SERVING AMERICA'S VULNERABLE AND UNDERBANKED PEOPLE:

A CY PRES IMPACT REPORT

Consumer Financial Education Fund Impact Report 2018
Prepared May 2019

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Serving America’s Vulnerable & Underbanked People: 
A Cy Pres Impact Story
Rose Foundation for Communities and the Environment
Consumer Financial Education Fund – Impact Report 2018
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This short report provides an overview of the ongoing impact of the Rose Foundation for Communities and Environment’s Consumer Financial Education Fund, covering grantmaking conducted in 2018 and 2019 enabled by cy pres from HSBC Checking Account Overdraft Litigation. The Rose Foundation has long been a trustee of cy pres funds, entrusted with nearly $50 million in cy pres and mitigation funds over the past 25 years. Grantmaking enabled by the HSBC cy pres continued the Rose Foundation’s ongoing initiative to help vulnerable and underbanked community members better understand financial services and products, and accordingly improve their credit scores, savings rates, family budgeting, and overall financial health. Past impacts from supporting consumer financial literacy are detailed in a separate report, Helping Underbanked Consumers Avoid Excessive Debit Card and Overdraft Fees: A Cy Pres Success Story (available online at https://rosefdn.org/wp-content/uploads/2016/10/CFEF-Report-Rose-Fdn-9-23-2016.pdf), which highlighted success stories and case studies of the first three rounds of grantmaking from the fund in 2012 – 2016, enabled by a cy pres from Clossen v. Bank of America.

Poised for Impact: The Power of Lessons Learned
This report will discuss the impact of the fifth round of grantmaking in 2018. Since the very first grant cycle for the Consumer Financial Education Fund, grantee reports revealed that the most impactful grant awards served underbanked and vulnerable communities, and provided individuals clear guidance and tools to avoid short-term, high-interest-rate credit products. The most recent grant cycle drew from that key lesson, and additional experiences and lessons learned from the initial rounds of grantmaking, which enabled the fund’s process to identify projects with the highest potential for impact.1 The following list summarizes the critical elements identified through our grantmaking process that help grantee organizations serve consumers most effectively:

- **Linking educational curriculum to community need**: Impactful projects adapt, customize, and frame existing curricula in ways that fit the needs of the particular populations served, ensuring that programs are appropriate for the age, language needs, and cultural characteristics of people served. Strength lies in connecting program participants to the materials in meaningful, relevant ways, and not in unnecessarily reinventing the wheel by creating duplicative, brand-new curriculum. The fund’s grant application process prioritizes organizations that can show deep understanding of constituent communities through a track record of working successfully in those communities, and also those organizations that leverage existing curricula to serve their clients.

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1 Thank you to Pat Krackov, Lighthouse Philanthropy Advisors for distilling these lessons learned in the previous impact report.
• **Going beyond financial education to “financial capability”**: Creating change in the lives of financially vulnerable consumers takes more than just financial education, it takes a chance to practice new skills and to be connected to safe and affordable financial products – opportunities which are seen in the projects we support. This type of real change takes time, so grantees must have a viable long-term strategy for serving their clients and be able to articulate it in their grant application to be truly competitive in this fund. They also must be able to clearly describe the metrics they’ll use to measure their progress towards their desired outcomes.

• **Meeting consumers where they are**: Offering “just in time” financial education that helps consumers manage a real, current need in their lives is an effective means of program delivery and allows them to implement new skills in a way that matters to them.

• **Utilizing the power of financial coaching or counseling**: Both financial coaching and counseling can be highly effective in creating behavior change – in our first report, nearly all of the projects supported by Rose Foundation that used either one of these approaches reported positive impacts. Research shows that a “client-directed” approach where clients set their own goals is a useful methodology to increase program impact.

