

# REQUEST FOR PROPOSALS: PHASE ONE for FINANCIAL EMPOWERMENT CENTERS

The Mayors Project at Bloomberg Philanthropies aims to spread proven or promising ideas between cities, replicating innovative programs, policies, and leadership strategies that solve pressing challenges and position municipal government to create greater impact. Bloomberg Philanthropies has partnered with Living Cities, and its newly established Cities for Financial Empowerment (CFE) Fund, to support five cities to implement the Financial Empowerment Center (FEC) model, an evidence-based intervention developed by New York City to provide free high-quality one-on-one financial counseling to residents in need, with an emphasis on strengthening the delivery of other core City services.

The Cities for Financial Empowerment Coalition, started in 2008 by Mayors Michael R. Bloomberg of New York and Gavin Newsom of San Francisco, provides leadership and guidance on how cities can galvanize resources and focus attention on critical issues. CFE Coalition cities have coordinated the provision of high-quality financial education, increased access to critical financial supports and benefits, developed and marketed safe and affordable banking and lending products, used licensing and zoning laws to reign in predatory financial practices, and advised federal policy makers on the development of national programs and pilots. The CFE Coalition has recently teamed up with Living Cities to establish the CFE Fund, dedicated to building capacity in cities nationwide to replicate successful models of delivering financial empowerment programs and strategies. With the investment from Bloomberg Philanthropies, the Living Cities' CFE Fund is launching the first national financial empowerment project.

## **The Nationwide Need for Professional Financial Counseling for Low-Income Individuals and Households**

Even before the start of the current financial and economic crisis, household financial insecurity was widespread in America, particularly among lower-income populations. Personal savings rates were at historic lows, and income poverty and unemployment numbers in urban centers were alarmingly high. Americans in general have been overextending their finances, in many cases with products that strip, rather than build, wealth and financial security. These conditions, coupled with high levels of individual consumer debt and millions of households managing their financial transactions on the fringe, have created an environment where millions of American families are not only challenged to find safe and affordable financial products and services, but their weakened credit standing is impacting their ability to attain work, find affordable housing, and access affordable insurance and other basic necessities.

While there is a widely held belief of the need for financial education among low-income residents, the current delivery system across the country is incomplete, actual outcome metrics and data are scarce, and funding is erratic. Limited resources result in inconsistent, ad-hoc delivery of classes, workshops, and counseling services. The quality of services varies dramatically, with limited standards or evaluation of effectiveness. Many low-income individuals and families do not know where to turn when in need of financial counseling or advice, which can lead to their falling prey to predatory lending practices. Even in the best cases, general financial education classes are typically not enough to help families disentangle complicated financial situations. In the last few years, some pioneering city governments have begun to play a unique and critical role in the development, expansion,

improvement and accessibility of financial empowerment opportunities in their cities and the demand for these solutions in other cities is great.

### **Proven Solution in New York City: Financial Empowerment Centers**

In 2008, New York City first piloted Financial Empowerment Centers to offer free, professional, one-on-one financial advice and guidance targeted to low-income New Yorkers to help withstand the financial crisis. The Financial Empowerment Centers have grown into a large-scale network of targeted financial counseling services embedded into the City's social service delivery system.

The Financial Empowerment Center initiative is an evidence-based, protocol-driven model that Bloomberg Philanthropies and the Living Cities' CFE Fund seek to replicate in five additional cities.

Financial counseling services are open to public but also integrated into core city services. The initial counseling sessions consist of a comprehensive financial health assessment where counselors conduct triage with consumers to determine the full nature of the financial situation, set goals, and establish a specific plan of action to help them reduce debt, gain greater control over finances, and build assets. Once the counselor and client have determined the goals of the counseling session and defined a service plan, outcome measures are tracked to monitor progress made in each of the service areas identified.

Because municipal governments are charged with local implementation of social service programs and connect to residents through schools, benefits, housing, and a number of other connection points, they are uniquely poised to integrate financial empowerment interventions, such as financial counseling, into core social service delivery systems. Underlying financial instability is often the primary backdrop, if not the actual presenting cause, for residents seeking and receiving social services. The New York City experience demonstrates that tackling these issues of financial instability head on and helping individuals and families get control of a wide array of their finances not only helps generate better immediate outcomes for the individual or family but can facilitate better success within the program or service.

Since 2009, the New York City Centers' financial counselors have delivered more than 28,000 counseling sessions to more than 15,500 New Yorkers, helped residents pay down more than \$7 million in debt and build more than \$900,000 in savings. In 2010, the Financial Empowerment Center initiative received the Gold Award for Municipal Excellence from the National League of Cities, an accolade that recognizes outstanding programs that improve the quality of life in America's communities. The Centers were piloted using private funds and their success led to the decision to move to public City funding in 2012.

