



LOS ANGELES COUNTY
**CONSUMER &
 BUSINESS AFFAIRS**
 CENTER FOR FINANCIAL EMPOWERMENT

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Get Financially Empowered *Resource Guide* 2018

Center for Financial Empowerment

Pilot Demonstration Report

STEP 1

Make a Plan

Do you find it difficult to track your money? Take charge of your finances through the use of a budget.

Achieve your financial goals by creating a budget. A budget can serve as a plan that can help you:

- **Itemize your money**
- **Prioritize how you spend your money**
- **Pay off debt**
 Pay off debt by either paying debt that has the highest interest rate first or pay the smallest debt with the largest payment possible, until paid off. Be sure to incorporate debt repayment into your budget. You should always pay more than the minimum balance on credit card bills. This will help you pay off the debt sooner.
- **Identify spending leaks and stop them**

- **Pay your bills on time**
- **Build your emergency fund**
 This means setting aside some of your income to cover unexpected expenses so you can avoid relying on credit and high-cost loans.
- **Set financial goals**
 Set financial goals for your short term and long term future. Creating goals can help you turn your vision into reality.

Los Angeles County



Did you know?
 you can negotiate your due dates to match your income schedule? This can make it easier for you to pay on time.

November 15, 2018

CONTENTS

Executive Summary	3
Establishment of CFE	6
CFE Mission and Strategy	8
Mission and Purpose	8
CFE Goals	9
Advisors + Partners	9
Programs and Activities	10
Financial Capability	11
CFE Curriculum Standard + Train the Trainer	11
Youth Focused Programming	13
Shared Impact Metrics	15
Asset Building	16
Tax Programs	19
Research + Convening + Policy	23
Research	23
Convenings and Conferences	23
Policy	25
Outreach + Information	26
Outreach and Marketing Campaigns	26
Progress and Outcomes	33
Deliverables of the Board Motions	33
Key Learnings & Recommendations	35
Summary of Findings and Recommendations	35
Recommendations	38
Appendix	41

EXECUTIVE SUMMARY

In 2015, the Los Angeles County Board of Supervisors advanced a number of policies to promote economic development and help lift County residents out of poverty. With no coordinating entity within the County to address poverty from a financial empowerment perspective, Supervisor Sheila Kuehl and Supervisor Hilda Solis co-authored a motion on March 15, 2016, to direct the Department of Consumer and Business Affairs (DCBA) in consultation with other County departments to conduct assessments, research, and findings on the feasibility of the development of a new Center for Financial Empowerment (hereafter CFE).

The CFE officially launched on September 1, 2016 as a two-year pilot. The CFE's mission is to **coordinate and align cross-sector efforts to build economic stability and household wealth for low to moderate income County of Los Angeles residents**. This report summarizes the program's success, shares key learnings, and suggests the resources needed to further develop the CFE.

From August 2016 to June 2018, the CFE accomplished the following outcomes:

- Conducted over **200** presentations that reached over **5,000** individuals. These presentations educated high school students, foster youth, seniors, persons who were formerly incarcerated, low-income families, disabled adults, and County employees.
- Established the BankOn Los Angeles County program with **9** financial services providers to help improve the financial stability of unbanked and underbanked consumers with safe and affordable accounts and provided free income tax preparation for qualifying low-moderate income individuals and families.
- Recruited and trained **65** team members to become volunteer tax preparers for the 2016 and 2017 tax years, and as a founding member of Free Tax Prep LA campaign, its efforts resulted in **\$14,618,463** in total State and Federal EITC refund dollars for L.A. County during the 2016 and 2017 tax years.

On April 4, 2018, the CFE hosted its first annual Financial Capability Summit at the California Endowment in downtown Los Angeles for **125** attendees with the theme, **Creating Pathways for the Financial Health of L.A. County Residents**. The event served as an unofficial public launch, allowing for the introduction of the CFE to broad audiences and situating the CFE as L.A. County's regional convener for financial capability thought leaders and practitioners.

The CFE achieved all the directives prescribed in the March 2016 motion and set the foundation for the growth of its programs and activities. While the overall pilot was successful in launching new financial capability programs and mobilizing local service providers for increased collaboration, there are key

takeaways and recommendations that must be considered to bolster the CFE and improve its programs, services, and impact moving forward.

Key Recommendations

1. Establish the Center for Financial Empowerment as a permanent and integral DCBA program

The two-year pilot period illustrated the fragmented and siloed nature of existing financial empowerment services offered by County departments and external agencies. The County needs an entity to serve as a regional leader and convener who can work with service providers across sectors to align goals, foster collaboration and better integrate financial capability into social services. This will help the County and non-profit agencies develop more holistic and well-rounded approaches to service delivery. Likewise, the County needs an entity to educate, empower and protect low-moderate income residents so they can build assets, avoid predatory practices, and make the most of their financial resources. The CFE needs permanency to build on the foundation laid during the pilot to tackle these issues.

