



WHAT IS THE PROBLEM?

Despite our thriving economy, too many of our neighbors are living in poverty.

Nashville is experiencing a period of extraordinary growth. With new residents moving in at a record pace and more and more major corporations relocating their headquarters to our city, our community is quickly changing.

But with economic growth also comes significant challenges to long-time residents struggling to keep up with the change. Affordable housing, workforce development and the wage gap are becoming increasing concerns in many of our neighborhoods.

Currently, 17.2 percent of the Nashville population lives in poverty—having an annual household income at or below \$25,750 for a family of four, according to federal poverty guidelines. That's one fifth of our neighbors and 30 percent of those are children. Many of these people are working full-time jobs (sometimes two), but because their wages are so low and costs for housing and child care are so high, they are unable to make ends meet. Couple these financial struggles with chronic unemployment, financial illiteracy, homelessness, mental illness and lack of education or vocational training, and overcoming the cycle of poverty can seem insurmountable.

United Way is bringing together the business and nonprofit communities to solve these problems and break the cycle of multi-generational poverty. We do this by providing access to free financial counseling services and banking accounts to build assets and increase financial reserves; offering continuing education and job training so people can get higher paying jobs; and setting people on the path to financial independence.

We must do more to alleviate poverty for our most vulnerable neighbors and provide clear and attainable pathways to brighter futures for the next generations.



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WHAT ARE WE DOING TO HELP?

By focusing on career pathways, financial assistance and savings management, United Way and our partner agencies are uniquely positioned to lead the fight against poverty.

Putting People on the Path to Better Jobs

Our neighbors cannot achieve financial stability without first establishing a career with a livable wage. A livable wage is the minimum income needed for an individual or family to maintain their basic household expenses like rent, utilities, food, transportation and child care. For a family of four living in metro Nashville, the minimum family-sustaining wage is currently calculated to be a minimum of \$14.62 per hour. The current minimum wage in Nashville is only \$7.25 per hour.

But this is not just about the minimum wage. In order to really move people out of poverty and into a livable wage, they need higher paying jobs with opportunities for growth. To land these jobs, they need the right post-secondary education, training and certifications. That's the key to increasing wages and stabilizing housing in our community.

Only 24 percent of our high-school graduates have earned a degree in six years following high school graduation.

Our partner agencies are working locally to help individuals receive the education and training they need to get better, higher paying jobs that will move them out of poverty for good.





Helping our Neighbors Keep More of What They Earn

The average taxpayer spends \$273 to file their taxes each year. For low-income and at-risk individuals, those are crucial dollars that could go toward rent, food, child care and gas. Since 2003, United Way volunteers have been helping thousands of individuals save by preparing their taxes at no cost through our Volunteer Income Tax Assistance (VITA) free tax prep program.

Individuals qualify if they earned less than \$66,000 in 2018.

Volunteers also help qualifying individuals receive important credits such as the Earned Income Tax Credit and Child Tax Credit that lift millions out of poverty each year. In fact, 25 percent of those who qualify don't receive the EITC simply because they don't even know to apply for it.

Last year, United Way's VITA volunteers completed 14,390 returns, helping taxpayers save more than \$3.9 million in tax preparation fees and bringing more than \$17.7 million in federal refunds back to the community. All of this was done with the help of VITA volunteers and participating agencies.

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Empowering Our Youth

Ending the cycle of multi-generational poverty begins by empowering our youth. By educating them on the importance of checking and savings accounts. By encouraging them to establish a long-term retirement plan. And by helping them understand their taxes from an early age.

Children with a college savings account in their own name—even with less than \$500 in the account—are three times more likely to graduate from high school.

Giving our youth the opportunity to understand and manage their personal finances is a vital first step in breaking the cycle of multi-generational poverty and setting our children up for future success.

Providing Free Financial Counseling for All

Our neighbors in financial trouble need individualized help and counseling—not just education—to deal with the complex barriers keeping them from becoming financially stable.

A recent PEW report found that nearly half of Americans regularly experienced fluctuations of income, and 55 percent of households didn't have enough saved to replace a month of their income if necessary. We believe everyone has the right to receive high-quality services from professionally-trained financial counselors, like those offered at United Way's Financial Empowerment Center.

A partnership between United Way and the City of Nashville, the FEC offers free one-on-one financial counseling to all Davidson County residents by helping clients manage bills, work through debt, establish and improve credit, create a budget, open a bank account and save for the future.