### **Support to Spread the Model**

Bloomberg Philanthropies and the Living Cities' CFE Fund will select approximately five cities to participate in this initiative, providing financial support, extensive technical assistance, and performance measurement for a three-year period. Local city governments will develop and launch Financial Empowerment Centers in their cities in conjunction with selected non-profit partners according to the model articulated by Living Cities' CFE Fund. Selected cities will be required to implement the evidence-based, protocol-driven Financial Empowerment Center model as laid out by the Living Cities' CFE Fund. This is not a grant to design or implement a new model or to expand existing financial education efforts, but rather to test how the existing Financial Empowerment Center model can achieve impact in additional marketplaces around the country.

The Living Cities' CFE Fund will support cities in the on-the-ground implementation of Financial Empowerment Centers, manage all local partner relationships, ensure the highest quality of service delivery and ensure regular data tracking for the purposes of evaluation. Cities will be selected through a two-phase solicitation process seeking to identify cities with the vision, commitment, and capacity to implement successful local Financial Empowerment Centers. Selected cities will participate in a national Financial Empowerment Center Learning Network led by Living Cities' CFE Fund.

## TIMETABLE

Phase One Solicitation Release Date:	April 26, 2012
Phase One Proposal Submission Date:	June 1, 2012 by 6pm EST
Invitations to Phase Two:	July 9, 2012
Phase Two TA and Application Development:	July 9 – August 10, 2012
Phase Two Proposal Submission Date:	August 17, 2012
Final Selections:	September 17, 2012

The Living Cities' CFE Fund will hold two Question and Answer Sessions on the Phase One RFP on the following schedule:

Q&A Webinar 1:           Friday May 4<sup>th</sup>, 3:00-4:30pm EST  
Register and Join this webinar:  
<https://livingcities.pgimeet.com/attendee/RegisterLogin.aspx?hubconfID=1284193&qtID=1&act=reg>  
Dial in: 888-757-2790  
Passcode: 495363

Q&A Webinar 2:           Wednesday May 9<sup>th</sup>, 12:00-1:30pm EST  
Register and Join this webinar:  
<https://livingcities.pgimeet.com/attendee/RegisterLogin.aspx?hubconfID=1284196&qtID=1&act=reg>  
Dial in: 888-757-2790  
Passcode: 495363

Information on the URL and dial in for the webinars will also be available on [www.cfefund.org](http://www.cfefund.org). Both Q&A Sessions will cover the same material. Transcripts from the Q&A Sessions will be posted to [www.cfefund.org](http://www.cfefund.org)

Applicants are advised that the Contact Person for proposal submissions and all other matters concerning this Request for Proposals is:

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**Applications must be received by email or via post by 6pm EST on June 1, 2012**

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## Additional Material Available for Download

*Municipal Financial Empowerment: A Supervitamin for Public Programs. Strategy #1: Integrating Professional Financial Counseling.* This report, produced by the New York City Office of Financial Empowerment, details New York's experience with integrating financial counseling within social services throughout the City.  
<http://www.nyc.gov/html/dca/downloads/pdf/SupervitaminReport.pdf>

*Building Economic Security in America's Cities, CFED, January 2010.* This report, written by the Corporation for Enterprise Development in partnership with the CFE Coalition, documents the efforts the pioneering municipal governments of the CFE Coalition have used to leverage municipal government in advancing financial empowerment strategies in American cities.  
<http://cfecoalition.org/PDFs/BuildingEconomicSecurityInAmericasCities.pdf>

*US Census American Community Survey Data.* The American Community Survey (ACS) is an ongoing survey that provides data every year for communities to use in planning investments and services. Applicants may use this data to determine the best communities in their cities to target for Financial Empowerment Center services.  
<http://www.census.gov/acs>

*Financial Empowerment Brief: Financial Empowerment Centers, June 2010.* This brief highlights the model and early successes of the Financial Empowerment Centers in New York City.  
[http://www.nyc.gov/html/ofe/downloads/pdf/fe\\_brief\\_june2010.pdf](http://www.nyc.gov/html/ofe/downloads/pdf/fe_brief_june2010.pdf)