• **Repeating financial messages and creating relationships between educators/coaches and their clients**: A long-term approach is often an important component in program efficacy, for various reasons. In terms of behavior change, we know that individuals often need to “hear” a new message multiple times before acting on it. And building a trusting relationship over time between clients and educators/coaches helps consumers to navigate difficult emotions that often surface around money matters, and helps consumers implement behavior change. As mentioned above, we screen grant applications to make sure that potential grantees have a viable long-term strategy for serving their clients well.

• **Using behavioral economics principles as a guide**: Recent research in behavioral economics reveals how important situational and structural changes can help consumers make wise financial decisions, such as changing a default “opt out” to an “opt in” on an automatic 401(k) enrollment for employees. We expect that financial capability programs that incorporate these principles will benefit consumers.
• **Bundling financial capability and related supports for economic security**: Research and program implementations first supported by Annie E. Casey Foundation have shown the power of bundling services and supports for clients. Our grantees are well aware of this success amplifier, and many include access to services like benefits screening, small business help, and free tax preparation for their clients alongside their financial education programming.

• **Managing the complexity of financial products in today’s marketplace**: The financial marketplace today is crowded with numerous and complex offerings. Grantees help clients navigate this landscape, helping them choose appropriate products and elevating the need for safe and affordable products in the field. Many recent grantees describe the effectiveness of being able to steer their clients towards these types of safe and affordable products.

• **Remembering the importance of income – though it’s often forgotten**: Without sufficient income, it can be near-impossible for vulnerable consumers to reduce their expenses or increase their savings enough to make material change in their financial lives. For too long, this fact has been ignored, and financial literacy has been the predominant focus of the field. Rose Foundation believes that a more effective approach is to combine financial literacy with other services, including workforce development, income support programs, and access to tax credits by working poor tax payers, and we look for programs that engage this more wholistic perspective. Helping consumers protect their income is also crucial – that is the reason why this grant round also supports some projects that identify opportunities for meaningful change in the field, such as fighting predatory lending and promoting fair banking practices.

Since the release of our first impact report in 2016, the Consumer Financial Protection Bureau (CFPB) published a report titled *Effective financial education: Five principles and how to use them*. Their report combines research and input from experts and practitioners in the field into five principles for effective financial education. We at Rose Foundation were pleased to see that the initial report on our program’s impacts matches very closely to the core findings in the CFPB report. The CFPB’s five principles are based on their “Model of financial action”, which identifies (1) situational and structural opportunities and challenges, (2) knowledge, (3) skills, (4) motivation, and (5) decision context as the five key factors affecting financial well-being and financial action. Our summary above of critical elements that help potential grantees deliver impactful programming covers all five principles described in the CFPB report:

• We describe the importance of linking educational curriculum to community need, and remembering the critical importance of client context as detailed in **Principle 1: Know the individuals and families to be served**

• Our learnings around providing “just in time” financial education around a consumer’s real life need as an effective way to increase consumer knowledge parallel **Principle 2: Provide actionable, relevant, and timely information**

• Going beyond financial education to “financial capability” is how we describe the skill-building practices covered in **Principle 3: Improve key financial skills**
• Our takeaways around utilizing the power of financial coaching and a client-directed approach, as well as supportive educator/coach and client relationships express key findings of Principle 4: Build on motivation
• We encourage using behavioral economics principles as a guide and working with client context, articulating the core of Principle 5: Make it easy to make good decisions and follow through

In addition to the five principles, we were also pleased to see that additional findings were shared between both reports, including the importance of a safe and transparent financial marketplace, an emphasis on measuring program effectiveness, and supporting consumers by bundling financial education with other services.

**The 2018 Grant Cycle**
The crucial insights described above helped the Rose Foundation to fine-tune procedures and enabled the fifth round of grantmaking to identify exceptionally impactful projects. At the start of the grant cycle, Rose notified our list of approximately 700 organizations and sector professionals around country to the grant opportunity, which resulted in 174 letters of inquiry submitted to the Foundation. With the assistance of our expert funding board, the field was narrowed down to 29 invited applications to perform extensive diligence on. Sixteen grants totaling over $1 million were ultimately made, funding financial education and/or advocacy projects in California (6 organizations), Maryland (2), New York (2), Pennsylvania (1), Washington D.C. (1), and nation-wide (4).

