

Reaching Out

A publication of Southern Good Faith Fund

Asset Builders

Business Development Center

Career Pathways

Public Policy

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Building a Financial Safety Net

In times of crisis, you don't want to be shaking pennies out of a piggy bank. Having a financial safety net in place can ensure that you're protected when a financial emergency arises. One way to accomplish this is by setting up a cash reserve, a pool of readily available funds that can help you meet emergency or highly urgent short-term needs.

How much is enough?

Most financial professionals suggest that you have three to six months' worth of living expenses in your cash reserve. The actual amount, however, should be based on your particular circumstances. Do you have a mortgage? Do you have short-term and long-term disability protection? Are you paying for your child's orthodontics? Are you making car payments? Other factors you need to consider include your job security, health, and income. The bottom line: Without an emergency fund, a period of crisis (unemployment, disability) could be financially devastating.

Building your cash reserve

If you haven't established a cash reserve, or if the one you have is inadequate, you can take several steps to eliminate the shortfall:

- Save aggressively: If available, use payroll deduction at work; budget your savings as part of regular household expenses.
- Reduce your discretionary spending (eating out, movies).

- Use current or liquid assets (those that are cash or are convertible to cash within a year).
- Use earnings from other investments (CDs, stocks, mutual funds).
- Check out other resources (do you have a cash value insurance policy that you can borrow from?)

A final note: Your credit line can be a secondary source of funds in a time of crisis. Borrowed money, however, has to be paid back (often at high interest rates). As a result, you shouldn't consider lenders as a primary source for your cash reserve.

Where to keep your cash reserve

You'll want to make sure that your cash reserve is readily available when you need it. However, an FDIC-insured, low-interest savings account isn't your only option. There are several excellent alternatives, each with unique advantages. For example, money market accounts and short-term CDs typically offer higher interest rates than savings accounts, with little (if any) increased risk.

It's important to note that certain fixed-term investment vehicles (those that pledge to return your principal plus interest on a given date), such as CDs and Treasury securities, impose a significant penalty for early withdrawals. So, if you're going to use fixed-term investments as part of your cash reserve, you'll want to be sure to ladder (stagger) their maturity dates over a

In the Right Place

Melva Trask went from standing on a roof in the flood-stricken state of Louisiana waiting to be rescued with 14 members of her family, to standing on her own two feet in Arkansas. Melva is a Katrina survivor who found purpose and hope in Arkansas when the Katrina floods in Louisiana swept over her life. Clothed in confidence, determination, and motivation, Melva accepted every offer of help and networked to find the available resources to help her get back on her feet. Despite the uncertainty of what life held for the future, Melva was determined to make the best of a bad situation.

FEMA and the Arkansas Department of Health and Human Services referred Melva to the IDA program. She, along with four other family members, enrolled immediately. Melva's resolve to restore order and purpose to her life

was reflected in her awe inspiring motivation—she attended every class and saved her money in the minimum amount of time allowed.

Melva used her IDA savings and match to continue her education in the masters program of Addiction Studies at the University of Arkansas at Pine Bluff. Melva plans to become an Addiction Counselor to the incarcerated population. She recently completed a 150 hour internship at the Community Resource Agency as an intern and was offered a permanent position and now works as a Prevention Resource Coordinator.

Out of devastation and uncertainty, Melva has attained great achievement. The Asset Builders program is honored to have served Melva through this time of transition and helped to bring her to a place of direction. Melva has gone from being displaced to being in the right place.



Melva Trask used the power of a natural disaster as motivation to find her way out of Katrina's devastation and into the IDA program where she used her savings to work on her master's degree in addiction studies.

Upcoming IDA Classes

Pine Bluff

Classes are held at 10 a.m. and 6 p.m. (designated by *) at the Southern Good Faith Fund office, 2304 W. 29th Ave.

*Free child care at the 6 p.m. class in Pine Bluff on May 8, May 24, June 21, July 19, and July 23.

May

- 3 Information Meeting (6 p.m.)
- 8* Money Management
- 18 Spending as a Habit—Saving as a Goal
- 24* Financial Services

June

- 6 Information Meeting (6 p.m.)
- 12 Credit Management
- 21* Renting, Leasing, or Buying
- 25 AST-Education

July

- 9 Information Meeting
- 19* AST-Home Ownership
- 23* AST-Home Repair

Helena-West Helena

Classes are held at 10 a.m. (designated by **) and 5:30 p.m. at First Bank of the Delta, 502 Cherry St.