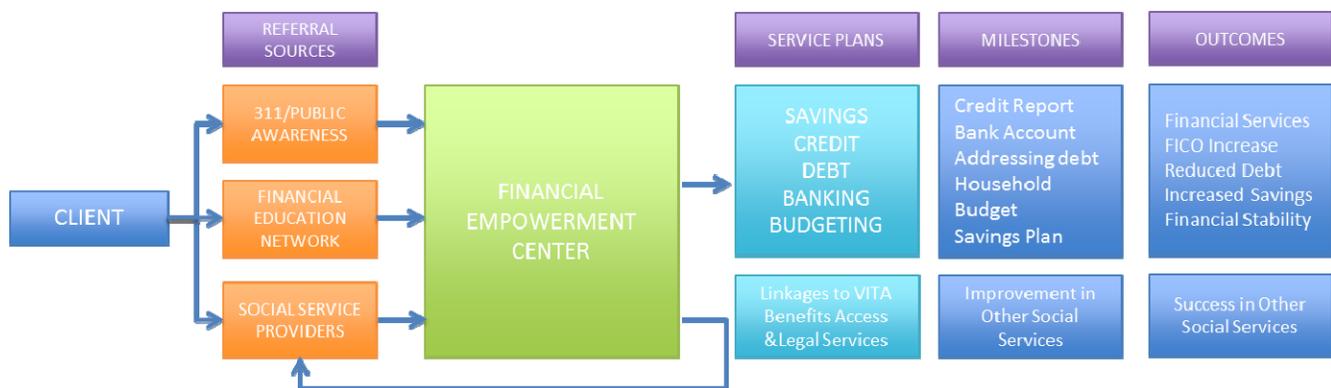
## SECTION I. APPROACH

Bloomberg Philanthropies and Living Cities, through its newly established Cities for Financial Empowerment (CFE) Fund, are seeking applications from Mayors' Offices interested in implementing the evidence-based Financial Empowerment Center model. This is not a grant to design or implement a new model or expand existing financial education activities, but rather to test how this model can achieve impact in various marketplaces around the country. Roughly five selected cities and their non-profit partners will receive three-year grant commitments (with annual payments) to implement the model. Grantee cities will be expected to develop strategies to sustain operations of the Centers beyond the grant period.

Most financial education open to the public is offered in the form of classes, workshops, websites and seminars with general content and little tracking of the impact on participants. For most consumers in crisis, their financial situation is complex and not easily identifiable. Financial Empowerment Centers offer a new approach to financial education delivery: free, professional, one-on-one financial advice and guidance that is both targeted to the specific financial situation of the individual and delivered at scale across cities.

The Financial Empowerment Center model:

- Conducts triage with consumers to determine the nature of their financial situation, set goals, and establish a specific plan of action with each client;
- Delivers services at scale by locating within an existing multi-service organization to provide on-site opportunities for cross-referrals;
- Systematically tracks data and outcomes for client management and evaluation;
- Integrates counseling into a range of city and non-profit service delivery systems to make interventions and implementing programs more effective;
- Leverages infrastructure, established relationships and resources from the city and non-profit lead entity;
- Establishes an on-going coaching/mentoring relationship; and
- Provides linkages to benefits access, legal assistance, and tax assistance (VITA).



Financial Empowerment Center counselors will help thousands of residents in the selected cities stabilize their finances, rebuild credit, pay down debt, and begin to build savings, and do so in quantifiable and tangible ways.

The Financial Empowerment Center model relies upon integrating with local partners to provide services. Integration can occur both by facilitating the placement of counselors on-site or through strategic program referrals. Fundamental to this approach is:

- Professional, standardized counselor training;
- Strong partnerships with city- and county-led social services, and other community partners;
- A rigorous program evaluation based on client outcomes.

From a mission perspective, helping to improve residents' financial stability can have a "supervitamin" effect when inserted into traditional social services. Those receiving homeless prevention, workforce development, emergency cash assistance, foreclosure prevention or other services actually achieve stronger and quicker results when financial empowerment programming is woven into the delivery of the primary social service. Based upon the New York experience, an investment in quality financial empowerment strategies and the mandate to integrate them effectively pays greater dividends in more cost-effective service delivery, fundamentally improving mainstream social service programmatic outcomes while potentially saving money.

This initiative seeks to gather, analyze and present evidence to assess the effectiveness of integration of financial counseling into core city and county service delivery systems to determine whether and how reducing financial instability in families enhances an individual's success, as well as helping social service systems improve performance and reduce costs across the board. Underlying financial instability is often the primary backdrop, if not the actual presenting cause, for residents seeking and receiving social services. The initiative seeks to build an additional evidence base to determine how tackling issues of financial instability head on and helping individuals and families get control of a wide array of their finances can generate better immediate outcomes for the individual or family and facilitate success within the program or service.

