



**TRANSPORTATION LOAN PROGRAM
HELPING YOU HELP YOURSELF**

INTRODUCTION:

Gwen Porter, Coordinator

Joe Dello Stritto, Loan Officer

Ways to Work Transportation Loan Program

For: Working Individuals

Location: Family Services of Western PA

6401 Penn Avenue, 2nd Floor

Pittsburgh, PA 15206

412-661-1670, ext. 650

1-866-965-5929 ext. 650 (toll free)



What is Ways to Work?



- ▶ The Ways to Work Transportation loan program—provides short term low-interest car loans to working individuals and families with challenging credit histories.
- ▶ Loans are for the purchase of a car up to \$8000 with a 24 to 36-month repayment schedule.
- ▶ We also offer car repair loans with a minimum amount of \$500 and a maximum amount of \$1000 with a repayment schedule varying from 6 months to 24 months.
- ▶ Monthly payments are made directly to the bank at an 8% interest rate.

History of Ways to Work



- ▶ Ways To Work began in 1984 as a program to help single mothers in Minnesota move and stay off of welfare.
- ▶ The concept came from of a series of discussion forums in the greater Twin Cities area of Minnesota with several women who were leaving welfare and striving to become self-sufficient.
- ▶ Conducted in the early 1980's by the McKnight Foundation, the theme for these discussions was to identify the types of support needed by these families to help move them beyond their cycle of poverty and public dependence.
- ▶ The overwhelming message was a call for loans to help with unexpected expenses that might cause them to drop out of the workforce. These mothers were not looking for another handout.
- ▶ The McKnight Foundation established loan funds at a number of human service agencies around the Twin Cities metropolitan area.
- ▶ In 1996, the program was entrusted to the Alliance for Children and Families to replicate nationally.

History of FSWP – Ways to Work



- ▶ Family Services started the program in 2001.
- ▶ FSWP former CEO, Don Goughler, sat on a transportation committee to discuss issues of residents residing in rural areas (Washington, Greene, Fayette, and Westmoreland) who were struggling with limited resources for transportation.
- ▶ The CEO bought into the concept of the program and a franchise of the Ways to Work program was purchased through the Alliance for Children and Families.
- ▶ The program moved into Allegheny County 13 years ago to address transportation needs of single working mothers.



Why Did FSWP Buy Into the Franchise?





**FOR SOME EMPLOYEES, THE HARDEST PART OF THE
WORKDAY HAPPENS BEFORE THEY EVEN GET TO WORK.**



**UNRELIABLE TRANSPORTATION CAN MAKE EVEN THE BEST
EMPLOYEES LESS THAN DEPENDABLE**



**A POOR CREDIT RATING CAN MEAN HIGHER INTEREST RATES
OR BEING TURNED DOWN FOR A LOAN**

Who is Eligible?



- ▶ Must have a valid Pennsylvania driver's license.
- ▶ Be employed for three months or more/work at least twenty (20) hrs. per week or more.
- ▶ Allegheny, Washington, and Westmoreland counties.
- ▶ Be able to afford monthly payments.

Benefits



- ▶ Each consumer is offered Financial Literacy training to learn about banking, credit and budgeting.
- ▶ Bank relationship
- ▶ One on One budgeting consultation with a loan officer.
- ▶ Vehicle checked out by a Mechanic independent of the dealership.
- ▶ Review NADA to make sure vehicle is in market value.
- ▶ Case Management
- ▶ Credit Building
- ▶ Decrease in travel time
- ▶ Maintain or improve income

