions & Ballmer Group). https://poverty.umich.edu/files/2020/08/Financial-Wellbeing-of-Detroiters_82020.pdf

The background is a warm, light brown color. It features several stylized, fluffy clouds in shades of dark brown and olive green, scattered across the top and sides. Interspersed among the clouds are several white, four-pointed stars of varying sizes. At the bottom of the page, there are two large, dark brown, wavy shapes that resemble hills or abstract ground. The main title is centered in the upper half of the page.

Educating Detroit

Financially

By: Nevaeh, Kalista, & Daniel

Question: What is Financial Literacy?

Financial Literacy is the ability to understand and effectively use various financial skills, including personal financial management, budgeting and investing





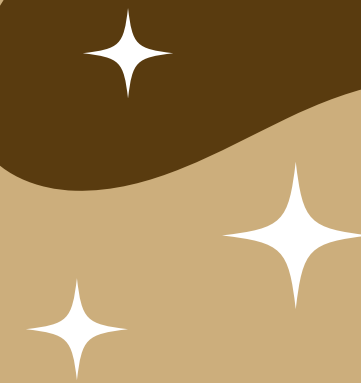
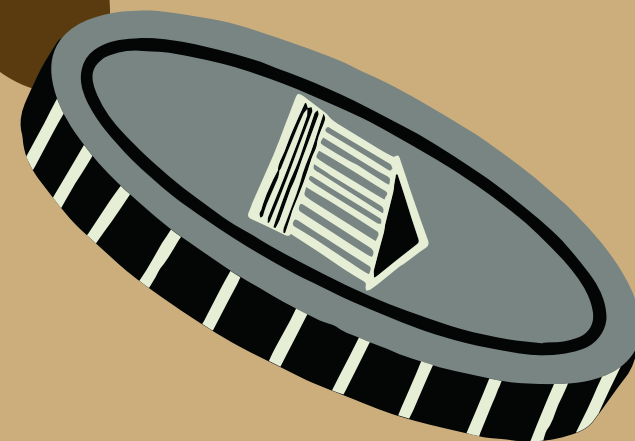
Financial Literacy in Detroit's Education

Majority of young people lack the financial knowledge on how to manage money and other various financial skills.

Young people who are educated on financial literacy mostly learn from their parents or are self-taught.

Homeowners 35-58 are unaware of financial opportunities that can help improve their situation.

Did You Know?



only 27% of Detroit residents stated that they know how to build or improve their credit score



62% of Detroit residents have a subprime credit score



50% of people with bad credit get denied for loans



60% of detroit residents rely on loans to pay for housing

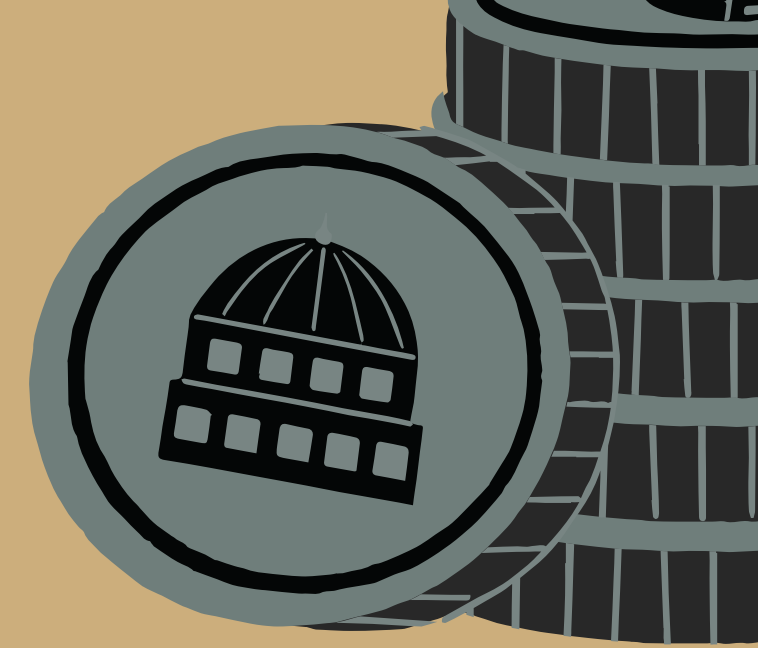
The background features various illustrations of money: a 100 bill in the top left, a stack of 50 bills in the bottom left, a stack of 50 bills in the bottom right, and several coins (50, 25, and 10) scattered around. The text is centered in a large, white, sans-serif font.

