

# AARP<sup>®</sup>

## FOUNDATION



**Winning Back Opportunity for  
Struggling Americans 50+**

# AARP Foundation Vision & Mission

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## Vision

**AARP**<sup>™</sup>  
FOUNDATION

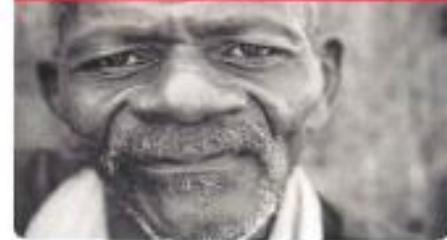
“  
A country that  
is free of poverty  
and where no  
older person feels  
vulnerable.”



## Mission

**AARP**<sup>™</sup>  
FOUNDATION

“  
The Foundation is  
dedicated to serving  
vulnerable people 50+  
by creating solutions  
that help them  
secure the essentials  
and achieve their  
best life.”



# AARP Foundation's vision and mission led to the creation of four relevant focus areas

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## Vision



“A country that is free of poverty and where no older person feels vulnerable.”



## Mission



“The Foundation is dedicated to serving vulnerable people 50+ by creating solutions that help them secure the essentials and achieve their best life.”



## Foundation Four Focus Areas

### Hunger Problem Statement

In America, nearly 9 million people age 50+ are at risk of hunger.

### Income Problem Statement

Over 20 million low income people age 50+ do not have adequate financial resources and are at risk of not meeting one or more of their basic needs.

### Housing Problem Statement

At least 13 million households headed by low-income, 50+ people live in unaffordable and/or inadequate housing.

### Isolation Problem Statement

Low income people age 50+ experience the negative consequences of isolation, including poor health outcomes, limited access to resources, and loneliness.

**Our work supported by vigorous legal advocacy**

# Income and Financial Inclusion:

## What is the problem we are trying to solve?

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*Almost 20 million low-income people age 50+ do not have adequate financial resources and are at risk of not meeting one or more of their basic needs.*

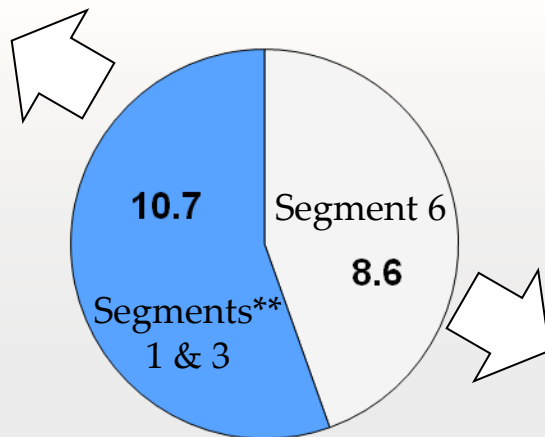
- **Lack of skills and educational opportunities**
- **Job loss and long durations of unemployment due to recession**
- **Increasing need for “four-legged stool” for economic security**
- **Risk of never becoming re-employed**
- **Insufficient income supports and services to meet basic needs**
- **Lack of financial capability and access to appropriate products and services**

# Interventions are being tailored with the focus on the low income working class

## Focus on “50+ Working Families”: 50+ Low income – Work is an option

- Majority of people employed
- Heavily affected by the economic downturn (~2 mil)
- Several sub-segments with unique and challenging life situations (e.g., grand-parenting, caring for own parent, etc.)
- Jobs, debt and rebuilding savings important
- Victims of age discrimination at work

Total=19.3 mil people



**Limited Resource Retirees:**  
50+ Low Income – Work is not an option

- Primary source of income Government benefits
  - Majority retired
- Management of assets a higher priority vs. saving and building assets
- The highest risk of being victims of financial and other type of fraud.

**Strategic framework focuses on two core aspects of income:**

**Earning and Managing Income**

# Our Objectives

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- Low income, 50+ working class increase their income through **quality employment services, income support, and education** that reduce the duration and impact of unemployment.
- **Financial products, services, and education appropriate and affordable to the low income 50+** are introduced into and change the marketplace.
- There is increased **focus, research, and thought leadership** on the low income, 50+ working class.

## Theory of Change - Impact at Three Levels

- **Individual**
- **Community**
- **Systems**

# Key Interventions – Identifying Scalable Models

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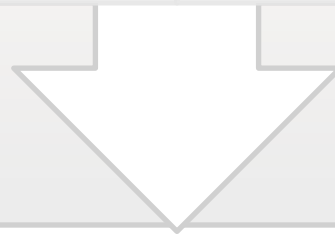
## Earn

Senior Community  
Service Employment  
Program

Sector-Based  
Workforce Initiative

Benefits Enrollment  
(SNAP)

Recession Recovery  
Grants



## Manage

Tax Aide

Money  
Management

Consumer  
Fraud  
Prevention

Financial  
Capability

Pre-Paid Debit  
Card

# Finances 50+ - A Financial Capability Program

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- Funded by and developed in collaboration with Charles Schwab Foundation.
- Few programs focused on the unique needs of the low income 50+ working class.
- Designed to motivate and empower participants to make better financial decisions and take charge of financial futures.
- Focuses on behavior change related to goal setting, debt reduction and credit repair, asset building and protection.
- Working with local organizations in seven cities to conduct evaluation of program outcomes and impact including evaluating the use of volunteers as “money mentors” to support participants in making changes.



# AARP Foundation Branded Pre-Paid Mastercard Brought to you by Green Dot.

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## Why?

- AARP Foundation has long stood for strong protections for our most vulnerable populations, and we are constantly looking for new ways to solve the problems faced by older adults and their families.
- Nearly 17 million people (disproportionately African American and Hispanic) aged 45+ live in unbanked or underbanked households
- Lack of access to money management products and appropriate financial services and education can keep millions of older consumers from meeting basic needs
- Goal was to introduce a “best in class” product to help change marketplace as it relates to affordable financial products for 50+.
- Launched in February, 2012

# Features

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- Available in retail stores and online
- FDIC-insured
- Direct Deposit
- Savings Feature
- No mandatory arbitration
- Clear and transparent T&C.
- Paper statements on request
- Gerontologically-trained customer service reps.

# Outcomes to Date

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- Sales are strong in retail markets with both 50+ and younger buyers.
- Many are using the card for caregiving responsibilities
- Very high reload amounts are indicating that it is being used as financial product.
- Product has given organization access to new and different influence.
- Partnership with Green Dot is giving us unprecedented access to data on financial and spending behavior that allows us to message more accurately and appropriately to our target audience
- Competition is welcomed – ie: Bluebird/AmEx product issued by WalMart.