Collectively these projects will:
• **Educate 14,460 people** through financial education workshops

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2 Due to the nature of the HSBC settlement, grantmaking was focused only towards the 12 states plus Washington, D.C. where HSBC had branches.
3 See Appendix A: HSBC Cy Pres Grants List for the complete list of grants funded by the HSBC cy pres.
• Provide **in-depth, individualized coaching** to 2,950 people
• Produce **positive outcomes like lower debt, increased credit score, or higher savings** for over 2,300 people
• **Connect 3,320 people to safe financial products or other economic supports** such as free tax preparation or screening for public benefits

In addition, advocacy around issues such as student loan debt, the Community Reinvestment Act, and predatory lending will be undertaken by grantees with an advocacy component in their project, expanding the reach of these grant awards to promote fair banking practices at the macro level.

Funded projects serve constituencies not always reached by financial education efforts, including programs offered to immigrants, conducted in multiple languages, targeting specific vulnerable populations such as the un- and under-banked, and providing services to seniors and veterans. Please see the chart below for a portrait of some of the communities served by these projects.

### Characteristics of 2018 Grant Projects

<table>
<thead>
<tr>
<th></th>
<th>Serve Low-Moderate Income Clients</th>
<th>Serve Un- and Under-Banked Clients</th>
<th>Serve Communities of Color</th>
<th>Serve Immigrants</th>
<th>Offer Services in Multiple Languages</th>
<th>Serve Youth</th>
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<tr>
<td>Percentage</td>
<td>100%</td>
<td>69%</td>
<td>81%</td>
<td>50%</td>
<td>38%</td>
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Strengthening Connections, Magnifying Impact

This most recent round of grantmaking from the Consumer Financial Education Fund demonstrates the power of the lessons learned from the initial grant cycles: the ability to deliver grant awards with a strong positive impact to individuals and communities around the country. This round of grantmaking is characterized by projects developed by organizations with a clear record of effective programming and deep ties to their communities. Providing grants to these types of organizations amplifies the benefit to the entire HSBC class, because these projects serve not just their own clients, but also utilize existing relationships to educate and join with other organizations to increase the reach and quality of financial education and financial coaching nationally.

The resulting leverage and magnification of impact is evident in many of the projects and organizations funded by the HSBC cy pres:

- The nationally-recognized First Nations Oweesta Corporation, for example, will be using grant funding to connect with financial institutions, Native nonprofits, and Tribal participants across the country for in-depth trainings and relationship building, strengthening the entire sector of Native financial coaching and counseling.

- Maryland Consumer Rights Coalition is using funding to prepare a cohort of local leaders to drive neighborhood-based community reinvestment, growing individual leaders and connecting the neighborhood-based organizations they are a part of, which bolsters the financial education landscape in Baltimore as a whole by building and strengthening the web of connections within the local financial education community.

- East LA Community Corporation leverages its strong partner network to provide financial education and a variety of financial wellness services to residents throughout Los Angeles’ Eastside, using grant funding to meet participants where they are at in their neighborhoods and strengthening the ties between their many governmental and community partner organizations.

- Mission Asset Fund collaborates with many organizations nationally, spreading their successful lending circles model and now their app. Many of Rose Foundation’s other grantees are current partners with this group, further demonstrating the amplifying power of these grant awards.

The complete list of grants enabled by the HSBC cy pres is described in detail Appendix A, and illustrates the full range of impacts generated by the funded projects. The strength of the fund and the impacts achieved flow from an open application process accompanied by broad outreach to organizations that serve vulnerable and underbanked populations, a user-friendly yet rigorous application system, guidance of an expert funding board, and the funding of projects led by organizations which make a transformative impact in the lives of their vulnerable and unbanked clients and more broadly in the financial education field.