Since the program's inception, the FEC has helped its clients eliminate more than \$7.5 million in debt and increase their savings by over \$930,000.

Helping Families Increase Their Savings

The last piece of the financial mobility puzzle is helping families build their personal savings so they can move from a state of struggling to

make ends meet to having a rainy day fund and attaining personal assets like a car or home. Whether or not families have these kinds of durable assets is a key predictor of their future success. Our partner agencies are working to ensure our neighbors have established a strong enough savings account to have an emergency fund, build equity and avoid crisis.



WHEN PASSION MEETS PURPOSE

Honoring Dr. Tommy Frist

Every so often, an individual comes along to revolutionize philanthropy; a leader whose passion and vision creates permanent change. We are honored to recognize **Dr. Thomas "Tommy" F. Frist, Jr.**, founder of the Alexis de Tocqueville Society, a vehicle for community transformation that has generated more than \$10 billion.

A former chairman of the United Way of America Board of Governors, Tommy's vision to create a society of philanthropic leaders who address the needs of the most vulnerable was realized in 1981 when he launched the Tocqueville Society as campaign chair of United Way of Metropolitan Nashville. Wanting to make a mark beyond his hometown—and to bridge a giving gap—Tommy began inspiring peers to give at a level consistent with their means.

Tommy then established a Tocqueville presence in six more cities, and in 1985, oversaw its inception nationally. Today, Tocqueville boasts more than 25,000 members in over 400 societies globally. Under Tommy's leadership, the Tocqueville Society has become a multigenerational movement that encourages individual giving.

Since its founding, the Tocqueville Society has improved countless lives and strengthened hundreds of communities. None of this would be possible without Tommy's unwavering vision. As the first recipient of the United Way Lifetime Achievement Award and a member of the \$10 Million Dollar Roundtable, Tommy and his wife, Trish, have contributed generously to the endowments of United Way Worldwide and UWMN.

- Originally published by United Way Worldwide

BUT WE COULDN'T DO IT ALONE

We are working to break the cycle of multi-generational poverty. Thanks to your generous donation, we are providing supports and services to move individuals and families out of poverty and help them become financially stable. Together, we can give everyone in our community a chance at a better life.

Because of you...



893

people obtained
employment after
completing training



179

people earned
their high school
equivalency



760

people increased
their household
income



83%

of families were
able to successfully
save money



HAVE YOU MET ALICE?

One Emergency Away From Despair

Living paycheck to paycheck while hovering just above the poverty line is the reality for too many families in Nashville.

ALICE stands for Asset Limited, Income Constrained, Employed. An ALICE individual works full-time. Their low wage job (or often jobs) keeps their income level above the poverty line so they cannot qualify for government assistance but often doesn't provide enough income to support their family. They do not have money in savings and are one emergency away from having their lives turned upside down.

There's a good chance you have a friend, acquaintance or neighbor that might fall into the ALICE statistics and not even know it. They are hard-working individuals who don't ask for help, sometimes because they don't even realize that they need it.

Now in its sixth year, the ALICE report is released each year by United Way and features a county by county and state by state breakdown in percentages of households who fall below the ALICE threshold, a metric that weighs a local household survival budget with the amount of income that household actually brings in.

Local United Ways throughout the state are working together to bring the ALICE project to Tennessee.

This report would provide invaluable insight into those struggling with poverty in our communities.



About Leaders United

Leaders United donors provide the foundation for a better community with a generous annual gift of \$500 or more. Your gifts allow us to continue to fight for the health, education and financial stability of every person in our community.

Eagle Level
\$500 - \$999

McGavock Level
\$2,500 - \$4,999

**Tocqueville Society
Alpha Chapter Level**
\$10,000+

Robertson Level
\$1,000 - \$2,499

Cockrill Level
\$5,000 - \$9,999

Looking for more ways to get involved?

- Find a volunteer opportunity
- Host a poverty simulation
- Build Comradery with a Cause by recruiting friends or colleagues to create kits for our neighbors in need
- Share this newsletter with friends and families

Contact Info

Celeste Wilson
Senior Director, Major Gifts
615.780.2403
celeste.wilson@uwmn.org

Kate Keene
Director, Major Gifts
615.780.2460
kate.keene@uwmn.org



United Way of Metropolitan Nashville