

Ways to Work program offers help with auto loans

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In many cases, all the applicants need is reliable transportation to and from work.

And that is the concept behind Ways to Work Inc. — a national program offered locally through Bethany for Children & Families.

The program provides up to \$4,000 in low-interest financing to low- to moderate-income families, primarily to help purchase used automobiles. The loans must be paid back at 8 percent interest over a two-year period.

Applicants must be employed or in school and be unable to acquire funding from traditional sources, such as a bank loan.

Patrick McKillip, the local coordinator for the Ways to Work program, said it has been operating through the Moline Bethany office since 1998. It is one of 40 offices nationwide operating in 21 states.

A \$24,000 grant from the Riverboat Development Authority is allowing him to reach out to Scott County residents.

McKillip said most of his clients are in the low- to moderate-income level with either poor or non-existent credit histories.

“The largest number of referrals are referred by current or past clients,” he said. “The basic idea is to work with parents who need transportation to be more secure in employment. They all must have at least one child under age 18 that they are responsible for.”

Clients use the loans primarily to purchase a reliable used car to help them reach or keep good jobs, cut down on lateness and absenteeism, improve their education, and meet their family’s needs, such as transporting children to child care, doctor’s appointments and school activities.

McKillip said clients must be residents of Scott County in Iowa or Rock Island, Henry or Mercer counties in Illinois. They must be employed for at least three months before applying for the program or be in at least their second semester in post-secondary education.

He said once individuals meet the basic qualifications, they are required to attend a financial literacy class, where they learn about budgeting and credit information. Then, each person must submit copies of various documentation, such as housing and paycheck stubs. At that point, a loan committee made up of volunteers

reviews the candidate and makes a decision on whether to approve the loan.

“They sit and look at the merits of each application and apply standards different than what banks do,” he said. “They make the decision about the loan. That is the sole body to make that decision. Once the loan is approved, the clients are responsible for locating their vehicle, but they are required to have it inspected by a qualified mechanic.”

Jeff Faulkner, national president of Ways to Work Inc., based in Milwaukee, said it is a community development financial institution. He described the relationship between Bethany and Ways to Work as similar to a franchise.

Alliance for Children and Families is the national organization in which many agencies, including Bethany, are members, he said. “The agencies become the local franchisee,” he said. “They run their program, provide the employees. We provide the tools, the templates.”

He said even with the economic slowdown, the program has seen its clients succeed more in the past year than in previous years.

More than 85 percent of clients are single mothers.

“Traditionally, they are who have sought us out and stayed with the program,” Faulkner said. “Our typical client is an African-American woman, with 2.5 kids, low income, renting in an urban or semi-urban area.”

About the program

Since 1998 when the Ways to Work program was established in the Quad-Cities, it has issued more than 450 car loans to clients, totalling about \$1.2 million.

For more information about the program, contact Patrick McKillip at (309) 736-6635.

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