Recommended Actions:

- Assess and determine a sustained budget for the CFE, including staffing, coordinated marketing/branding, and program/data management applications.
- Research and recommend a structure that establishes an intermediary that can fundraise and administer grants and contracts on behalf of the CFE.
- Increase staff positions to support the management and growth of CFE programs and activities

2. Create a CFE-led EITC countywide awareness campaign

The CFE held “tax days” on select Saturdays during the tax season to help qualifying low-moderate income tax payers file their return for free. While there is a need for more Volunteer Income Tax Assistance (VITA) providers in the County, the CFE recognizes that our non-profit organization partners are better suited to provide income tax preparation as a direct service because they can offer it as a year-round service and require their staff to serve as tax preparers. The CFE is better positioned to focus on state and federal Earned Income Tax Credit (EITC) awareness and capacity building for partner organizations. Research shows that over \$500 million in federal EITC credits goes unclaimed in L.A. County. Furthermore, approximately 25% of taxpayers who are eligible for the state EITC reside in L.A. County. The less-than-ideal utilization is partly due to lack of consumer awareness and missed opportunities for program integration. The CFE needs to focus solely on EITC outreach by coordinating a large-scale, year-round, multipronged public awareness campaign that includes capacity building opportunities for partner agencies who provide VITA services to County residents. This will help to increase the amount of EITC dollars returned to low-income individuals and families and allow partners to leverage resources. This can also serve as a platform for the CFE to connect taxpayers to BankOn Los Angeles County and encourage residents to save a portion of their return.

Recommended Actions:

- Position the CFE to serve as the lead coordinator for County EITC efforts in order support existing VITA initiatives with both County and Non-Profits partners to maximize outreach and awareness and expand regional capacity.
- Identify, assess, and implement both public and private partnerships with organizations that spread awareness and access to both of the State and Federal EITC's.
- Connect EITC to BankOn Los Angeles County products to promote savings and wealth building for low-income residents.

3. Build provider capacity and share best practices through trainings, convenings and the professionalization of financial capability/coaching

Los Angeles County residents face many obstacles to achieving financial stability. The region needs an entity to convene the financial capability sector to share best practices, problem-solve, and reduce silos to better serve our constituents. The CFE can bring value to the field by filling this need through convenings, trainings and establishing a local financial coaching certification program. Through these activities, the CFE could add tremendous value to the field by establishing a robust network of high-quality financial empowerment service providers who will be well equipped to meet the needs of County constituents.

Recommended Actions:

- Develop a County of L.A. CFE financial capability trainer and coach certification program that establishes a professionalized standard of excellence for the sector, and creates a pipeline of trainers and coaches to serve more low-moderate income families in L.A. County.
- Secure sponsorships to host a 2nd Annual Financial Capability Summit in 2019 to share best practices.

4. Increase countywide departmental partnerships, integration, data collection and reporting to the CFE

The County stands to benefit from implementing a more consistent process for data collection across County departments to ensure consistency on how we measure the impact and success of our financial capability services. Multiple Departments offer varying levels of financial capability services. The CFE is positioned to help set a foundation for streamlining processes that can facilitate integration and leveraging of resources across County departments. A deliberate and coordinated effort amongst all County partners who work directly with our target clients can help achieve the greatest impact.

Recommended Actions:

- In partnership with relevant Departments, the CFE can lead efforts to develop a shared process for data collection and reporting which includes the integration and coordination of programs and services, to maximize efforts and ensure comprehensive capture of County impact.

5. Coordinated branding and marketing of CFE programs and services while leveraging innovation to scale financial capability services

There continues to be a need to convey a clear message to the community-at-large as to the various CFE services offerings, while also removing the burden from individual organizations struggling to market programs separately. Additionally, the CFE needs to explore leveraging technology to integrate into its services offerings as a solution in scaling its direct impact.

Recommended Actions:

- Build innovation in the financial capability sector in Los Angeles by researching and leveraging a technology application that makes financial capability tools more accessible to all of L.A. County's consumers at any time.
- Increase resources to coordinate and execute a comprehensive L.A. County CFE marketing and outreach campaign to better educate and inform consumers on financial empowerment programs and services.

ESTABLISHMENT OF CFE

Rationale for the Establishment of the CFE

In 2015, the Los Angeles County Board of Supervisors advanced a number of policies to promote economic development and help lift County residents out of poverty, including: raising the minimum wage, promoting small business development, and reducing homelessness.