## Implementation

Cities selected through this solicitation will:

- Identify potential local non-profit partner organizations to implement the Financial Empowerment Center model in conjunction with the city. Partner organizations' experience in the delivery of financial education and counseling will be considered a plus, however the model to be implemented and replicated may differ from the current delivery of service. These organizations would have to identify how they would implement the new model in a manner that is consistent and supported by other existing programs.
- Work with local non-profit organization partners (selected by the Living Cities' CFE Fund in Phase Two with approval from the City) to operate the Centers funded through these grants.
- Develop the local capacity to provide an intensive certified financial counselor training program to ensure consistent quality and knowledge among the counselors (with technical assistance and guidance from the Living Cities' CFE Fund). Training will be expected to be offered at the local level through community colleges or other colleges and universities, with a goal to eventually be incorporated into regular course offerings (1-2 times per year).
- Use a centralized data management system managed by the Living Cities' CFE Fund to track impacts of the counseling on clients over time while providing real-time data to the city.
- Integrate Financial Empowerment Center services within a number of human and social service delivery programs to augment their work, such as homeless prevention, foreclosure counseling, workforce development, and domestic violence interventions.

Cities may propose to operate a single Center (see definition of Center in Attachment A) or up to two Centers if there is a clear need for additional capacity.

**Multi-City Impact**

A multi-city impact approach is central to all of Bloomberg Philanthropies’ Mayors Project investments. A group of cities are selected to implement a promising or proven government innovation on a shared time frame; the core components of the innovation model are distilled; robust technical assistance is provided to support implementation and local customization; active learning networks are facilitated; implementation lessons are captured and shared; and ultimately multi-city proof points enable further spreading of the of the innovation. Robust technical assistance and learning network activities for Financial Empowerment Center grantee cities will be provided by Living Cities’ CFE Fund.

**Partnership Structure**



## SECTION II. PURPOSE

### A. Purpose of RFP

Bloomberg Philanthropies and Living Cities' CFE Fund will identify approximately five cities to receive Financial Empowerment Center grants. Local city governments will develop and launch Financial Empowerment Centers in their cities in conjunction with selected non-profit partners according to the model articulated by Living Cities' CFE Fund. Living Cities' CFE Fund will work directly with Mayors' Offices to develop and oversee implementation of the Financial Empowerment Centers. Depending upon the size of the city and demonstrated need, the Living Cities' CFE Fund anticipates funding one to two Financial Empowerment Centers per city. Cities must have a minimum of 100,000 residents to be eligible to apply.

Local Mayors' Offices will apply to Phase One of this solicitation, and those who are selected to move on to Phase Two will apply in collaboration with one or more local non-profit partner organizations to operate the Centers and provide direct service. The Living Cities' CFE Fund anticipates entering into a grant agreement with the Mayor's Office in each selected city to support at least one full-time dedicated staff person to oversee the replication locally. Mayors' Office applicants will be responsible for ensuring the successful local implementation of the Financial Empowerment Centers and will contribute to the national reporting of programmatic outcomes. Applicants will be expected to demonstrate the level and degree of committed in-kind resources to ensure the program is run smoothly and effectively, including the leadership of a policymaker-level position, and other necessary resources. In addition, the Mayors' Offices will be expected to identify and include in the application a plan for the long term sustainability of the program beyond the grant period.

Living Cities' CFE Fund will enter into a separate, but coordinated, grant agreement(s) with non-profit providers in each city for direct service delivery. Non-profit providers who are interested in applying for Phase Two must do so in conjunction with the local Mayor's Office. Mayors' Offices may endorse multiple non-profit providers to apply; the Living Cities' CFE Fund will make final determinations and select the implementing partners.

### C. Anticipated Available Funding

The grants will provide investments of approximately \$2,000,000- \$3,000,000 in each city for the 3 year grant period.

Award funds will cover program support at the city level (annual grants of up to \$200,000) for supporting personnel and other costs at the Mayors' Office to oversee the replication of the Financial Empowerment Centers, manage relations with non-profit partners, integrate with established city systems and programs and direct citywide promotion campaigns. Living Cities' CFE Fund expects applicants to identify additional resources to support the successful implementation and sustainability of the initiative.

Support will also be provided directly to selected non-profit providers (annual grants ranging from \$300,000-\$500,000 per Financial Empowerment Center) to operate the Centers. Cities may apply for more than one Center if sufficient demand is demonstrated. Use of funds will be limited to direct costs of administering the program.

Additional non-cash resources will also be made available through the Living Cities' CFE Fund to support technology, communications, and participation in the national learning network.

See Attachment C for budget templates and approved costs.

