

CFE



Financial Empowerment Centers Request for Proposals

Phase One Application Webinar



CITIES FOR FINANCIAL EMPOWERMENT FUND



Agenda

1. Who We Are
2. Cities' Role in Financial Empowerment
3. Financial Empowerment Center Model
4. Request for Proposals
5. Questions & Answers





Cities for Financial Empowerment Fund

Supports municipalities to improve the financial stability of households, leveraging local government infrastructure in four key areas:

- Professional financial counseling and education
- Access to safe and affordable mainstream banking products and services
- Short and long term asset building
- Consumer protection in the financial services marketplace



Cities for Financial Empowerment Fund

Promotes results-driven, street-level solutions to problems that America's Mayors face:

- Integrating financial empowerment strategies into public sector programs to enhance financial stability indicators and program outcomes
- Shaping a marketplace at the local level by convening private-sector financial services providers to deliver safe and affordable products
- Promoting pathways to savings and asset-building through opportune moments such as receiving a tax refund, enrolling a child in kindergarten, etc.



Living Cities

- Founded in 1991, Living Cities is an innovative collaborative of 22 of the world's largest foundations and financial institutions.
- Living Cities works to re-engineer long-broken public systems such as education, workforce development and transportation for the 21st century.
- In nearly 20 years Living Cities members have collectively invested almost \$1 billion, helping shape federal funding programs, redirecting public and private resources, and helping communities to build homes, stores, schools, community facilities and more.



Bloomberg Philanthropies' Mayor's Project

The Mayors Project, part of Bloomberg Philanthropies' Government Innovation efforts, spreads effective programs and strategies among cities, helping mayors work together in new ways around solutions to key, critical problems. Current investments include:

- **Innovation Delivery Teams**, a \$24 million investment to help mayors effectively develop and deliver bold solutions to pressing challenges in five cities
- **Cities of Service**, investments in 20 cities to hire Chief Service Officers to develop and implement high-impact service plans
- **Young Men's Initiative**, a \$30 million investment in New York City's comprehensive effort to tackle the broad disparities slowing the advancement of black and Latino young men
- **Financial Empowerment Centers**, a \$16.2 million investment to bring this innovative model to five cities



Replicating Promising Strategies: Professional Financial Counseling

Cities work together with private sector and community partners to help households improve financial stability

- Implementing **Financial Empowerment Center** model
- Increasing **access** to financial education resources through directories, public awareness campaigns, 311/211 networks, city infrastructure
- Improving **service provision** through “gold-standard” professional financial counseling and integration with social service provision
- Monitoring **results** to build case for long-term sustainability



Replicating Promising Strategies: Professional Financial Counseling

- Bloomberg Philanthropies will invest \$16.2 million over three years
- Test how evidence-based Financial Empowerment Center model can achieve impact in diverse marketplaces around the country
- CFE Fund will select approximately five cities, providing financial support to both the city and non-profit service provider, extensive technical assistance and performance measurement for a three-year period
- Cities will be selected through a two-phase process seeking to identify cities with the vision, commitment, and capacity to implement successful Financial Empowerment Centers
- Selected cities will participate in a national Financial Empowerment Center Learning Network



Why Cities? “Supervitamin” Effect

- Demand for basic services is rising during a climate of austerity. Innovation is needed to stretch resources
- Underlying financial instability is often the primary backdrop, if not the actual presenting cause in many clients seeking social services
- Integrating appropriate financial empowerment strategies within other social services can fundamentally improve social service programmatic outcomes while potentially saving money
- Better and quicker results when financial empowerment programming is woven into the delivery of the primary social service
- Financial Empowerment Center Service Integrations examples:
 - Homeless Prevention
 - Workforce Development
 - Emergency Cash Assistance
 - Foreclosure Prevention
 - Domestic Violence Prevention Services



Why Cities? “Supervitamin” Effect

- Pathway to Scale and sustainability for Financial Empowerment Strategies is to embed financial counseling within core services
- Cities (with county partners) deliver large-scale services to residents offering the infrastructure to reach those in need
- Coordinating the delivery of financial counseling in conjunction with other services is the key to scale and long-term sustainability
- Maintaining high standards and accountability is key
- Tracking results will help make long-term cost/benefit case to state and local budget offices



Financial Empowerment Center Model

- One-on-one, free, professional financial counseling and coaching
- Provided through non-profit organizations with expertise in financial education and ties to the community
- Professionalizes Delivery of Financial Counseling and Coaching
- Integration into City/County Service Delivery Systems (“Supervitamin”)
- Integration with related services including **benefits access, consumer financial legal assistance and tax prep**; co-location with multi-service organizations



