



# REPORTING ON IMPACT

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**SAVING FOR CITIZENSHIP**  
OPPORTUNITY FUND REPORT SERIES

OCTOBER 2014

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 **ppportunity**  
**Fund** working capital  
for working people

## COMMITMENT TO IMPACT

As a leading microfinance provider, Opportunity Fund is committed to helping close the opportunity gap for working families by providing innovative financial products and services. We are also committed to measuring, learning from, and sharing the outcomes of our work. We believe that rigorous, independent analysis is critical to the advancement of the microfinance field. To that end, where we have the ability and the resources, we seek to measure our impact using objective, verified research methods—and to then disseminate our learnings to the broader field.

This is the first in an occasional series of reports documenting the outcomes and impacts of Opportunity Fund’s microfinance work. Our goal is to share what we have learned in designing and implementing new microfinance tools, and to inform the field as a whole.

Six years ago, with leadership support from the John S. and James L. Knight Foundation, Opportunity Fund launched *Saving for Citizenship*, the first program of its kind in the nation. Designed to help low-income Silicon Valley residents develop financial skills while saving to pay the fees to become U.S. citizens, *Saving for Citizenship* enabled more than 900 individuals from over 40 countries to acquire citizenship, with all the rights and responsibilities that come along with that transformation. These immigrants also built the critical financial management skills they need to be informed financial citizens. This report highlights the results of an independent, longitudinal evaluation, conducted by ICF International, to understand the project’s impact on the financial and civic lives of the families who participated.

We hope you find the report informative and, as always, we welcome your questions and input about our work.

Warmly,

A handwritten signature in black ink, appearing to read 'E Weaver', with a stylized flourish at the end.

Eric Weaver, CEO



## EXECUTIVE SUMMARY

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Launched in 2008, Opportunity Fund's five year *Saving for Citizenship* initiative was the first economic development program in the country to identify U.S. citizenship as an asset and to address the high cost that put attaining citizenship out of reach for many low-income immigrants. In addition to the ability to participate in local and national elections, U.S. citizenship leads to improved economic outcomes including better education opportunities, higher incomes, and greater job mobility.

*Saving for Citizenship* directly addressed the high cost of applying for citizenship by offering a 2:1 match to encourage participants to save to pay these costs. Equally important, the

program integrated financial and civic education to ensure families had the tools and skills necessary to establish healthy financial lives in the U.S. Opportunity Fund tracked the impact of *Saving for Citizenship* on participants' savings behavior, attitudes toward saving, civic participation, and self-confidence over the five-year project period.

This final report reveals the findings of this comprehensive, longitudinal evaluation.

**As a result of participating in *Saving for Citizenship*, more than 900 individuals achieved U.S. citizenship; they reported increased levels of confidence, an ongoing pattern of saving, and high rates of voter registration and participation in elections.**

Special acknowledgment to the John S. and James L. Knight Foundation for their support to design, implement, and evaluate *Saving for Citizenship*.

# KEY FINDINGS

Despite the financial challenges faced by participants, *Saving for Citizenship* made a measurable impact on their personal and financial lives. After enrolling in the program, participants noted improvements in both their financial habits and civic engagement.

Participants also reported feeling more confident in their financial decision-making, financial stability, and ability to succeed in the future.

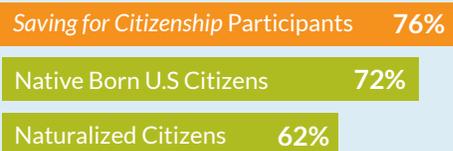
**Specifically, the evaluation revealed:**

## CIVIC OUTCOMES



**900+** participants and family members became naturalized U.S. Citizens, including **100+** children.

### Voter Registration



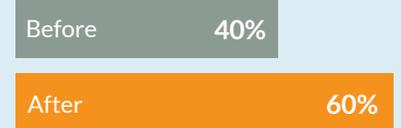
*Saving for Citizenship* naturalized citizens registered to vote for the 2012 election at higher rates than both native-born citizens and naturalized citizens.

### Voter Turnout



*Saving for Citizenship* participants who were registered to vote had much higher voter turnout rates in the 2012 election than the general U.S. voter turnout.

### Civic Engagement



Participation in civic activities (like volunteering or donating to a nonprofit) increased by **50%** between program intake and survey.



Participants were inspired to help friends and family become citizens too.