May

- 7 Information Meeting
- 15 Money Management
- 21** Spending as a Habit—Saving as a Goal
- 29 Financial Services

June

- 4 Information Meeting
- 14 Credit Management
- 18 Renting, Leasing, or Buying
- 26** AST-Home Ownership

July

- 2 Information Meeting
- 17 AST-Home Ownership
- 30** AST-Home Repair

(AST—Asset Specific Training)

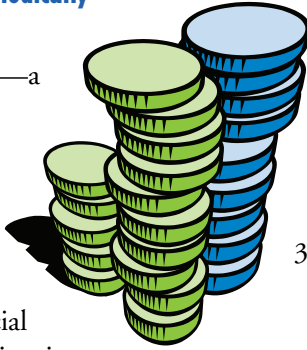
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short period of time (two to five months). This will ensure the availability of funds, without penalty, to meet sudden financial needs.

Review your cash reserve periodically

Your personal and financial circumstances change often—a new child comes along, an aging parent becomes more dependent, or a larger home brings increased expenses. Because your cash reserve is the first line of protection against financial devastation, you should review it annually to make sure that it fits your current needs.

(Source: www.feedthepig.org)



Little Things Add Up

Think about where you could get a little bit of money. You may not realize it but it's easier to save than you might think:

1. Prepare a large meal on Sundays and enjoy leftovers during the week.
2. Dust off your library card and enjoy books, tapes and DVDs for free.
3. Take your lunch to school and work. If you eat your lunch out everyday, even if you only spend \$5 each day on fast food, and you average 20 days in a month, you could easily save \$40 per month.
4. Drink water instead of soda. The cost of soda varies from .50 to \$1 which could save you \$10 to \$20 per month.
5. Car pool and share the gas expense with someone.
6. Try to put back something out of every paycheck for a rainy day.
7. Consider opening a savings account—anything over \$0 is a plus.
8. Kick the habit once and for all. Smoking is hard on your pocket and your health.
9. Avoid ATM charges at all costs. Over time they really add up.
10. Pay your credit card in full each month if you can to save on interest charges.

Savings

Public Policy

Legislative Wrap-Up

Southern Good Faith Fund's Public Policy program successfully pursued several initiatives during this year's legislative session to increase asset building opportunities for Arkansas families.

A key priority was increasing funding for the state's Individual Development Account (IDA) program. IDAs are matched savings accounts to help low-income individuals and families establish a pattern of regular savings for the purchase of one of three allowable assets. For every \$1 saved a match of \$3 is made to purchase a home or make improvements on an existing

home; start or expand a business; or pay for college.

IDA funding will increase from \$550,000 a year to \$1.7 million a year starting July 1, 2007.

Another significant asset building measure from this year's session authorizes the state to create the Aspiring Scholars Matching Grant Program. This pilot program will provide a state match to the savings deposits made on behalf of accountholders in Arkansas 529 college savings plan. The funding source for the Aspiring Scholars Matching Grant Program will be fees

the state collects from administration of 529 accounts. The state's Section 529 Plan Review Committee will develop and implement the program.

One proposed program design is for the savings match rate to vary by family income. The match rate could be 3-to-1 for families with incomes at or below 100 percent of poverty; 2-to-1 for families between 101 and 200 percent of poverty; and 1-to-1 for families with incomes of 201 percent to 300 percent of poverty.

WILD ABOUT SAVINGS



SEED Activity

Money has not always been made out of paper and metal. A long time ago stones were used as money. People even traded things they had, like animal fur, corn, and tobacco, for things their family needed.

The first coin used in the United States came from Spain. It was a silver coin that could be broken into eight pieces to make change. Two pieces or “two bits” represented a quarter of a coin.

In 1943 the penny was born. It was made out of coated steel because copper was needed to make bullets for World War II. The Susan B. Anthony

coin was the first to honor an American woman.