“We don’t want to feel like we’re putting band-aids on,” explains Jenny Ocón, Executive Director for UpValley Family Centers. “We want to help prepare our community members for the future so they are in a stronger place.”
Appendix A
HSBC Cy Pres Grants List
Consumer Financial Education Fund Docket 2018

California Reinvestment Coalition
Here to Stay: Immigrant Financial Security
California
$65,000
The Here to Stay initiative is focused on providing financial education and advocacy that promotes fair, equitable banking practices for unbanked and underbanked low-income immigrant families, along with addressing the challenges of financial inclusion and access to safe, affordable banking resources. As a result, this program will promote access to affordable, culturally competent banking products and services that advance economic opportunity for immigrants; and identify innovative solutions that remove barriers to financial inclusion while protecting vulnerable communities from asset-stripping financial practices, such as payday loans and high-cost bank fees.

Capital Area Asset Builders
Healthy, Wealthy, and Wise
Washington, D.C.
$65,000
With this grant, Capital Area Asset Builders (CAAB) will expand the organization’s reach within the two most economically depressed Wards of the District of Columbia. In addition to an expanded library partnership, the organization will also expand the availability of the Overdraft Avoidance educational module in the LifeCents software. LifeCents is a widely-utilized software, though an overdraft avoidance module was until now developed for and only visible to CAAB customers. A portion of award funding will enable CAAB to pay the software development company of LifeCents to integrate the overdraft fee module into the mainstream LifeCents software that is utilized by low- and moderate-income individuals across the District by other providers. All together, this project will provide information about overdraft fees to 3,000 low- and moderate-income individuals in the DC Metropolitan Region.

CASH Campaign of Maryland
Maryland CASH Academy - Financial Education Expansion Project
Maryland
$65,000
Funding will support the CASH Campaign’s expansion of its Maryland CASH Academy to reach vulnerable, underserved communities across MD. The CASH Academy is a statewide financial education system that provides free, fact-based classes taught by CASH and its local partners. The CASH Academy centralizes class information, provides easy registration, links to other services, and collects participant
feedback. Curriculum is drawn from accredited, national sources such as the FDIC, and includes topics such as safe banking, prepaid cards, reducing debt, and avoiding fees. An expanded CASH Academy can allow offerings of financial education classes in other languages to reach vulnerable, low-income populations in both rural and urban areas. Through this expansion, CASH will work with its local partners to strengthen the connection between financial education classes and other services, such as free tax preparation and financial coaching, which support behavior change and longer-term financial security for clients.

Chhaya Community Development Corporation
South Asian Consumer Financial Literacy Program
New York
$69,241.06
Chhaya Community Development Corporation’s Asset Building Program is a multi-pronged strategy to help immigrants of South Asian and Indo-Caribbean origin, a predominantly low- to moderate-income community, gain economic stability through financial education and counseling. This program provides clients with the tools to effectively manage their finances, avoid debt, and prepare for a financial crisis, as well as build credit and wealth to eventually purchase a home or bring about stability in their rental housing situations. Chhaya CDC offers credit building programs, financial literacy counseling and group workshops, free tax preparation services, screenings for public benefits, and support to help strengthen small businesses, prevent displacement, and promote entrepreneurship, in an effort to strengthen the South Asian community’s economic resiliency.

East Bay Asian Local Development Corporation
SparkPoint Oakland
California
$75,000
SparkPoint Oakland builds long-term financial health for Oakland residents by integrating financial coaching with community-based services. This financial coaching model combines education, training, and behavioral economics with more traditional coaching, providing information and education about systems and products including banking, low-fee pre-paid debit cards, secured cards, and savings tools. Funding will support educating clients to use sound financial practices with repetition and incentivizing positive habits. By centering financial coaching in the self-identified financial goals of each client, their model provides an opportunity for individualized financial education that drives long-term behavioral change for that individual. This grant will also help develop a Consumer Toolbox that helps coaches to select from a menu of vetted, non-predatory financial tools to support clients with meeting their financial goals and building healthy financial behaviors and capability.

