# Federal Reserve Bank of St. Louis
## Investment Connection Proposal

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<thead>
<tr>
<th>Proposal title</th>
<th>Extra Mile Loans</th>
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<tbody>
<tr>
<td>Contact</td>
<td>Kelli VanDoren</td>
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<tr>
<td>Title</td>
<td>Extra Mile Coordinator</td>
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<td>Phone</td>
<td>573-489-5392</td>
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| Organization name/address | Love INC of Columbia  
Pat McMurry  
1516 Business Loop 70 West  
Columbia, Missouri  65201 |

**Mission statement**

To transform our community by networking resources and relationships to love people forward to stability and flourishing. We do this by serving the whole person and involving the whole community. We provide a coordinated network of care for our neighbors in need to help them to transition to sustainability by addressing relational, material, informational and spiritual poverty.

**History of organization**

Love INC of Columbia opened its doors in 2008 to provide a hub to coordinate the efforts of local churches and volunteers to serve our neighbors in need. We believed that coordination and collaboration were needed to best serve the community and avoid duplication of efforts. We sought to provide structure and training to promote a holistic, developmental approach to help move local churches from an emergency relief/“hand out” approach. We established relationship-based programs and volunteer opportunities in recognition of the importance of creating social capital for those desiring to move forward from poverty to flourishing.

We have served over 8,000 individuals and families and have steadily expanded our services and collaborations. We became a United Way funded partner in 2012 and have received the support of several foundations. We have been named agency Partner of the Year by MU School of Social Work and Missouri Department of Corrections.
| Organization’s current programs and activities | We use a person-centered approach and offer a range of services. Primary services & number of clients served 7-1-2018 - 6-30-2019:  
1) Information library/referral service - 998;  
2) Service coordination - assessment, goal setting and follow-up - 575;  
3) Side by Side coaching - budgeting, credit building, job search, housing search and life purpose - 305;  
4) Extra Mile coaching - 16 week, high accountability money management coaching - 78;  
5) Extra Mile Homes - transitional housing for families (4-6 months rent-free opportunity to regain financial stability - 7);  
6) Extra Mile Loans - no interest loans for those engaged in Extra Mile Coaching to help them retire high interest loans - 10;  
7) Jobs for Life - job readiness classes and mentoring - 18;  
8) The Love Seat - furniture bank - free basic items - 240;  
9) Financial assistance - paired with coaching - $134,888;  
10) Transportation Assistance - donated cars, car repairs, bicycles - 117; rides - 217; moving assistance - 44. |
| Website | www.columbialoveinc.org |
| Support request | Grant |
| Requested dollar amount | $40,000 |
| Proposal summary | One-year, no-interest loans (up to $1,000) for eligible participants in Love INC’s 16-week, individual money management coaching program to retire existing high-interest loan/s. Since October 2018, we have provided 10 EM Loans to low-income individuals.  
Three components: Expand, 1) funds available for lending, 2) the pool of volunteer coaches, 3) administrative capacity. A successful program requires several steps to ensure repayment is possible and probable. Relationship must be developed with the client, the client’s financial literacy must be increased and agreement made to take out no loans while enrolled. Must demonstrate willingness to stay within a budget: pay bills on time, reduce expenses and/or increase income. Ongoing coaching and tracking of progress must be maintained.  
EM Loans uses community volunteers as coaches, requiring continuous recruitment, training and support. This model strengthens the fabric of community through pairing of culturally different individuals. |
| Issues addressed | Financial access, capability and empowerment |
| Target population/geography | Love INC serves residents of Columbia, MO. Our programs are geared towards low-income individuals and those who are in crisis or transition, primarily those |
facing instability in the areas of finances, housing, and employment.

**Population served including income**

100% of the clients enrolled in the Extra Mile money management coaching program are LMI. The average household income of Extra Mile money management clients is $22,228 per year. The majority are employed with a small percentage receiving retirement or disability income. One-third of participants who enroll in the Extra Mile money management program have at least one active payday loan.

**Anticipated outcomes/impact**

The primary goal of the program is to increase the capacity of the loan program. This will enable us to offer more loans to struggling individuals. It will also allow us to engage more community members in coaching.

A secondary goal of the project is to provide data and personal stories to the community to inform and inspire larger, more comprehensive efforts.

**How will the program be evaluated**

The program will be primarily evaluated according to whether the outputs and outcomes previously noted were met. We will be also tracking the amount of debt retired and the difference between high interest loan monthly payment and no interest EM Loans monthly payment.

In addition to the outcomes noted previously, EM Loans clients will also be expected to achieve established outcomes of the Extra Mile money management program. This is tracked through pre, mid and post program surveys that include questions that correlate with the Financial Management Behavior (FMB) and Financial Self-Efficacy (FSE) Scales. For example, 85% of clients will be able to independently create and follow a budget.

Our hope is that this program will not only help 42 individuals entrapped by predatory lending but also engage the wider community in financial literacy education and raise both public awareness and the will to promote policy change.

**Project time frame**

1/1/2020 - 12/31/2021

**Other significant partners in the proposal**

The following local banks have partnered by contributing to the loan fund: Callaway Bank, Central Bank of Boone County, First State Community Bank, Hawthorne Bank, Landmark Bank, and Providence Bank. Additionally, three private donors have also contributed to the fund.

Justine Peterson, St. Louis asset building nonprofit, partners with us to serve as our lending agent. Two volunteers (a retired banker and university grant
| Other funding secured or potential funding | We have already established a loan fund and have raised $28,500 since the program began. This was raised from local banks and private individuals. Love INC allots staff time to manage the program. Heart of Missouri United Way and an anonymous donor provide funding for the Extra Mile program. There are no other funding sources pending. |

| Time/Date Received | 8/1/2019 3:21:41 PM |