### SECTION III: SCOPE OF WORK AND REQUIREMENTS

#### A. Goals and Objectives

The Financial Empowerment Center key program goals and model structure:

- Expand the availability of free, high-quality, and confidential one-on-one counseling and coaching services targeted at residents with low incomes, with an estimated capacity of 3,500 client counseling sessions (to approximately 2000 clients) at each Center annually;
- Implement the program at scale by integrating financial counseling within critical human and social service delivery systems to serve a large volume of clients;
- Provide intensive financial counseling training to ensure consistency in counseling across locations and counselors;
- Conduct basic triage with clients to determine the nature of their financial situation; set goals; provide strategic referrals to social service providers or more advanced asset-building assistance (homeownership, entrepreneurship, post-secondary education, etc.) and establish a coaching relationship;
- Provide an easily accessible community resource where consumers can receive financial education and/or counseling concerning basic banking products, predatory lending, asset building, debt management and access to credit;
- Locate Centers within or with close ties to existing multi-service organizations to provide opportunities for cross-referrals, leveraging the venue's infrastructure and resources, and building from the organization's established relationship with the community;
- Enhance community relations, establishing valuable ties with community and religious groups and other vital service providers in targeted communities;
- Collect comprehensive data on clients to use in a rigorous evaluation of the program. Findings will be used to inform future programming and provide deep understanding of the primary financial concerns facing low-income residents.

#### B. Partner Requirements

***(i) To be eligible to apply, a city must have a minimum of 100,000 residents. Successful applicants will demonstrate city leadership commitment to developing and managing innovative financial empowerment programs. Key areas of interest include:***

- Capacity to manage the local development of the Financial Empowerment Center model including demonstrated experience working with non-profit partners and local training providers to develop quality training and program delivery;
- Strong relationships with local non-profit organizations with experience in financial empowerment and asset building work;
- Ability to integrate financial counseling into social services (city or county);
- Interest in promoting and marketing services in targeted neighborhoods and/or citywide; and
- Strategy for long term sustainability of the initiative after the grant term.

***(ii) Non-profit partners should have an established track record of delivering financial education, financial counseling, financial coaching, OR demonstrated ability to establish this capacity with technical assistance provided through the initiative. Key areas of interest include:***

- Successful fiscal and programmatic management of a center or organization including budgeting, staff management, and provision of customer service;
- Track record of achieving demonstrable outcomes in the delivery of services to adults;
- Experience working in one or more low-income communities, with a preference for communities with high unbanked populations; established community relationship and partnerships highly desirable;
- Commitment and ability to adhere to protocols, procedures and requirements of managing and running a Center;
- Community relationships in targeted communities or neighborhoods and the highest degree of credibility in program implementation;
- Experience partnering with other organizations and agencies in client service delivery;
- Experience conducting effective client outreach using multiple marketing and outreach tools to build a high-volume client base and leveraging partnerships with community leaders and activities to drive traffic;
- Experience with data tracking and reporting to government agencies and/or private funders. Ability to track, manage, and report on critical data points for each client, based on systems developed with the Living Cities' CFE Fund;
- Strong track record of organizational financial management, including recent audited financial statements and compliance with generally recognized accounting procedures; and
- Demonstrated capacity for growth.

#### **SECTION IV. STRUCTURE OF THE TWO-PHASE SOLICITATION PROCESS**

City partners will be selected in a two-phase process. During Phase One of the solicitation process, Living Cities' CFE Fund is soliciting Letters of Interest and brief Proposal Narratives from Mayors' Offices that would like to be considered for the program. Cities that are selected in Phase One will receive some assistance and guidance in the development of their Phase Two proposal, including:

- Guidance on analyzing the strength and capacity of potential non-profit partners;
- Assistance with developing curriculum and implementing a financial counseling training course at the local level;
- Identifying linkages and potential integration partners in local government and other social service agencies;
- Developing a long-term sustainability plan beyond the three-year grant period.

Technical assistance will be provided through a webinar series on select topics, site visits as needed from Living Cities' CFE Fund staff and consultants, and ongoing individualized support.

#### **SECTION V: PHASE ONE APPLICATION FORMAT AND CONTENT**

##### **A. Cover Letter**

Each proposal should be completed and submitted by the Mayor's Office with a cover letter signed by the Mayor, asserting a commitment to the program and designating a high-level administration official and a program manager who will be the key liaisons throughout the Phase Two application process.