East LA Community Corporation
Building an Equitable Eastside through Increasing Financial Capability
California
$50,000
Funding will support asset and wealth-building programs to deliver comprehensive financial coaching and education services to low-income individuals and to expand said services to small business owners. East LA Community Corporation (ELACC) primarily serves a low- to moderate-income, monolingual
Spanish-speaking Latino population living on Los Angeles’ Eastside. ELACC reports that the pervasiveness of predatory lenders and misinformation within the Latino community led families to fall victim to unsustainable loans in 2008 and lose their homes, and that predatory lending in these communities continues to be a challenge. ELACC’s consumer education and social lending program helps low-income clients take ownership of their finances, advocate for themselves, and contribute to the economic stability of the Eastside. ELACC engages in consumer protection advocacy and provides clients with a platform to share their stories with elected officials and others via social media and other means of communication.

**Economic Awareness Council**
**Banking Ready: Financial Capability for Youth Employees & Youth in Care in Underserved Communities**
**National**
**$50,000**
Funding will support the continuation and national expansion of the Economic Awareness Council (EAC)’s successful efforts that have helped over 12,500 primarily unbanked youth to use direct deposit, avoid overdraft fees, bank, and save in Illinois since 2010. The EAC leads a coalition of over 14 bank partners to highlight low-cost banking products with no overdraft, low minimums, and no fees, and works with the City of Chicago and the State of Illinois to teach low-income youth employees and foster positive youth banking habits. The proposed project would allow the EAC to meet requests from additional cities nationally and to expand its in-person, training, and online financial education work in Illinois; the EAC’s online financial capability program has successfully been used by over 11,000 youth since 2016. Support will also allow development of the EAC’s online and train-the-trainer program to include additional emphasis on avoiding predatory lending, overdraft fees, and debit/pre-paid debit card fees.

**First Nations Oweesta Corporation**
**Building Native Communities Financial Coaching with Families**
**National**
**$75,000**
This project supports train-the-trainers activity for Native American-specific financial education. Oweesta previously developed a curriculum and training, *Building Native Communities: Financial Coaching with Families*. It is an innovative, Native-specific financial coaching model which provides tools, resources, and an approach that helps Native Community Development Financial Institutions, Native nonprofits, and Tribal participants build capacity by training financial coaches, providing a financial coaching toolkit, and providing technical assistance to integrate financial coaching into their programs. Funding will support three free trainings, certification of another Oweesta team member as a financial coach to increase in-house training capacity, printing of 500 copies of the curriculum to distribute for free to training participants, and providing technical assistance to training participants. Helping Oweesta’s partners build financial coaching capacity will strengthen the overall capacity of groups and will magnify the impact of existing services in the lives of their borrowers and clients.

**Housing and Economic Rights Advocates**
**California Student Loan Education and Advocacy Project (CSLEAP)**
California
$75,000
CSLEAP focuses on student loans, providing help through one-on-one counseling and advice to individual students, legal representation for those unlawfully denied debt relief, impact litigation and policy work to eliminate obstacles to student debt relief (particularly for vulnerable residents carrying some of the highest amount of debt), and multilingual educational workshops to educate prospective underserved/vulnerable students and their families on how to shop for and pay for their higher education goals and to avoid predatory for-profit schools.