Collaborations / Benefits

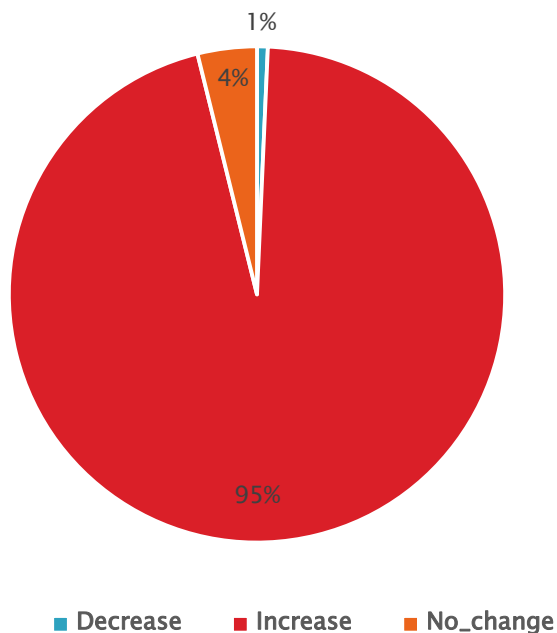


- ▶ Lending Partners – Dollar Bank, First Commonwealth Bank, and Hill District Federal Credit Union – Benefits: Community Reinvestment Act (CRA credits).
- ▶ Various Dealerships –future relationship with the customer. Sell vehicle below market value. Service the vehicle. Smaller dealerships are more apt to be in the community.
- ▶ Referrals from Agencies and Businesses – HR departments refer employees to our program.
- ▶ UPMC – payroll deductions for their employees, referral source for the HR Dept.
- ▶ Habitat for Humanity – home ownership (possible)
- ▶ NeighborWorks and Mon Valley Initiative – credit restoration
- ▶ WoodForest National Bank – Financial Education, investment
- ▶ First National Bank – Voluntary Loan Committee member
- ▶ Travelers Aid – gas cards
- ▶ Midas – oil change cards
- ▶ Lewis Curtis, Inc. – GPS
- ▶ United for Women – Funding for Ways to Work Extra Mile Program to assist women with a financial hardship to repair a vehicle, purchase a vehicle, or prevent default of their vehicle.

Program Impact/Outcome

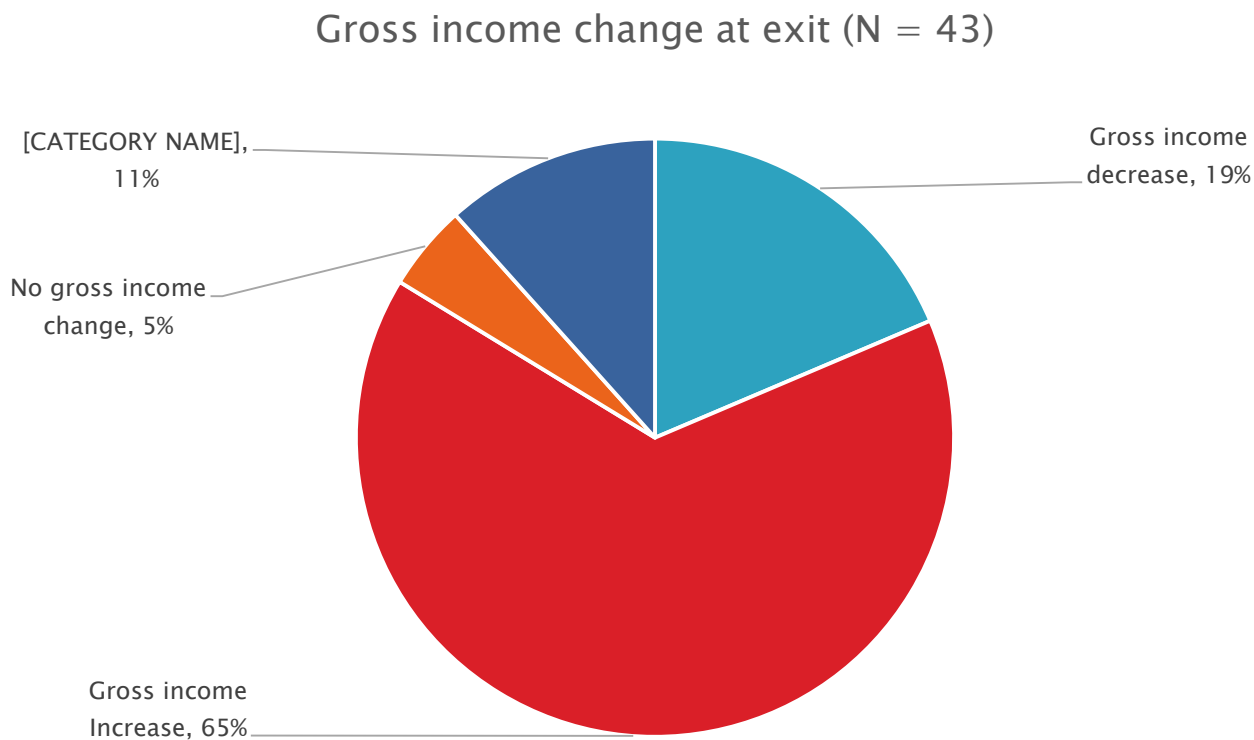
Individuals who attended our Financial Literacy training and completed a pre and post- test of which (95%) showed an increase in knowledge. The overall knowledge increase was 63% which was significant.

"Knowledge _ change"