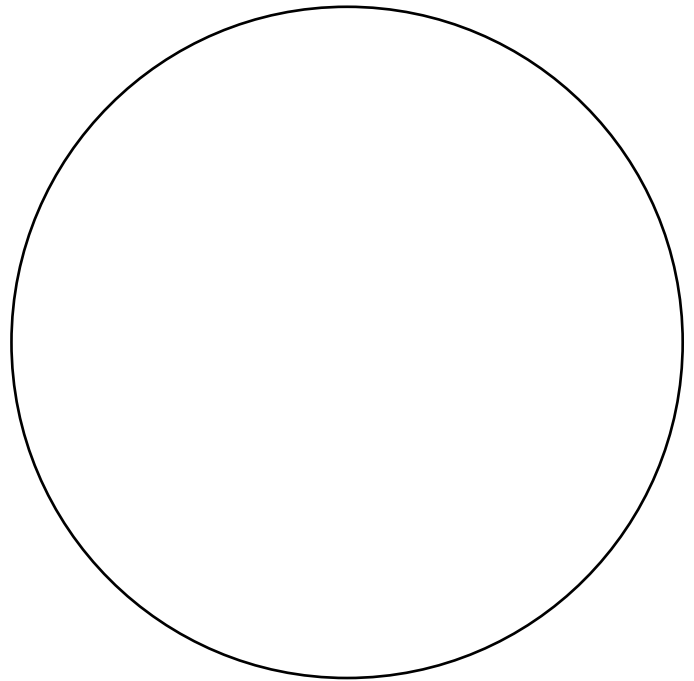
There are coins of all sizes and colors. Draw a coin, like a penny, quarter, nickel or dime then design one of your own.

When you have finished your drawing take it to Mindy and get a special prize!

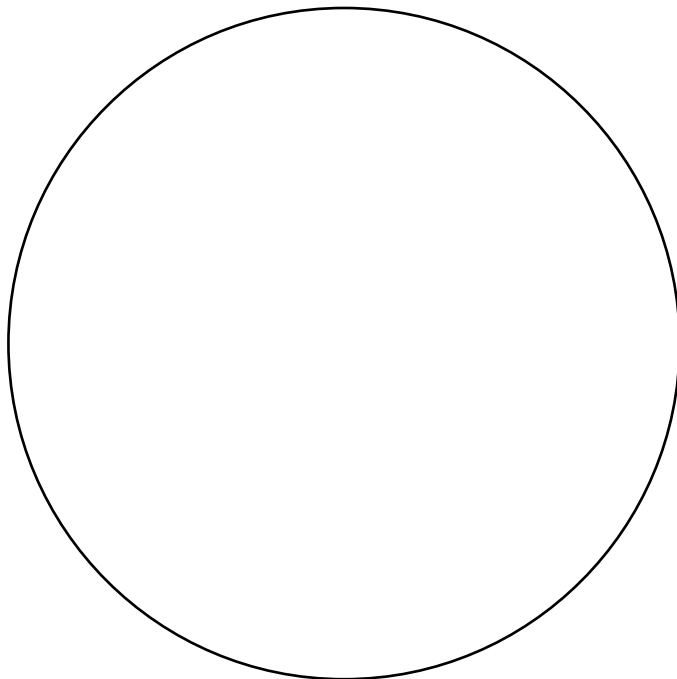
Design Your Own Coin

Take your coin design to Mindy and get a special prize!

Front



Back



Saving for Education, Entrepreneurship, and Downpayment (SEED) is led by nationally renowned partners—CFED, the Center for Social Development, the Initiative on Financial Security of The Aspen Institute, the New America Foundation, the University of Kansas School of Social Welfare, and community partners nationwide.



What Can Arkansas Career Pathways Do For You?

Arkansas Career Pathways (Pathways) is a program that enables your local two-year colleges to offer those who qualify free career training and college classes. But that's not all. In addition to free training and college classes, the Pathways program may be able to help you overcome the barriers that have kept you from getting the training and education you need.

To enroll in the program you must be a parent with children under the age of 19 living in your home, and receiving at least one of the following: Food Stamps, Medicaid, ARKids, or TEA, or have an annual family income below 200% of the federal poverty level.

Pathways will help you learn to fill out job applications, dress for an interview,

or complete your GED requirements. You can also achieve higher levels of training that can help you get a better-paying career in the following fields: behavioral health technology, business, education, early childhood education, emergency medical services, industrial maintenance, manufacturing, nursing/allied health, and welding.

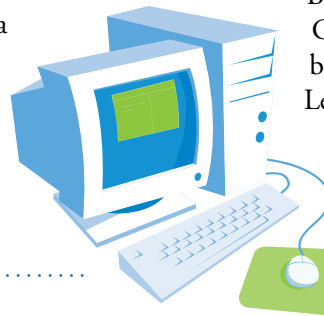
Southern Good Faith Fund in partnership with Southeast Arkansas Community College (SEARK) and Phillips Community College of the University of Arkansas (PCCUA) offers the Pathways program. For more information, call Zelda Simes at PCCUA 870.372.3279 or Lisa Ponder at SEARK 870.543.5999.