What If We Can Stop This From Happening?

If we can teach students the importance of credit and how to build and maintain good credit before they officially need it. It could help teach them the information and equip them with the skills they need to potentially avoid the hassle of dealing with bad credit in the future. Or if they do have bad credit they will have the knowledge and skills to rebuild their credit



How Could We Stop This?



Our recommendation to solve this issue is to create an organization, a with a mission to spread financial knowledge.

This organization aims to provide a more hands-on approach to tackling Detroit's issue of dismal financial literacy programs. This non-profit organization will be Detroit-based and geared towards helping the community grow more financially literate. Through a partnership with the Detroit public schools system, financial literacy would be developed in the youth through collaboration with accountants, financial institutions, and other professionals in money management to create a well-rounded and very hands on curriculum for Detroit students outside of taking a Financial literacy class.

Program Focuses



①

Students

The students themselves will be a focal point for this project. The GDFF program will include peer teaching as the experienced teach high schoolers who in return educate middle-school and elementary schools under supervision.

②

After School Activities

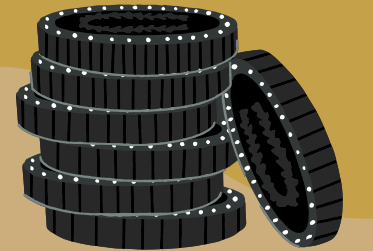
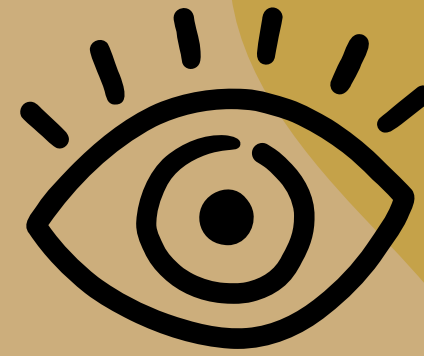
GDFF will sponsor a unified club organization as an afterschool activity to go more in-depth and be involved in working with students to open various bank accounts, accessing internships, and creating opportunities for seminars by professionals in finance, like CFO's, accountants, business owners, etc.

③

Career Advice and resources

GDFF will create a network that would provide students with opportunities to form connections in the financial world. With the collaboration of financial advisors students can receive coaching in college that will help in budgeting and obtain fellowships for graduate school within Detroit.

Benefits GDFF will have within Detroit



Economic Benefits

With the skills students would be equipped with, they will be prepared to invest, gauge loan options, open various types of bank accounts, and most importantly-know how to live within their means. Giving the students a head start financially and to help grow the community with their knowledge.

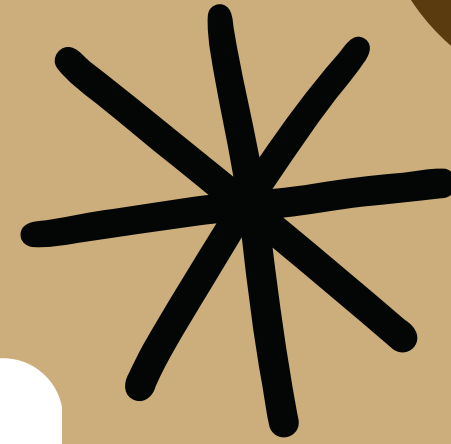
Social and Political Benefits

According to Econofact, individuals with a higher income are more likely to vote. Their study during the election of 2016 describes a 38% gap between the voting participation of low-income and high-income families. Being equipped with adequate tools students would be able to navigate the economic world to be more politically involved within the community.

Educational Benefits

Studies have shown that financially literate people are more likely to be financially stable. Also a study conducted by Credit Karma found that financially stable people are more likely to own homes. If more people in Detroit own homes more property tax dollars will be collected. The more money collected in property tax the more money put back into the schools. The more money in schools mean more access to resources ultimately benefiting the Detroit Public Schools System

Conclusion



Financial literacy is very important. Being aware of financial opportunities sets people up for potential financial success to ultimately benefit the city as a whole