## FINANCIAL OUTCOMES

### Financial Behavior



Average monthly savings



The proportion of participants who budget regularly doubled between **intake** and **survey**.

### Financial Self-Confidence



Levels of self-confidence increased between **intake** and a **survey** 3 years later.

# CITIZENSHIP AS AN ASSET

Opportunity Fund's *Saving for Citizenship* initiative provided matched savings and financial management training to immigrants in Silicon Valley whose only barrier to obtaining citizenship was the steep \$680 application fee.

More than a third of Santa Clara County's residents were born outside the U.S., and many struggle to make ends meet.

When application fees nearly doubled in 2007, to \$680 a person, the high cost put U.S. citizenship out of reach for many low-income immigrants in the country.

As a direct result, naturalization application rates dropped by more than half between 2007 and 2008. *Saving for Citizenship*, generously funded by the John S. and James L. Knight Foundation, broke new ground in the matched savings field by identifying U.S. citizenship as a transformative asset that can serve as a foundation for greater prosperity for immigrant families.

As a national leader in matched savings, Opportunity Fund recognized the potential of combining money management training and savings incentives (in the form of a 2:1 match) to enable low-income immigrants to build a savings habit, learn smart money management strategies, and apply for U.S. citizenship.

By saving regularly, budgeting, and becoming strategic consumers, participating families were able to set new savings goals and manage their limited resources effectively.

Despite a median household income of \$18,000, participants experienced increased self-confidence and feelings of financial stability as a result of *Saving for Citizenship*, as well as increased involvement in their communities.

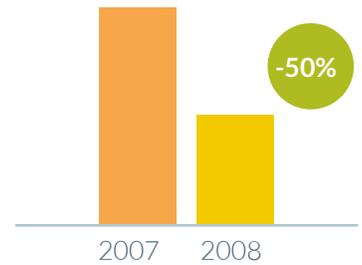
*Saving for Citizenship* demonstrated the transformative power of savings incentives to achieve "non-traditional" assets that provide a foothold for future prosperity and financial capability.

## OUT OF REACH

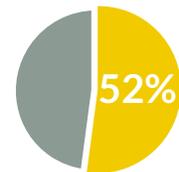
### Application Fee



### Number of Applications



As U.S. citizenship application fees nearly doubled in 2008, the number of applications dropped by nearly half.



More than half of legal, permanent residents who are eligible for citizenship are low-income.



*Saving for Citizenship* combined money management training and savings incentives with civic education to help participants prepare for U.S. citizenship.

# CLIENT STORY

## Abdullah Rahyab

Abdullah and his parents fled their home in Afghanistan to escape the Russian invasion when he was just four.

After living as refugees in India for well over a decade, they made their way to the U.S. in 2003. Finally in a place he felt he could call home, Abdullah wanted to become a U.S. citizen but was unsure of how he could overcome the financial obstacles to do so.

### Challenge

Abdullah wanted to become a U.S. citizen, but paying for household expenses and school loans always came before the high fees to apply for citizenship. *Saving for Citizenship* gave Abdullah the opportunity and the incentive to finally pursue his dream.

### Opportunity

Abdullah enrolled in financial education classes, stuck to his budget, and managed to save more than \$50 per month. Within six months, he had saved \$225. Combined with \$450 in matching funds from Opportunity Fund, he had enough to pay the \$675 fee and apply for U.S. citizenship, six years after arriving as a refugee in the United States.

### Partnership

Abdullah heard about *Saving for Citizenship* through Opportunity Fund's partner, Catholic Charities of Santa Clara County, the nonprofit community organization that assisted him with his citizenship application.

### Lessons Learned

Abdullah learned to keep a budget, and that saving is not as difficult as he had imagined. Since graduating from the program, he has opened another savings account to help him keep saving. And, with his new citizenship, Abdullah has found that many new opportunities in the job market are now open to him.



“BEING IN THE U.S. MAKES ME FEEL HAPPY, CONTENT, AND SAFE. BECOMING A CITIZEN WAS THE SEAL THAT GUARANTEED THE FUTURE OF ALL THESE GOOD FEELINGS.”