Data from Prosperity NOW revealed that 49% of County residents were liquid asset poor; meaning that nearly half of our residents lack enough savings to live above the poverty level for three months if they lost their job.

Additionally, the United States Census Bureau estimated that L.A. County was the third least-banked region in America with 28% of County households as either *unbanked* – having neither a checking nor savings account or *underbanked* – having a checking or savings account, but regularly using alternative financial service products. This equated to a loss of \$142 million by low-moderate income residents being spent on check cashing and payday loan fees annually.

Furthermore, the IRS estimated L.A. County's low-moderate income residents regularly fail to claim more than \$300 million in Federal EITC funds each year. Similarly, the enactment of the California Earned Income Tax Credit in 2015 provided an additional refundable tax credit for very low-income households but many qualifying tax payers were unaware of the credit.

Citing these and other factors in their March 15, 2016 motion, the Board envisioned establishing a CFE to serve as an extension of their investment in helping County residents achieve greater economic security and well-being through the expansion of financial empowerment programs within the County.

Board Motion

With no coordinating entity within the County of Los Angeles to address poverty from a financial empowerment perspective, Supervisor Sheila Kuehl and Supervisor Hilda Solis co-authored a motion on March 15, 2016, to direct the Department of Consumer and Business Affairs (DCBA) in consultation with other County departments to conduct assessments, research, and findings on the feasibility of the development of a new Center for Financial Empowerment.

The motion deliverables included:

- An inventory and assessment of the County's current financial empowerment offerings.
- Seek input from experts and stakeholders to advise the County on strategies, tools, best practices, and performance metrics for a coordinated implementation approach.
- A summary report that shares findings and recommendations to develop a new Center for Financial Empowerment.

Initial Pilot Demonstration

On May 31, 2016, the DCBA submitted a report to the BOS on the proposed establishment of a countywide Center for Financial Empowerment (item no. 3, agenda of March 15, 2016). Based on their outreach with stakeholders and internal assessments of existing resources, the DCBA put forth initial strategic objectives and recommendations on how the CFE can coordinate and align the County's existing efforts with external stakeholders.

Strategic objectives and recommendations for the establishment of the CFE included:

- Build strategic partnerships with local, state, and federal governments, academia, nonprofit, and financial institutions.
- Implement a centralized approach to services beginning with targeted populations and extending to broader community.
- Create a marketing and outreach campaign to engage diverse communities and inform the public about available financial empowerment services.

- Develop a set of metrics to measure the outcomes of existing County financial empowerment services and the results of the two-year pilot.

The targeted populations identified in the initial recommendations included 1) youth, between 14-24 years of age, with an emphasis on foster and transition-age youth, and 2) families and individuals who are eligible for the Federal and State Earned Income Tax Credit (EITC).

The CFE determined these populations based on guidance from the CFE Steering Committee¹, youth focus groups, and County partners who all conveyed the need for youth, especially foster youth who may be more vulnerable and susceptible to fraud and scams, to have access to financial education and tools to build their financial aptitude and set the foundation for long term habit change. In regards to the Federal and State Earned Income Tax Credit, it was acknowledged that the EITC funds are significantly underutilized and the CFE could assist local residents' access and secure the EITC refund they earned.

CFE MISSION AND STRATEGY

Mission and Purpose

The CFE was established to **coordinate** and **align** services provided by government, nonprofit, academia, and for-profit sectors to improve financial capability of low-to-moderate income consumers. As a result, the following mission statement was developed by DCBA to clearly convey the focus and purpose of the CFE:

The Center for Financial Empowerment (CFE) coordinates and aligns cross-sector efforts to build economic stability and household wealth for low to moderate income County of Los Angeles residents.

Acting as the L.A. regional financial capability convener across sectors, the CFE is leveraging existing resources, building new partnerships, and innovating new programs to empower consumers to make informed financial choices. The CFE can achieve this by focusing on the following three goals:

¹See page 9 for a more detailed description of our steering committee.

CFE Goals

1. Demonstrate effective CFE programs and services

The CFE builds and supports effective programs and services through coordination, guidance, and shared measurement systems. The key programs and services are focused around Financial Capability, Asset Building, Tax Programs, and Consumer Protection.

2. Take collective action to improve financial practices and systems that advance wealth equity

The CFE captures and leverages best practices and research, drafts and supports policies, and convenes partners to tackle shared challenges. Through joint research and collecting lessons from the field, the CFE disseminates that knowledge through publications while hosting convenings to actively engage the field to learn and connect with each other to improve practices and systems for the benefit of low-moderate income families in L.A. County.

3. Connect low-moderate income L.A. County residents to CFE information, services, and consumer financial protections

The CFE promotes coordinated marketing and outreach of CFE programs, information, and consumer financial protections. The purpose is to create greater access and awareness of resources for low-moderate income families, while also consolidating marketing efforts to leverage resources to assist county and nonprofit partners gain greater reach in serving more individuals in need of financial capability support.

