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# BRONX Family

## Financial literacy now! Power in dollars & cents Here's a place for fiscal answers

By Tiziana Rinaldi

If making ends meet is a problem and creditors are knocking at the door, or you don't know how to make better financial decisions to keep your family out of debt, the Financial Empowerment Center, 3125 Third Avenue, can help.

Launched by Phipps Community Development Corporation, in June, the mission of the financial literacy services in Melrose is to assist low-income Bronx families, who are looking to improve their conditions, overcome pecuniary struggles.

"Some people never had a bank account," said Perquida Williams, a counselor at the Phipps Opportunity Center where the financial program is located, "others feel intimidated by the application process. Some families come out of a shelter, move into permanent housing, and want to re-establish their credit."

Whether cases concern families with heavy loads of credit card debt associated with collection notices and garnished incomes, increasingly frequent events of identity theft, people whose credit card applications are turned down, or parents trying to work out payment plans, what's always missing is a basic knowledge of personal finances.

Additionally, in the case of identity theft a sound sense of discernment about whom to trust, including family and friends, and how much personal information is safe to reveal can prove fatal.

"We offer hope and encourage people to take one step at a time," said Williams, "to work together, so that years down the line they'll be glad they confronted their [monetary] problems."

Trusting again, both in themselves and others, and the willingness to take on the discipline necessary to turn their fate around are often the key elements in the transition from poverty to opportunity.

"It's a big thing for people to be able to open up and talk about their business," said Williams, "but, if they understand that we're an [organization] meant to help re-establish themselves, we can build on that."

Primarily designed for Bronx residents, but open to any city dweller, the Financial Empowerment Center offers completely free, confidential one-on-one counseling on budgeting, credit and debt

management, financial planning (including college and retirement), negotiation with creditors, affordable banking services and evaluations for government benefits. English and Spanish instruction, as well as on-site computers, make the information and educational resources easy to access.

Thanks to a federal grant administered by the New York State Children and Family Trust Fund, the center also features a Family Room where young families are provided with childcare during counseling sessions, family-child social activities, information on early intervention and health services.

"A lot of people have goals," said Pedro Salazar, a financial counselor at the center, "very good goals; own a home, buy a small business, save for retirement, but if you cannot budget yourself, if you're unemployed, you don't have good credit, these dreams will remain such."

"We take the 'empowerment' part pretty seriously," continued Salazar. "We take time to walk people through the learning process of managing

their finances. We encourage them to deal with the creditors, not put them off, how to get a credit report, how to read it so they can do it themselves, and hopefully pass the example on to their children."

Helping families is a far-sighted strategy to eradicate bad financial habits, and enable future generations to end up better off than their parents. But, combating the prevailing tendency to shield children from the harsh reality of their parents' financial issues can delay the process.

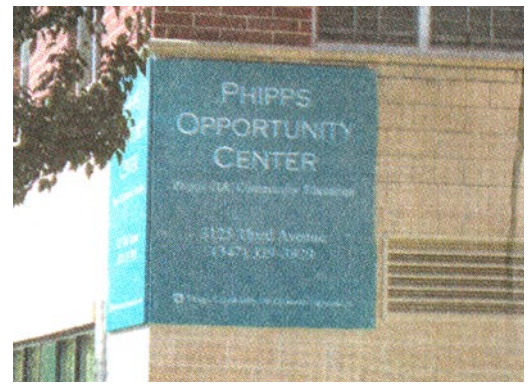
"It's like talk about sex," commented Williams, "how many parents talk about sex with their children? Money is just as important."

It is fundamental that parents sit down with their kids, said Williams, and gradually in age appropriate stages, show them how bills are paid, how is the family income allocated and how much can be saved. Giving a little allowance and helping children manage it, by setting up specific goals, is also a practical way to teach kids to be responsible with their money.

One mother seemed to agree about passing on financial wisdom, "I have a lot of debt and I'm unemployed," said Melrose resident Madelyne Baez, whose son is only one year-old. "I came for counseling. One day I would like my son to learn how to manage money better than I do."

Additional services at the Phipps Opportunity Center include ESL classes, GED instruction and a Work Rewards Program to foster the end of dependency from government subsidies.

**For more on the Financial Empowerment Center call 347-329-3929, or visit [www.phippsny.org](http://www.phippsny.org).**



Financial counselors Perquida Williams and Pedro Salazar, left to right, pose in the lobby of the Phipps Opportunity Center where the financial literacy program is housed. Melrose resident Madelyne Baez, who has been seeking financial advice at the program, waits for her appointment.