## FAST FACTS



# LESSONS LEARNED

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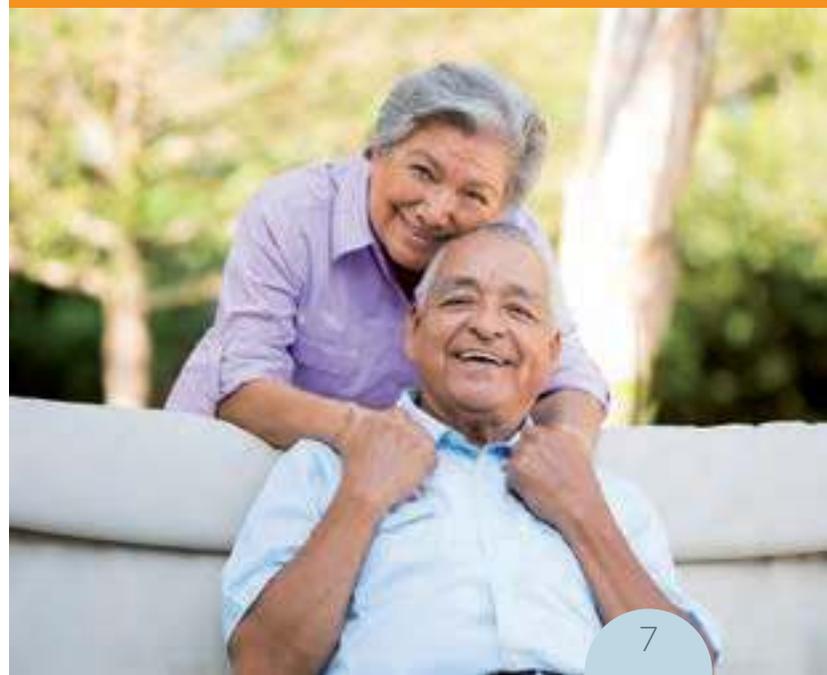
Citizenship fee waivers have made it easier for low income immigrants to achieve citizenship. In 2012, the landscape changed significantly when U.S. Citizenship and Immigration Services simplified the criteria by which an eligible applicant is granted a naturalization fee waiver. As a result, many more low-income immigrants may now qualify for a fee waiver. Although a significant cost barrier has been removed for many families, additional barriers, such as immigration-related legal fees or the cost to obtain a U.S. passport, remain.

Citizenship is a potentially transformative asset for low-income families. When Opportunity Fund and the John S. and James L. Knight Foundation first partnered to create *Saving for Citizenship* in 2008, we were in the vanguard in defining U.S. citizenship as a high-impact asset for low-income families. Since then, a number of programs have emerged to help qualified immigrants access funds to pay to apply for citizenship. Across the U.S.—from Maryland to Illinois to Washington—banks, credit unions, and community organizations have begun to offer microloan programs that enable immigrants to secure a loan to cover citizenship application fees.

Immigrants seeking naturalization benefit from the combination of financial and civic education and support. By linking the pursuit of citizenship to financial education and civic participation, *Saving for Citizenship* helped families prepare to become both financially stable and civically engaged U.S. citizens. Many participants reported that they had already been working toward citizenship on their own, but had become frustrated by logistical and financial challenges. Participants commented that *Saving for Citizenship* met a critical community need, and should be offered in other communities to benefit more people.



**SAVING FOR CITIZENSHIP  
BROKE NEW GROUND IN  
REMOVING FINANCIAL  
BARRIERS TO GAINING U.S.  
CITIZENSHIP FOR LOW-INCOME  
IMMIGRANTS.**



## WHO WE SERVED

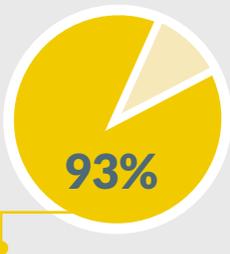


679 households



938 individuals

679 households, representing 938 individuals enrolled in Saving for Citizenship over 5 years.



More than 93% earned their full match and used their funds to apply for U.S. citizenship.



Over 900 individuals from 40+ countries became U.S. citizens through the program.