## **B. Proposal Narrative**

The proposal should consist of a concise (3-5 page) narrative outlining the city's approach that addresses the following:

### **City Leadership and Local Capacity**

- The experience and qualifications of the Mayor's Office team responsible for overseeing the initiative, including experience implementing other financial empowerment or asset-building initiatives at the administration level, OR commitment to establishing a financial empowerment agenda at the city level;
- A scan of the local non-profit field, with one or more pre-identified non-profit organizations with demonstrated capacity for managing the Center operations. The scan should describe the experience of potential local non-profit partner organizations in delivering financial education and counseling and the extent to which those organizations could incorporate the Financial Empowerment Center model into their current service delivery systems in a cost-effective and strategic manner;
- Summary of potential local training providers, including local or community colleges, with one or more pre-identified as potential partners.

### **Demonstrated Need and Implementation Strategy**

- Snapshot of local market conditions that would indicate the need for such an initiative (this may include brief descriptions of target neighborhoods or populations);
- A plan for implementing the Living Cities' CFE Fund Financial Empowerment Center model. This should include an identification of the target neighborhoods and populations, a summary of key positions and oversight to ensure that the highest quality of service is delivered and a rough timeline for implementation;
- A summary of the benefits access, legal services, and free tax assistance available in the city and how these would be strategically linked to the Financial Empowerment Center Initiative;
- If this or similar services are currently being offered in the city's jurisdiction, include details on the organization(s) providing the service and how this grant would leverage, not duplicate, the model currently being implemented;
- An overview of how the Financial Empowerment Centers will be integrated into other city and/or county agencies, community-based organizations, and social service agencies where counselors may be placed. Applicants should demonstrate authority over social services or strength of relationship and ability to collaborate with social service administrators.

### **Budget and Sustainability**

- An estimated initiative budget based on scale of services required in the applicant city (see Attachment C);
- Additional resources leveraged for this initiative. The applicant should indicate potential sources of support, including the level and degree of commitment from private philanthropy and/or local government to the effort;
- Plan for sustaining the effort beyond the three-year pilot.

## Attachment A: Financial Empowerment Center Model

### *(i) Operations*

Financial Empowerment Centers are located in areas with high concentrations of poverty and need. Counseling services are available to the public, free of charge, and are typically integrated within a host of public programs to improve multiple outcomes.

A Financial Empowerment Center is comprised of at least three full-time counselors, including at least one to two full-time counselors in a hub location plus one to two full-time counselors operating out of multiple satellite locations throughout a community. Full-time hub sites are typically located in a central location within areas of highest need (low-income, unbanked populations) Hub Centers must guarantee adequate volume/flow of traffic to enable counselors to maintain a full caseload for two full-time counselors. Satellite sites expand the footprint of services to include smaller neighborhoods located within some proximity to the hub location but often serving distinct populations and/or communities.

Satellite sites must operate at least one full day each week and may grow to multiple days at a single location as client volume grows. In communities with high need for multiple counselor locations, additional satellite counselors may be added to a Financial Empowerment Center. However, Centers should have no more than five full-time counselors to ensure sufficient oversight and program management.

Both full- and part-time sites are typically co-located with city programs or social service organizations that already serve a high number of target clients. A full Financial Empowerment Center hub must be established at the outset, however additional full-time locations may grow organically from a satellite location which increases sufficiently in volume over time.

### *(ii) Partnership Structure*

The Financial Empowerment Center model is a partnership between local government and community based organizations, with critical and distinct roles for each partner.

- **City/Local Government** plays a central role of directing and coordinating the initiative on the ground. The city partner ensures quality and consistency of service delivery by centralizing counselor training, establishing protocols for monitoring and evaluation, using public channels for marketing and promotion of services, and supporting integration of service delivery within other city services, social programs, and city access points. Cities should have local leadership with the vision, commitment, and capacity to successfully implement the initiative and plan for its sustainability past the 3-year grant period.
- **Non-profit Partner** applies in partnership with the Mayor's Office to directly operate the Financial Empowerment Center. The non-profit partner recruits, hires and supervises the Financial Empowerment Center staff. The non-profit partner establishes and maintains relationships with community partners hosting counselors (in conjunction with and approval from the city partner), referral partners, and other outreach and community efforts. They support the citywide marketing efforts by participating in outreach events and presentations. They are responsible for all data collection and regular reporting to the city and the Living Cities' CFE Fund.

- **Local Training Partner** delivers financial counselor training instruction based upon the successful curriculum developed by the NYC Office of Financial Empowerment with the City University of NY. Ideally, each city will work with a local college or other learning institution to develop a course in financial counseling to provide ongoing training and support for local financial counseling efforts, both at the Center and throughout the community. The local training provider will be expected to develop standing capacity to deliver the curriculum beyond training staff hired directly for the project, as local demand requires.
- **Community Host (Integration Partners)** provide office space and provisions, integration with onsite programs, community outreach, intake and reception services to ensure that all clients/community members are able to take advantage of the financial counselors, and the tracking and reporting on referrals. Host Partners can provide these supports at both hub and satellite locations.
- **General Community Partners (Integration Partners)** may provide integrated client referrals, invite non-profit partners to participate in outreach workshops and events, and understand the value of leveraging the Center services to improve their own client services.