Juma Ventures
Juma Youth Financial Capability - It Starts With a Job
National
$75,000
Juma is a unique nonprofit social enterprise that, through its YouthConnect program, combines a job with a complimentary suite of financial education and career focused supportive services. In 2019, Juma will provide financial education services to 165 low-income youth in Seattle (80 youth), Sacramento (35 youth) and San Jose (50 youth). Through Juma’s comprehensive financial capability programming, youth are given the opportunity to develop lifelong money management skills. Youth are assisted in opening bank accounts to gain access to the financial system, attend financial education workshops to increase their knowledge, receive 1:1 support from a Program Coordinator to apply their learning, and are provided incentives to encourage lifelong saving habits. Juma’s goal is to ensure that low-income youth have the tools needed to enter adulthood prepared for not only career success, but also for economic well-being.

Maryland Consumer Rights Coalition
Baltimore Community Development Fellows
Maryland
$50,000
The Baltimore Community Development Fellowship will prepare a cohort of local leaders, hosted by neighborhood-based organizations, to advocate for neighborhood-driven community reinvestment. The Community Reinvestment Act (CRA) requires banks to meet the credit needs of the low- and moderate-income communities they serve through loans, investments, products, and services. CRA enforcement relies on the community to communicate its credit needs and proposed solutions to financial institutions and federal regulators. Neighborhood-based organizations often lack the knowledge, skills, access, and relationships to successfully leverage CRA. This program will develop 4-10 neighborhood-based CRA advocates through training on reinvestment organizing and best practices in wealth building. Collectively, Fellows will conduct a community-led credit needs assessment to develop proposals for products, services, and investments. This assessment will be used to encourage financial institutions to make reinvestment commitments.

Mission Asset Fund
Digital Financial Education: Boosting Financial Capability Among Low-Income Consumers with MyMAF App
National
$75,000
This project will implement and evaluate a new app that offers unprecedented access to 0% interest loans and financial management tools, including financial education modules and credit score information. Building on the results of a previous grant from the Rose Foundation, the MyMAF App is designed to provide digital education and financial training tools to help low-income consumers across the nation avoid common financial pitfalls like high-interest rates on credit cards, unnecessary overdraft fees, and high-interest predatory loans. In 2019, Mission Asset Fund will provide ongoing technical assistance and capacity building to support their partners as they adopt and integrate the benefits of the MyMAF App within their program offerings. In addition to tech support, they will track client engagement rates and analyze ongoing changes in financial behaviors based on app usage data.

New Economy Project
Promoting a Community Equity Agenda for NYS
New York
$75,000
New Economy Project is at the forefront of consumer financial justice education and advocacy in New York. Funding supports promotion of a Community Equity Agenda in New York State – a concrete plan for expanding access to fair and equitable banking services in low-income and immigrant neighborhoods and communities of color. Core activities of this project include coalition-building and policy advocacy, training for legislators and regulators, legal advocacy, and storytelling. This project represents an important shift in how organizations address financial justice advocacy in New York State, shifting the focus squarely to advancing solutions that build community wealth.

PathWays PA
Financial Path$
Pennsylvania
$65,000
This project expands the successful Financial Path$ financial literacy education and financial counseling program to educate unbanked and underbanked low-income individuals living in Pennsylvania’s Philadelphia and Delaware Counties on the importance of utilizing banks and credit unions to build financial assets; their rights as they related to banking; balancing their bank accounts to ensure that they do not overdraw their accounts; understanding the different financial vehicles offered by financial institutions; comparing bank offerings; understanding banks’ fee structures and avoiding fees; and building positive credit histories. Additionally, this funding supports PathWays PA to provide education and financial counseling related to creating and managing a family budget and spending plan, and creating and implementing a financial plan to help families build financial assets.

Santa Cruz Community Ventures
Familias con Más
California
$25,000
Familias Con Más will serve low- to moderate-income families and youth in the Monterey Bay region with the goal of decreasing the use of predatory lenders and increasing financial literacy around fair banking practices, savings, budgeting, credit, debt, and overdraft fees. Familias con Más builds on
Mamas con Más, a 2018 qualitative study conducted by Santa Cruz Community Ventures and UC Santa Cruz to map predatory lenders and gain insight into the banking barriers of Latina moms living in affordable housing. Familias con Más will focus on two areas of work: 1) Educating and building skills around fair banking practices, savings, budgeting, credit, debt, overdraft fees, and predatory lenders through workshops and community outreach and 2) Conducting an advocacy campaign in the City of Watsonville to address the prevalence of predatory lenders, currently present at twice the rate of those found in the nearby city of Santa Cruz.