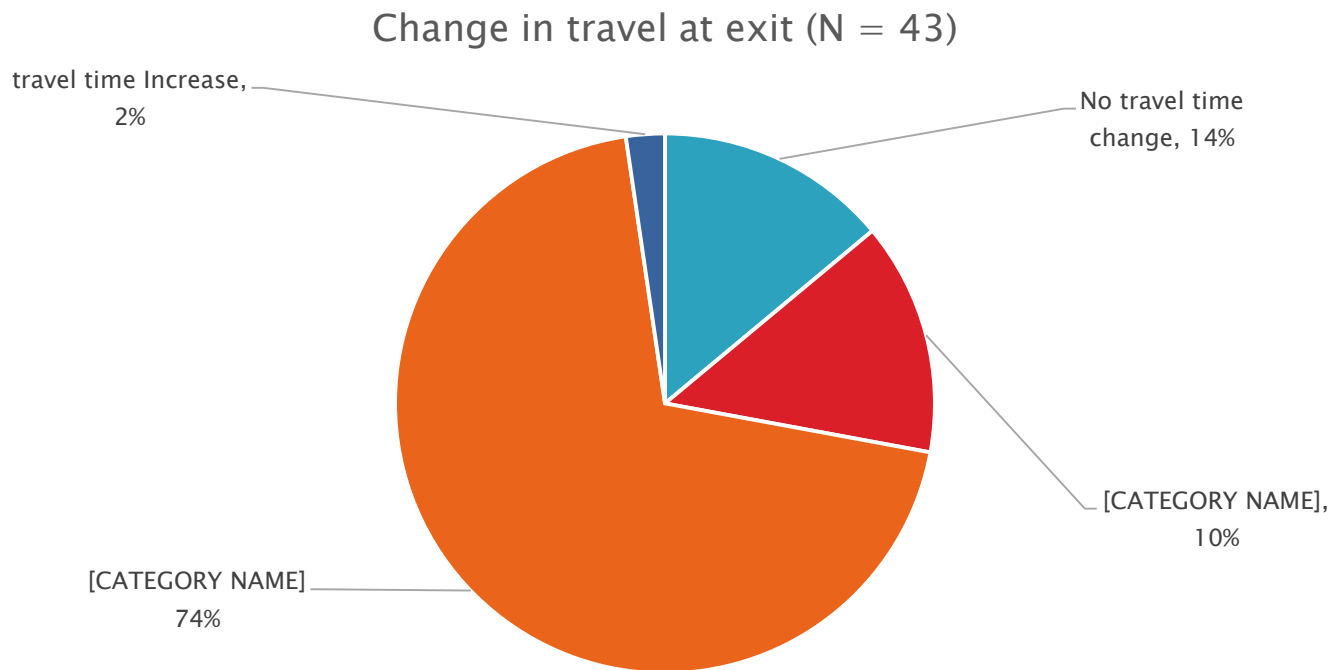
Program Impact/Outcome

(70%) of our participants either maintained or improved their income. Among those whose salaries increased, the average monthly income improved by \$161.00.



Program Impact/Outcome

74% of the individuals experienced a decrease in their overall time spent in transit. The average travel time went from .90 minutes to .15 minutes with the maximum travel time going from 120 minutes to 15 minutes.



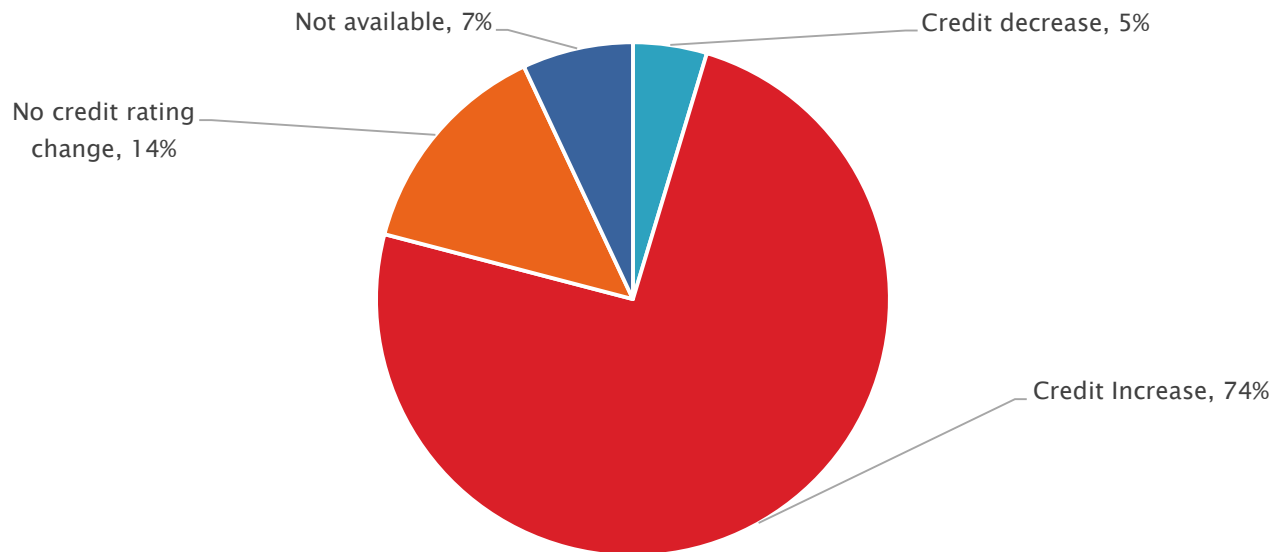
Program Impact/Outcome

74% experienced an increase in their credit rating.

The average amount of credit score increased by **41** points.

One individual's credit score was **594** at program start and improved to **697** (increase of 103 points) at program end. The range of credit score at program end was **458 to 697**.

Change in credit score at exit (N = 43)





See The Video

