



■ Pay Yourself First

Two years ago, my father revealed he finally began contributing to his 401K at the age of 60. I realize retirement accounts are complex and a lot of time is required to stay informed. Still, it was difficult to understand why he held off because I remember the importance he put on saving money when he opened my first account as a kid or when he gave me a loan in college with a strict payment schedule.

Each year we get older, and I worry about the quality of life he'll have when he's retired. He deserves to be able to relax in his "golden years," to look back at his life with proud accomplishment.

I know my father can't go back in time and begin his retirement savings earlier, but we all can change our savings habits now. *We have to begin the cycle of paying ourselves first before we pay the other bills. Even if it's just a little. We need to stop waiting until the end of the month to save what is left over.* The type of future we'll have is dependent on the choices we make now.

I hope we can indulge ourselves when we hit retirement, but in the meantime let's encourage our family and community to set savings goals and thrive by doing so.

Thank you for being an ally to the Network.

Kelsey Clayton
Network Manager

■ Quick Click Poll:

[What percentage of Americans have prematurely tapped into their 401K to meet current needs?](#)

July Poll:

Q:

What is the average age of a homeless person in the United States?

A: 9

The Truth About Car Insurance



Flo from Progressive Auto Insurance with lie detecting dad Robert De Niro from *Meet the Fockers*

A recent two-year study shows insurance quotes judge you less on your driving habits and increasingly on socioeconomic factors. This special investigation conducted by [Consumer Reports](#) "analyzed more than 2 billion car insurance quotes from more than 700 companies." A hidden truth about premium cost is that it is likely based on your credit score. Some states have tried to keep the marketplace fair by making sure insurers report their pricing formulas to regulators, with the one caveat that they remain confidential.

Some insurers use technology called *price optimization which determines how likely you are to notice or dispute a price increase.*

Consumer Federation of America (CFA), the pioneer in recognizing this practice, shows that some models calculate how many iPhones and beers you have purchased to discriminate against you. Yikes!

Longtime loyalty can even be harmful. For example, "Geico Casualty gave us whiplash with its \$3,267 loyalty penalty in New Jersey and its \$888 discount just across the state line in New York for longtime customers." Staying complacent with your insurance company will do you harm in the long run.

CFA also found one out of every three low-wealth communities cannot get a single affordable quote from any of the five major insurers. There is a strong correlation between state poverty rates and the percentage of uninsured drivers, also noting that if a driver tries to get insured again they are often penalized by roughly \$200 a year.

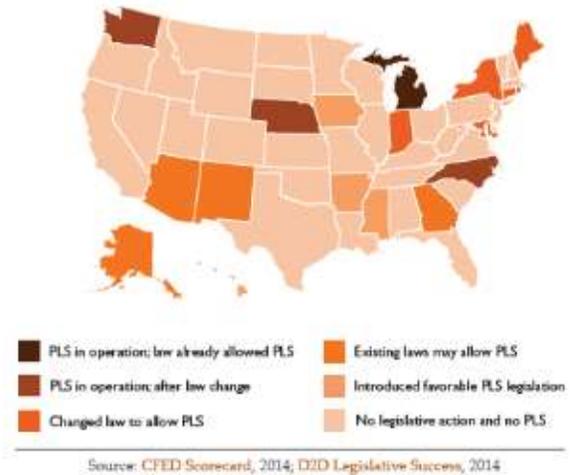
Want to do something about this? Last month, the Federal Insurance Office put out a request for information on data they could use to determine if low-wealth drivers and drivers of color could get premiums they could afford and how to define affordability. [Read the letter and add your name today!](#)

Indiana A&O Network hosted a great webinar on prize-linked savings last Wednesday, August 26th. Thank you to all who participated.

[Here is a link to the webinar.](#)

For those of you who missed the learning opportunity, prize-linked savings accounts are offered at financial institutions to encourage regular deposits of a specific amount to be entered into a weekly and monthly drawing for a chance to win a cash prize.

THE STATE OF PRIZE-LINKED SAVINGS



Have any questions? Want to bring it to your institution? [Contact me!](#)

Register for Your Money, Your Goals Community Volunteer Training



Your Money, Your Goals is a financial empowerment toolkit for community volunteers offered by the Consumer Financial Protection Bureau (CFPB). It was created to help volunteers from organizations like yours who are providing financial or career coaching, mentoring youth aging out of foster care, and offering counseling.

This training will be an interactive opportunity to learn from facilitator Amy Bayliff on how to incorporate financial planning tools into your everyday interactions. **This training is free and has plenty of parking.**

As an attendee, you will also have a chance to hear from Patty Avery, CFPB's Financial Empowerment Specialist during lunch!

[Click here to reserve your spot today.](#) Seats are limited!

Policy Updates

The Indiana A&O Network would like to announce that Derek Thomas our policy partner from the Indiana Institute for Working Families (IIWF) is leaving Indiana. He's heading to Connecticut to expand his policy portfolio. [Read his goodbye letter here.](#) Good luck Derek!



IIWF will continue as a co-lead in our statewide Network and is currently looking for a [Policy Research Associate](#). [Are you interested?](#)

We do have exciting additional news!

The Network has identified the following three policy priorities for 2016:

- *Preserve and Expand Earned Income Tax Credits (EITC)*
- *Eliminate Asset Limits*
- *Reform Payday Lending*

The Network's role will be to educate and convene the coalition surrounding these issues. Stay tuned for policy briefs and analysis.

Upcoming Events and Conferences:

- [Tax Tips for Healthcare Navigators \(and VITA sites\)](#): Aug. 31, Webinar
- [IACED September Affinity Group Meetings](#): Sept. 8-24, Statewide
- [Using Credit as an Asset](#): Sept. 10, Indianapolis
- [Advanced Mixed Use Real Estate Development](#): Sept. 17-19, Indianapolis
- [Investing in Enduring Advocacy Capacity](#): Sept. 16, Webinar
- [Money Smart for Small Business](#): Sept. 22, New Albany
- [Comprehensive Community Development Collaboration](#): Sept. 22-24, Indianapolis
- [Your Money, Your Goals Community Volunteer Training](#): Sept. 29, Greenwood
- [Boost Your Tax Time Knowledge](#): Ongoing Online
- [Planning Prosperity for the Next 200 Years](#): Oct. 7-9, South Bend



Contact Us!
Kelsey Clayton
Network Manager
317-454-8540

<http://indianaopportunity.net/>

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