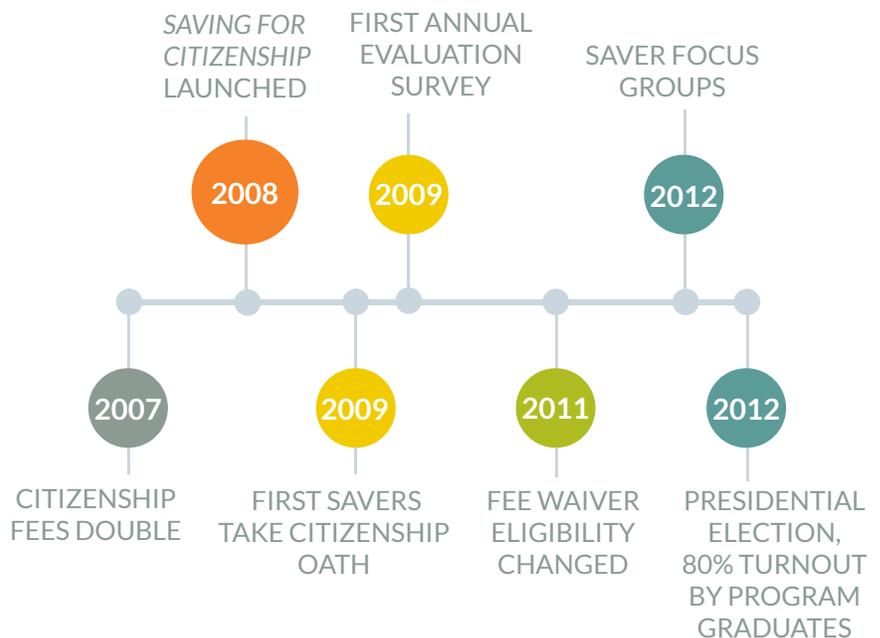
## PROGRAM OVERVIEW

*Saving for Citizenship* was launched in 2008 to provide a matched savings account – also known as an Individual Development Account or IDA – to help participants meet the costs of applying for U.S. citizenship.

The program served adults living in Santa Clara County, California, who were qualified and legally ready to apply for U.S. Citizenship. Eligibility was limited to participants with a household net worth below \$10,000 and income below \$56,700 per year for a family of three. Opportunity Fund partnered with local community organizations, including SIREN, CET, and the Asian Law Alliance, to enroll eligible participants.

The objectives of the program were to help low-income Silicon Valley immigrants:

- Learn to navigate the U.S. financial system: select appropriate financial services, understand credit reports, and prepare for taxes.
- Develop skills and confidence to save and invest through training in budgeting, investing, and analyzing financial products.
- Build savings for naturalization, augmented by a 2:1 match.
- Apply for U.S. Citizenship.





## HOW IT WORKS

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*Participants completed 12 hours of financial and civic education to help them adopt the necessary tools and skills to establish healthy financial lives.*



*Participants opened a free savings account at Citibank and made a minimum monthly deposit of \$20 for 4 to 12 months.*



*They earned a 2:1 match on every dollar saved, with a maximum matching grant of \$450 per family.*