*(iii) Structure of the Core FEC Business: Counseling services*

The Living Cities' CFE Fund anticipates that city staff, their selected non-profit partners and the local training provider will have (and/or secure) the following skills and knowledge:

- Financial education knowledge including money management, debt and credit, financial products and services, asset building, asset erosion, issues around bankruptcy, and consumer protections;
- Understanding of local financial service provision and key issues that consumers face;
- Capacity and flexibility to meet a continuum of financial needs of low-income, multi-lingual residents in a variety of stages of financial need and crisis;
- Ability to triage incoming clients, judgment and resources to provide strategic referrals for clients who may need more specialized support;
- Ability to track, manage, and report on critical data points for each client, based on systems required by the Living Cities' CFE Fund.

Counselors work with clients during the initial session on a full financial health assessment. Regardless of the defining issue or question, a counselor will probe the client's full financial situation and together the counselor and client will define one or more service plans. The service plans enable the client to establish short, intermediate and long-term goals and begin working to address those goals. Client outcomes are then tracked based upon the specific service plan chosen during the initial assessment. However, these are subject to change over time as the client identifies new goals or achieves sufficient outcomes in prior goals. The service plans include strategies to:

- Develop and manage a budget
- Establish or improve credit score
- Decrease debt
- Develop and manage affordable banking relationships
- Build savings
- Triage other pressing issues of financial security

All financial counselors must take and pass a 45+ hour financial counselor training course. This course will be delivered through a local college or other training partner who must develop a curriculum based on the service plan

outcomes and the curriculum developed by NYC's Office of Financial Empowerment with the City University of NY, and approved by the Living Cities' CFE Fund. All assignments and examinations must be graded with detailed feedback provided to the counselor/students throughout the course.

The Financial Empowerment Centers may also be a referral channel for other city programs and services including access to banking products and services, free tax preparation, and referrals to support services.

The Living Cities' CFE Fund will establish rigorous performance metrics that track counselor outputs (sessions completed, clients retained) and outcomes (progress on service plans) for each city prior to entering into the final agreement. The Living Cities' CFE Fund will consider partner input but will ultimately establish consistent performance standards that will be tracked nationally.

#### *(iv) Integration with Community and Social Services*

Integrating financial counseling services into or linked with community services is a key component of the model. This enables cross-referrals between programs and serves as a cost-effective way to operate financial counseling services. Potential complementary program linkages could include homeownership assistance, homeless prevention, foreclosure prevention, workforce development, asset building, financial access, domestic violence prevention, or other social services. Applicants should propose programmatic linkages in their response, identifying the organization or programs they intend to link to for referral, outreach, and community engagement purposes.

Organizations with aligned client goals and measures make ideal partners. Improved outcomes for both services are easier to measure and identify by using financial counseling as a tool to achieve joint objectives. For example, when a client is turned down for a job placement due to a low credit score or denied a mortgage modification due to high consumer debt, it inhibits service providers from reaching their ultimate outcome of helping clients find job placements or affordable housing. Applicants can identify a number of potential integration points that will enable the counseling to meet existing organizational or client needs, address current challenges that may be resolved with additional support from financial counselors, or help to establish new goals for the clients or programs.

Integration strategies and anticipated cross-program outcomes identified through this initiative should contribute to the long-term sustainability plan beyond the grant period.

#### *(v) Data Collection and Reporting*

Data collection and reporting is essential to the success of the pilot for improving service delivery, managing grants and identifying client trends, as well as to track outcomes and identify the long-term cost-benefit of investing in financial counseling. All selected cities and non-profit organizations will be required to use the centralized web-based database management system managed by the Living Cities' CFE Fund. Participation in this national replication effort will require Mayors' Office designees and their non-profit partners agree to cooperate with all national data collection, tracking and evaluation activities that may occur throughout the grant period.

The Living Cities' CFE Fund management team will have the ability to track data across all replicating cities and provide ongoing support and technical assistance.