Financial Empowerment Center Model

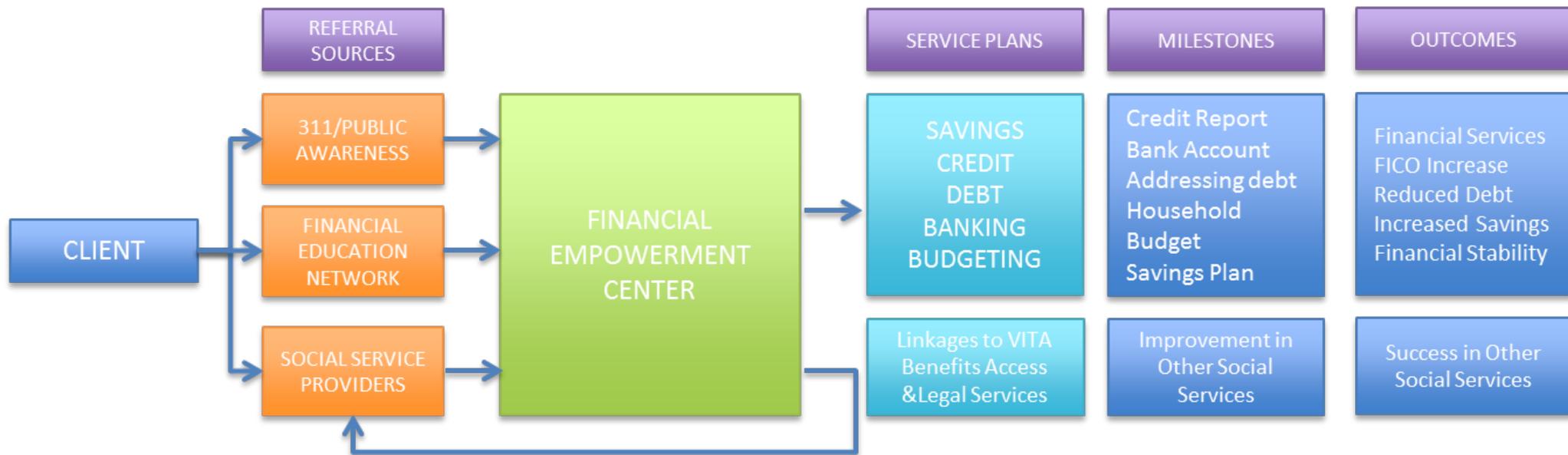
- Conducts financial triage, sets goals, and establishes action plans in 5 service areas:
 - Money Management
 - Improved Credit
 - Decreased Debt
 - Safe and Affordable Banking Relationships
 - Build Savings
- Establish an ongoing coaching/mentoring relationship with clients
- Outcomes-driven model; rigorous data tracking for case management and program evaluation



Financial Empowerment Center Model: Standards in Delivery

- **Establish certified training programs for counselors**
 - Undergraduate and Graduate level courses for credit
 - Combining Hard and Soft skills
 - Counselors must satisfactorily pass course
- **Develop consistent protocols and parameters**
 - Standard parameters for what constitutes a counseling session
 - Financial Health Assessment
- **Incorporate performance evaluation into Program Delivery**
 - Track 40 milestones across 5 financial counseling service areas
 - Analyze quarterly reports for program improvements identifying client demand shifts, areas for additional counselor training need, key integration points, refining partnerships and outreach efforts
 - Quarterly performance review and discussion with key partners

Financial Empowerment Center Model





Financial Empowerment Center: Results from the New York City Pilot

- New York City Centers have conducted more than 28,000 counseling sessions to more than 15,500 New Yorkers
- Integrated within more than 20 City and non-profit partner agencies providing strategic financial counseling within other service delivery
- Helped residents reduce more than \$7 million in debt and build more than \$900,000 in savings
- Received the 2010 Gold Award for Municipal Excellence from the National League of Cities
- Received significant public investment in FY2012



Financial Empowerment Centers: Other Wins

- Significant improvements to families' financial stability
- Ear to the ground, access to individuals and their data, help to identify trends and provide case studies for advocacy and communications
- Integration of services improves systems across the City
- Ability to set standards locally for financial counseling
- Significant impact to families and systems with a relatively inexpensive investment



Mayors Project: Multi-City Impact Model

Consistent with Bloomberg Philanthropies' multi-city impact model:

- Grantee cities will work on a shared time frame
- Robust technical assistance will support implementation and customization
- Active learning networks will foster collaboration and real-time problem solving
- Lessons will be captured and shared to support the field
- Multi-city “proof points” will enable further spread of this innovative model



Phase One RFP

- Purpose to identify cities that have an interest in and capacity to establish a Financial Empowerment Center network within their city
- 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 additional assistance and guidance in the development of their Phase Two proposal
 - Operations and Partnership roles
 - Developing a training program
 - Data collection and reporting
 - Identifying and integrating with social services
 - Long-term sustainability
- All cities selected to apply to Phase Two will be invited to join an ongoing Learning Network



Phase Two RFP

- In Phase Two, Mayors' Offices will apply in collaboration with one or more local non-profit partner organizations to operate the Centers and provide direct service
 - Mayors' Offices may endorse multiple non-profit providers to apply; the Living Cities' CFE Fund will make final determinations
- Applicants will demonstrate the level and degree of committed in-kind resources to ensure the program is run smoothly and effectively
- Mayors' Offices will identify an initial plan for the long-term sustainability of the program beyond the grant period
- Non-profit providers who are interested in applying for Phase Two must do so in conjunction with the local Mayor's Office



Applicant Eligibility

Mayor's Office Partner

- Minimum of 100,000 residents
- City leadership commitment to developing and managing innovative financial empowerment programs
- Ability to integrate financial counseling into social services (city or county)
- Ability to raise or commit additional resources
- Strategy for long term sustainability of the initiative after the grant term

Non-profit Partner

- Track record of delivering financial education, counseling, coaching, OR ability to establish this capacity with technical assistance
- Experience working in low-income communities
- 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
- Ability to track, manage, and report on critical data points for each client, based on systems developed with the CFE Fund



Timeline

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



Contact the CFE Fund

1040 Avenue of the Americas, 17th Floor
New York, NY10018
(646) 442-2914
info@cfefund.org
www.cfefund.org