UpValley Family Centers
Building Economic Literacy and Resilience through Financial Coaching for Low-Income Households California
$75,000
UpValley Family Centers will provide financial coaching to 75 low-income households over 3 years to strengthen their economic resilience, integrating financial literacy workshops and coaching into existing programs by training case managers as Financial Fitness Coaches. This project will serve low-income, immigrant clients who are unbanked or underbanked, lack knowledge of US credit systems, and work in low-wage jobs. Coaching will enhance knowledge about banking policies – including fees and interest rates – and about how to increase savings or credit and reduce debt. Many of UpValley’s clients’ economic challenges were compounded last year by devastating wildfires and immigration policy changes. As they recover and plan for the future, there is an excellent opportunity to help them increase their financial health.
Appendix B
Consumer Financial Education Fund
Request for Proposals 2018
Request for Proposals
Consumer Financial Education Fund

Purpose of the Fund

The Consumer Financial Education Fund supports projects that relate to consumer financial education, with an emphasis on issues related to fair and equitable banking, basic banking, access to financial services, retail banking accounts, and underbanked and/or vulnerable populations. This grant cycle will be conducted in accordance with the HSBC Bank USA, N.A. Checking Account Overdraft Litigation settlement agreement.

Eligibility Criteria

Applicants must meet all of the following criteria in order to qualify for this fund:

- The applicant must demonstrate expertise in consumer financial education.
- The applicant must be a 501(c)(3) nonprofit, or be fiscally sponsored by a 501(c)(3) nonprofit. Nonprofit colleges, universities, university clinics, and graduate programs are eligible to apply, but university overhead is limited to 5% of grant award.
- An applicant’s principal place of business must be located in the United States. Eligible projects may be national in scope, developing materials for distribution nationally; or they may be regional or statewide projects conducted only by organizations located in the following states:
  - California
  - Connecticut
  - Delaware
  - Washington, D.C.
  - Florida
  - Illinois
  - Maryland
  - New Jersey
  - New York
  - Oregon
  - Pennsylvania
  - Virginia
  - Washington
Scope of Allowable Projects and Prohibited Activities

- Proposals must relate primarily to financial education issues or fair and equitable banking practices.
- Projects must be targeted towards users, regulators, and enterprises residing in the United States, and must follow the geographic restrictions described in the Eligibility Criteria section above.

Eligible Projects
It is anticipated that eligible projects may encompass, but not be limited to, the following issues or focus areas:

- **Financial education and training** including:
  - Education and outreach activities that teach adults and children about financial issues and increasing their financial literacy, including community workshops, classroom presentations, trainings, conferences, and webinars, especially including information about overdraft fees and how to avoid them. Educational programs covering the following topics are encouraged:
    - Fees and choices related to debit cards and pre-paid debit cards that lead to high interest rates;
    - Education for consumers to not opt-in to overdraft protection when fees will be charged;
    - The dangers of high-cost, short-term credit such as payday loans and how to avoid this type of borrowing.
  - Educational projects should seek to adapt and utilize existing curricula. Applicants proposing to create entirely new curricula should be prepared to fully justify why existing financial literacy curricula is insufficient.

- **Financial education and advocacy** designed to promote fair and equitable banking practices and to protect vulnerable populations from predatory banking. Financial advocacy projects should have clear objectives and include immediate outcomes which are achievable within the grant period. Projects relating to current issues such as the Public Service Loan Forgiveness Program are encouraged. Proposals could include:
  - Policy and/or regulatory development and implementation, including related research;
  - Cost of relevant experts;
  - Events for legislators and other policy-makers to help them understand pertinent issues;
  - Legal advocacy including case development and litigation.

