



"EARN has proven that when government, business and the community come together to invest in the city's working poor, they have the potential to succeed beyond anyone's expectations."

- Gavin Newsom, Mayor of San Francisco

What is EARN?

EARN breaks the cycle of poverty by matching the savings of low-wage workers and helping them invest in assets like homes, small businesses and education -- creating a cycle of prosperity across generations. EARN is a nationally-recognized, award-winning pioneer, engaging low-wage workers, businesses, policymakers, and other nonprofits to fulfill its three core promises:

1. **Empower** low-wage workers in the Bay Area to escape poverty permanently through asset building products and services;
2. **Create, demonstrate, and evaluate** innovative asset-building practices that can be replicated on a large scale; and
3. **Champion** state and local asset-building policies that open the door to financial success to low-wage workers.

Matched Savings and Financial Education for the Bay Area's Working Poor

Through EARN's 2-for-1 matched savings accounts, known as Individual Development Accounts, or IDAs, low-wage workers put aside a portion of their monthly income and participate in ongoing required financial education. They can save up to \$2,000 and earn a 2:1 match for every dollar they save, yielding a total of \$6,000 to invest in a home, micro-enterprise, or higher education. EARN is also piloting new types of IDAs, such as Savings Accounts for Future Education (SAFE accounts) that require parents and children to participate in training and contribute to savings. EARN's recently launched Alumni Association will provide ongoing financial education opportunities.

Local and Statewide Policy for the Working Poor

EARN operates the Asset Policy Initiative of California (APIC) to create a lasting influence on public policy, by driving the creation of a long term, strategic asset-development policy agenda in California, by supporting asset-building champions, and by building public support for policies that enable all families to achieve economic security. Members include more than 100 community development practitioners, asset-building advocates, legislative and public agency leaders, financial institution decision-makers, private developers, academics, foundation staff and other stakeholders.

EARN's Results

Our 1,400 Savers earn an average of less than \$20,000 per year, but save an average of 5% of their gross income. Since 2002, EARN Savers have saved over \$1 million of their own hard earned money – and EARN matches every dollar 2:1. So far, 216 Savers have invested \$885,000 to purchase over 30 homes, start or grow more than 60 businesses, and attend post-secondary education. Our policy work has achieved real results locally and statewide: EARN is the City of San Francisco's key asset-building partner, and two California bills co-sponsored by EARN's policy arm were signed into law in 2006. EARN was awarded a 2005 Social Capitalist Award by Fast Company, and was one of ten finalists in the Amazon.com Nonprofit Innovation Award competition.

After immigrating to the U.S., **Cesilia Bueso** (at right) struggled as a farmhand and housekeeper at wages as low as \$2/hr before finding work again as a teacher, her previous career in Honduras. She wanted a better future for her daughter. She used her EARN 2-for1 Account for closing costs on their new home in San Francisco – and she is continuing to save on her own for her daughter's education.