Free Federal Student Aid Filing

You don't have to pay to apply for Federal Student Aid.

Many Web sites and companies are misleading and charge a fee to fill out the forms. However, filing your Free Application for Federal Student Aid, or FAFSA, is FREE when done directly through the U.S. Department of Education at www.fafsa.ed.gov.

Computer Classes



Beginning and Basic Computer Classes are being offered at SEARK! Learn basic computer terminology, how to use menu bars, and how to navigate. This hands-on class includes an introduction to various software programs such as

Microsoft Word, Excel, and E-mail. Classes are Monday- Friday June 18-22, 8 a.m. - 3 p.m. The cost is \$60.00. To register, contact Ron Boren at 870.543.5948.

PCCUA Offers Summer Programs

PCCUA is offering a Baby Sitting Safety class on July 19th from 1 p.m. - 4 p.m. Call 870.338.6474 for more information.

PCCUA's "Workshop in the Arts" program will be June 11- July 12 on Monday - Thursdays from 8 a.m. - 12 p.m. This program is for students in the 3rd grade and above. Call 870.338.6474 for more information.

SEARK Calendar

Final exams: May 2-8
 Graduation: May 11
 Summer Session Starts: May 29
 Fall Session Starts: August 20

Note: The Technology Fee increases from \$5.00 to \$7.00 per credit hour effective with the summer session.

For more information contact Lisa Ponder at 543.5999.

PCCU Calendar

Final Exams: May 2-8
 Graduation: May 11
 Summer Session Starts: May 29
 Fall Session Starts: August 20

For more information contact Zelda Simes at 372.3279.

2007 Nursing Assistant Calendar

Pine Bluff

May 7- June 29
 July 9- August 31
 Sept 4- Oct 27
 Oct 30- Dec 22

Helena-West Helena

June 25- August 2

Call today and get your career plans in motion!

Child Care IS Business

Taking Care of Children Can Be A Profitable Business

If you have a heart for children and would like to start your own business, the Business Development Center is the place for you. Now, through a new program, the BDC can offer additional assistance to those who meet certain income guidelines, and want to start a home-based or commercial child care center.

Benefits of the program include:

- Scholarships to help with the cost of business training
- Assistance with child care

- Assistance with transportation
- Free business counseling, workshops and use of our Business Information Centers
- Assistance with establishing a career in child care

Call now for more information and find out how you can receive tuition assistance for our Business Side of Child Care classes starting on May 1st in Pine Bluff and June 19th in Forrest City.

Does Your Business Have A Growth Plan?

Business owners are excited and relieved that the tax season has come to an end. Hopefully you had your financials in good order and were able to get your taxes filed on time.

This is a good time then to focus on growth planning for your business.

The Business Development Center works with small businesses to help them define and implement a growth plan. A growing business means larger sales and a better bottom line!

Our growth planning sessions focus on helping businesses define the following:

1. **A Clear Vision.** Establish a clear picture of your business in five years.
2. **Strengths and Values.** Identify company strengths that it can build upon.
3. **A Mission Statement.** Motivate the company to stretch toward growth and change.
4. **A Performance Audit.** Evaluate product lines (most profitable, resource requirements, equipment needs).
5. **Performance Objectives.** Focus the company on profitable growth.
6. **Measurable Goals.** Make goals measurable to determine progress toward goal.
7. **Developing an Action Plan.** Determine who will take responsibility for the goals that are set.
8. **Setting Financial Projections.** Look at the impact of a growth plan on the performance of the company.

Upcoming Training At The Business Development Center

Get the complete schedule on our Web site at www.southernngff.org

The Business Side of Child Care

Training starts May 1 in Pine Bluff and June 19 in Forrest City

Budgeting & Money Management

May 8 in Pine Bluff

Child Care Licensing Requirements Workshop

Monthly in Pine Bluff and Forrest City

How to Start a Small Business

May 11 and June 8 in Pine Bluff

Developing and Enforcing Child Care Policies and Procedures

May 17 in Pine Bluff

It's All About Me (This fun workshop takes an in-depth look at yourself to get you on the path to accomplishing your dreams.)

May 21 in Pine Bluff

Understanding Your Credit

June 12 in Pine Bluff

Preparing to Meet the Lender

June 14 in Pine Bluff

Special
Discounts
for IDA
Participants!