- **Preference** will be given to:
  - Applicants who can clearly define their desired outcomes and express quantitative and qualitative metrics that will measure progress made towards those outcomes during the grant period;
  - Projects that specifically serve vulnerable and/or underbanked populations including low-income communities of color, students, veterans, and non-English speakers conducted by organizations that have a demonstrated track record of working with these communities;
Projects designed to affect long-term consumer behavior by changing habits and teaching clients how to independently maintain good financial standing for future years;
Projects that disseminate information in multiple languages;
Projects with a clear strategy to reduce predatory lending and to promote fair banking practices.

**Prohibited Activities**
Projects may not use this grant funding to engage in the following activities:
- Electioneering or other political or religious activities prohibited by IRS 501(c)(3) regulations.
- Activities primarily targeted or conducted outside of the United States.

**Application Process**

To apply, applicants must complete a 2-step process using our online grant system. The first step is to submit a letter of inquiry. Any group that meets the eligibility criteria is welcome to submit a letter of inquiry; we expect to receive a large number of these submissions. The second step is to submit a full proposal. Because of limited funding, only a select number of applicants will be invited to submit a full proposal. Both steps are discussed in more detail below.

It is anticipated that the application process will be highly competitive. It is expected that most proposals will be for 12-month grant periods; however, multi-year proposals are encouraged where appropriate. **The maximum allowable total request is $75,000 even for multi-year proposals.** Applicants are encouraged to seek funding for projects starting January 1, 2019.

**Step 1) Submit Letter of Inquiry (REQUIRED)**

Any group who meets the eligibility requirements and has an appropriate project is welcome and encouraged to submit a letter of inquiry. All interested applicants must submit a letter of inquiry in our online grants system as an initial step. This letter allows Rose Foundation to determine if the proposal appears to be a good fit for the Consumer Financial Education Fund.

**You must register your organization with our online grants system to submit a Letter of Inquiry (if you have previously applied for a grant from Rose Foundation, you may use your existing log-in information).** No application materials will be accepted by email, fax, or any other means besides the online system. To register, you will need the organization’s name, tax ID number, website address, telephone number, email address, mailing address, contact person’s name, and position. Your email address will be your logon ID and you will set up a password.

The letter of inquiry is an introduction to the applicant and the proposed project. There will be some questions regarding the applicant and questions about the project itself. Please use this opportunity to give us an idea of who you are and what you want to do.
Step 2) Submit Full Proposal (By Invitation Only, Based on Letters of Inquiry)

Based on their letters of inquiry, a limited number of applicants will be invited to submit full proposals. If invited to submit a proposal, you will have the opportunity to write a detailed description of your proposed project, including importance and relevance of the project, workplan, outcomes and evaluation methods, staff and board lists, references, full financial information (including project budget, organizational budget, income and expense statement, organizational contributors, and additional funders), as well as other information.

Deadlines

Letters of Inquiry
Submit your Letter of Inquiry to Rose Foundation’s online grant application portal at http://www.rosefdn.org/onlineapplication
The deadline for letters of inquiry is August 24, 2018 at 5:00pm PDT.

Full Proposals
After review of all Letters of Inquiry, a limited number of applicants will be invited to submit Full Proposals. Invitations to apply and decline notifications will be sent out by October 31, 2018. If a full proposal is invited, it will be due December 14, 2018 at 5:00pm PDT.

What Happens Next

Applicants may or may not be contacted for follow up information or interviews. Final funding decisions will be announced in February, 2019.

For Further Information

Tim Little, Executive Director
tlittle@rosefdn.org or (510) 658-0702 x301

Anya Diamond, Program Officer
adiamond@rosefdn.org or call (510) 658-0702

Please visit Rose Foundation’s website: http://rosefdn.org/consumer-financial-education-fund