**Apply for  
U.S. citizenship**

# EVALUATION METHODOLOGY

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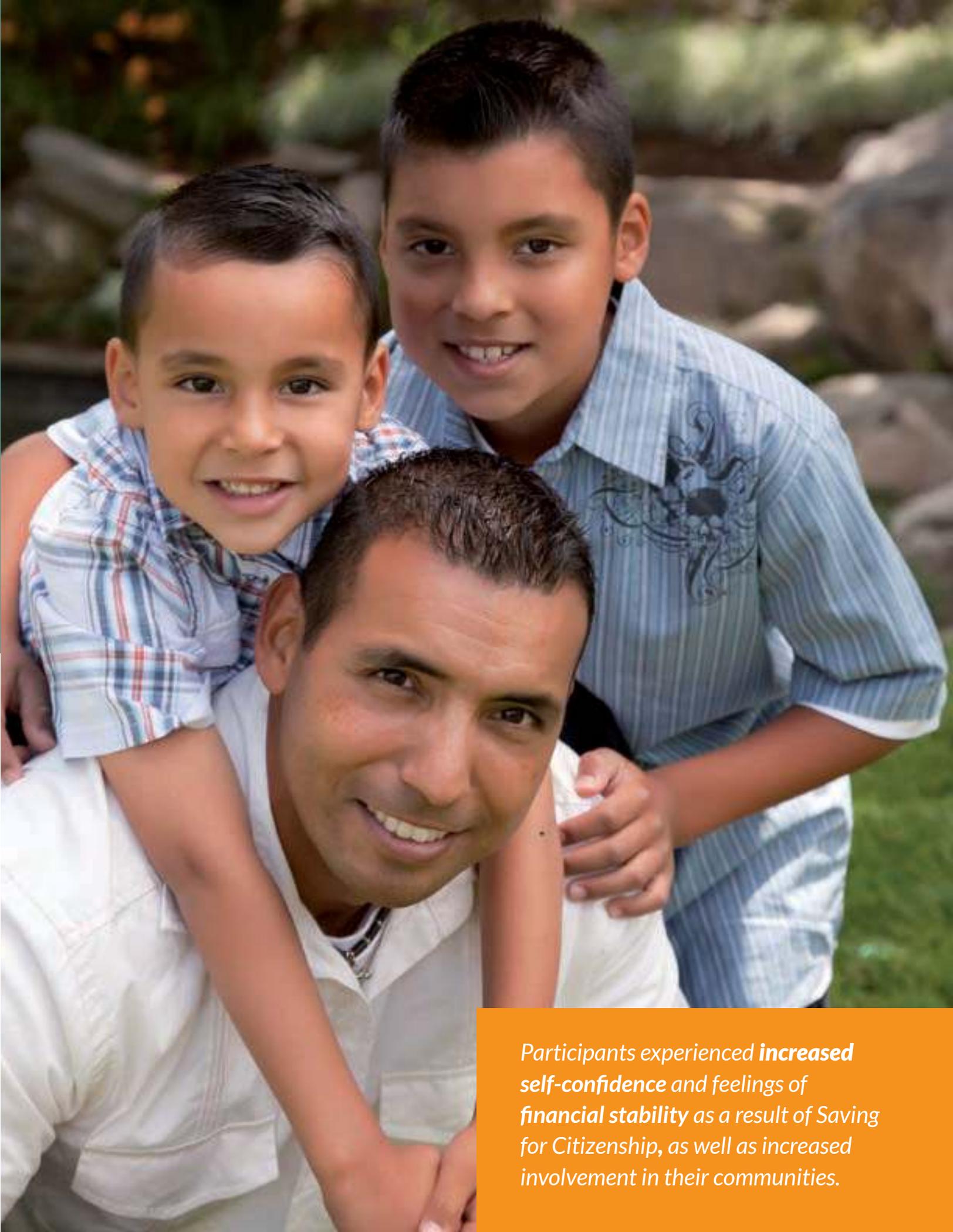
Opportunity Fund contracted with ICF International in 2008 to perform an independent, multi-year longitudinal evaluation of *Saving for Citizenship*. The evaluation examined the program's impact on the lives of participants, including the extent to which participants experienced both a tangible rise in savings and improved financial habits and civic participation.

To measure changes in financial behavior, self-confidence, and civic involvement, the program administered a baseline survey to every family enrolling in *Saving for Citizenship* at the time of enrollment. The same survey was administered annually to all project participants, regardless of how long they had been in the program. In 2009, 2010, and 2011, this survey was administered in person and via email; 52, 66, and 51 surveys were returned, respectively. In 2012, in order to track voting behavior, we conducted the survey after the U.S. elections via phone and email, with 105 responses.

In total, these surveys collected data from more than 200 clients, including 56 who responded in multiple years. For the analyses comparing intake and survey data, ICF removed duplicate survey responses from the same participant, keeping only the latest survey response for the participant. In addition to the annual survey, ICF International conducted three focus groups.

The first focus group, held in 2011, convened Opportunity Fund and partner agency staff to discuss the successes and challenges of *Saving for Citizenship*. Two focus groups—one in English and one in Spanish—were held in 2012 with program participants to gather qualitative data about the program's impact on their lives, families, and communities. In addition to the ICF evaluation, Opportunity Fund contacted participants regularly to determine the status of their citizenship applications.





Participants experienced **increased self-confidence** and feelings of **financial stability** as a result of Saving for Citizenship, as well as increased involvement in their communities.

### **About Us**

Opportunity Fund is California's leading microfinance nonprofit organization. Our microfinance programs are supported by donors from the community whose contributions help to fund loans, provide savings accounts, and build stronger families and vibrant neighborhoods. Since 1994, Opportunity Fund has directed \$68 million in microloans and microsavings to help over 9,000 local families.

### **Mission**

To advance the economic well-being of working people by helping them earn, save and invest in their future.



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 **ppportunity**  
**Fund** working capital  
for working people