To learn more about these classes and others, give us a call at 870.535.6233 or visit our Web site at www.southernngff.org.

Small Businesses Are Excited About New Health Insurance Plan

Sherrie Gillespie, owner of Head of The Class Child Care Center in Monticello, is excited about the new ARHealthNet Insurance program.

“This is great news for my business because I am now able to offer health insurance to my employees. The ARHealthNet program is great for small business owners because it’s next to impossible for them to offer any type of health insurance program to their employees. Private policies can be very expensive.”

ARHealthNet is a new insurance program that helps qualified small businesses with low-income workers provide an affordable package of health care benefits to their employees. There are several great features of the program as follows:

- No waiting period upon initial enrollment into the program
- Benefits are available regardless of any pre-existing medical conditions

- Seven inpatient days per year
- Two major outpatient services per year, including emergency room and major services performed in the office
- Six physician office visits per year
- Two prescriptions per month
- Maximum annual benefit of \$100,000
- Renewable each 12 months

All types of businesses are eligible if the business has between 2 and 500 employees and has not provided health insurance in the past year.

Call one of the participating agents today and get your business enrolled or visit www.ARHealthNet.com for an agent in your area.

The ARHealthNet health insurance program is a partnership with the federal government, the state government, and private businesses to offer health benefits to uninsured workers.

Call one of the participating insurance agents below today and get your business enrolled.

In Pine Bluff

Buster Crook
William H. Crook Insurance
& Financial Services
Pine Bluff 870.534.5200

Sharen Lightsey
Numbers 2 Numbers
Pine Bluff 870.536.4464

Mack Milner
Milner Insurance
Pine Bluff 870.534.2823

In Helena-West Helena

Scooter Gabbie
Farm Bureau
Helena-West Helena
870.572.4099

Bev Hargraves
Hargraves Insurance Agency
Helena-West Helena
870.338.3425

In Marianna

Stephanie Foreman
Foreman Benefits Plus
Marianna 870.295.2633

In West Memphis

Jason Owens
West Memphis 870.739.4436
Richard Reid
West Memphis 870.733.9999
Tress Spurlock
West Memphis 870.739.4436

In Forrest City

Frank Adams
Forrest City 870.633.4112

William Baxter
Forrest City 870.633.4112

Ronnie Killingsworth
Forrest City 870.633.4112

Ellis Mills
Forrest City 870.633.4112

BDC is partially funded by the U.S. Small Business Administration's Office of Women's Business Ownership (OWBO) under Cooperative Agreement Number (SBAHQ-04-W-0032). The Office of Women's Business Ownership is established to help women become full partners in economic development through small business ownership. The Women's Business Ownership homepage is: www.wbconline.gov. BDC is a public-private partnership of the U.S. Small Business Administration and Southern Good Faith Fund, a non-profit affiliate of Southern Bancorp. SBA's cooperation does not constitute or imply its endorsement of any opinions, products, and/or services. Reasonable accommodations for persons with disabilities will be made if requested at least two weeks in advance. Contact Miriam Karanja, 2304 W. 29th Ave., Pine Bluff, AR 71603 or call 870.535.6233. All SBA programs provided on a nondiscriminatory basis.

Drive Smart and Save Money

With summer approaching and gas prices hovering close to the \$3 per gallon mark, you can save money at the pump by driving smarter.

These money-saving tips help both the environment and your wallet:

- **Slow down.** Your gas mileage decreases rapidly when you drive faster than 60 mph. Every 5 mph over costs about 20 cents in gas per hour
- **Unload the trunk.** Each additional 100 pounds carried in a car costs 1% to 2% in fuel efficiency, according to the Energy Department
- **Watch the tires.** Underinflated tires can drop gas mileage by about 3%
- **Skip the drive-through.** You get zero miles per gallon while idling. Park and get out

Offices

Pine Bluff

Asset Builders
Business Development Center
Career Pathways

2304 W. 29th Avenue
Pine Bluff, AR 71603
870.535.6233

Helena-West Helena

Asset Builders
502 Cherry Street
Helena-West Helena, AR 72342
870.816.1104

Business Development Center
502 Cherry Street
Helena-West Helena, AR 72342
870.816.1120

Career Pathways
P.O. Box 514
1000 Campus Dr., T & I Building
Helena-West Helena, AR 72342
870.338.3279

Little Rock

Public Policy
1400 W. Markham, Suite 400
Little Rock, AR 72201
501.661.0322

Web Site

For more information
please visit us at:
<http://www.southernngff.org>