## Attachment B: Definitions

- A. "Counseling" means the provision of information that increases the recipient's knowledge and improves financial stability in areas of money management, financial planning, debt and credit, and affordable banking products and services, including, but not limited to, the following:
- i. Budget counseling with realistic spending plans and obtainable goals;
  - ii. Credit education including the review of credit reports, debt management strategies, negotiation with creditors and assistance in handling collection/harassment problems;
  - iii. Evaluating and educating clients on appropriate bank and credit union products and services, and counseling on how to advocate with financial institutions for the most appropriate products and services;
  - iv. Support and guidance in appropriate and viable savings and asset-building strategies;
  - v. Enrolling clients in a longer-term financial coaching relationship to obtain ongoing guidance and support in moving toward long-term financial goals;
  - vi. Providing strategic referrals to clients with other needs either to the organization's own programs (where appropriate), through local financial education networks, to referral partners identified in conjunction with local government and/or other social service organizations, as appropriate.
- B. "Individual in-person counseling session" means a face to face meeting between a financial counselor and a client that lasts a minimum of thirty (30) minutes and achieves at least one financial milestone.
- C. "Phone counseling" means telephone contact between a financial counselor and a client. Phone counseling that meets the definition of an individual counseling session other than the requirement of a face-to-face meeting qualifies as an individual counseling session.
- D. "Group counseling" means the provision of counseling in a group setting. Group counseling qualifies as multiple counseling sessions if a counselor provides appropriate information, advice and guidance, specific to the needs and financial situation of each participant tracked during the session, and the counselor to client ratio does not exceed 1:8. Each participant in a group counseling session must achieve at least one financial milestone.
- E. To "retain a client" means to provide more than one individual counseling session to an individual.
- F. "Outreach activities" means workshops, seminars, or informational sessions that impart general information to individuals or groups and serve to promote the services of the Financial Empowerment Centers.
- G. "Center" means at least three but no more than five full-time counselors, or equivalent staff hours, serving a significant geographic area. Centers have one or two full time counselors in a hub location with at least one full-time counselor operating out of multiple satellite locations throughout a community.
- H. "Hub site" means the primary Center location that provides full-time service by either one or two financial counselors. The Hub site is typically located in a central location within areas of highest need (low income areas, serving unbanked populations, etc.).
- I. "Satellite site" is a Center location that provides services at least one day per week in order to expand the Center's footprint. Satellite sites may include other neighborhoods located within some proximity to the hub location but often serving distinct populations and/or communities. In some limited cases, satellite sites may be targeted to specific communities or programs and therefore closed to the general public (domestic violence

programs, legal services providers, etc.).

**Attachment C: Budget Templates**

Please provide an estimated budget for Central City costs and estimate of scale for the Non-Profit Partner, demonstrating the anticipated size and capacity of the proposed Financial Empowerment Center(s) and estimated associated costs.

<b>Proposal Budget Form - Central City Budget</b>			
<b>Organization Name:</b>			
<b>Budget Categories</b>			<b>Year 1</b>
		<b>From:</b>	
		<b>To:</b>	
	<b>Personnel Services</b>		
a	Salaries and Wages		
b	Fringe		
	<b>Other Than Personnel Services</b>		
c	Marketing & Outreach		
d	Staff training		
e	Other Operational Costs		
	Other 1: Please Type Line Item Here		
	Other 2: Please Type Line Item Here		
	Other 3: Please Type Line Item Here		
	Other 4: Please Type Line Item Here		
	Other 5: Please Type Line Item Here		
f	<b>Total Direct Costs (Sum of lines a-e)</b>		
g	<b>Indirect Costs (not to exceed 10%)</b>		
h	<b>TOTAL COSTS (Sum of f and g)</b>		

**Proposal Budget Form - Central City Budget  
Financial Empowerment Center Initiative**

- a Salaries and Wages  
Salaries and wages of full-time and part-time employees. Living Cities' CFE Fund anticipates supporting one full-time initiative manager at the city level. Provide a breakdown of personnel anticipated including title and salary.

- b Fringe Benefits  
In the narrative budget justification, provide a description of items included in fringe.
- c Marketing & Outreach  
Include costs for city-led marketing and outreach activities including the development of public awareness campaigns, advertising and press, and other anticipated costs.
- d Staff Training  
Enter the total funds requested for staff training, assuming costs estimated at \$1500 per staff member for the required Financial Education and Counselor Training. In the budget justification, indicate any additional staff trainings including costs and number of staff attending.
- h Total Costs  
The sum of total direct and indirect costs. This line should reflect total project costs.

### **Non-profit Budget Estimate**

Please provide a brief estimated budget and narrative for a proxy non-profit provider, outlining the anticipated scale of the proposed Financial Empowerment Center(s), including number of counselors, number of and costs associated with Center locations, and other anticipated costs for the operation of the local Centers.