Advisors + Partners

The DCBA identified key advisors and formalized a CFE Steering Committee to enlist the perspectives of a broad range of subject matter experts. These individual members represent the cross-sector partners needed for the success of the CFE and are comprised of the following organizations:

- Citi Community Development
- City of Los Angeles
- Federal Deposit Insurance Corporation
- JP Morgan Chase
- Koreatown Youth and Community Center
- Los Angeles County Chief Executive Office
- Los Angeles Local Initiative Support Corporation (LISC)

- REDF
- SCE Federal Credit Union
- Self-Help Federal Credit Union
- Southern California Grantmakers
- United Way of California
- United Way of Greater Los Angeles

The Steering Committee meets quarterly to provide guidance in the design and implementation of the CFE’s programs and services, while leveraging their networks to connect the CFE to opportunities, resources, and partners that can advance the CFE.

The CFE also established resource partners countywide who agree to partner with the CFE by providing financial empowerment services and being listed in the CFE’s Resource Guides. They include the following organizations.

Financial Empowerment Service Partners		
Coalition for Responsible Community Development	City of Los Angeles FamilySource Centers*	Department of Public Health
Department of Public Social Services	East LA Community Corp.	Habitat for Humanity of Greater Los Angeles
Koreatown Youth & Community Center	LIFT – LA	Mexican American Opportunity Fund
New Economics for Women	Pars Equality Center	Workforce Development, Aging and Community Services
Youth Policy Institute		

**includes 13 individual organizations within the network*

PROGRAMS AND ACTIVITIES

Goal 1: Demonstrate effective CFE programs and services

The CFE identified 4 service areas to impact low-moderate income residents of L.A. County. The four areas include: **1) Financial Capability, 2) Asset Development, 3) Tax Programs, and 4) Consumer Protections.** These areas help individuals make better informed financial decisions and provide opportunities for building wealth.



Financial Capability

The CFE works to help individuals and families build capacities through knowledge, skills, and access to resources with the following programs:

CFE Curriculum Standard + Train the Trainer

The CFE has created a number of topical consumer presentations and curricula for various financial education needs over the course of the pilot period. Additionally, the CFE developed a new train-the-trainer standardized financial education curriculum for financial coaches, housing counselors, case managers and other front-line staff who work directly with low-moderate income families. The training was created due to the need to integrate information on local social services and more comprehensive information on consumer protection issues. Leveraging the Consumer Financial Protection Bureau's *Your Money, Your Goals* toolkit, the CFE designed additional modules focused on consumer rights and local social services to create a curriculum that is unique to L.A. County. In addition to the training binder, participants receive a copy of the CFE resource guide to reinforce the principles taught and connect attendees to local nonprofit agencies and County services that can benefit their clients.

After creating the new training curriculum, the CFE began to provide two-day train-the-trainer workshops, utilizing the newly standardized curriculum to build the capacity of local financial capability practitioners. The first session launched on June 28, 2018, training 25 nonprofit case managers and financial coaches and again on September 27-28, 2018.

The curriculum is administered as a two-day training and includes the following topics.

Personal Finance (*day 1*)

- Make sense of your cents
 - How to have the “money conversation”
 - Managing income and expenses
 - Understanding social service benefits
- Understanding how to use credit and learning how not to abuse it
 - Saving
 - Identifying safe and affordable financial products
 - Understanding credit

Consumer Rights (*day 2*) additional module designed by the CFE

- Making informed financial decisions
 - Dealing with debt
 - Avoiding common consumer scams

- Identity theft prevention and resolution
- Practicing to be a savvy consumer
 - Review of common consumer transactions: renting an apartment and buying a car

CFE also partnered with other County Departments to provide a condensed version of the training to departmental staff.

- **Department of Public Social Services (DPSS)** - the CFE hosted and conducted 6 train-the-trainer sessions from May 23-June 6, 2018 and trained 115 DPSS staff.
- **Children and Family Services** - the CFE trained 13 of their social workers.
- **Human Resources** – the CFE trained 4 of their talent solutions staff.

In conjunction with the adult curriculum, the CFE also developed youth financial capability curricula ² that takes many of the same topics, but adjusts them for the needs of young people. The CFE staff utilized portions of the adult and youth content to provide direct service trainings to County residents and department clients. From August 2016, to June 2018, the **CFE conducted over 200 presentations that reached over 5,000 individuals**. These presentations educated high school students, foster youth, seniors, formerly incarcerated, low-income families, disabled adults, and County employees and were tailored to meet each population’s needs by leveraging pieces of content from the CFE financial education curriculum.

Example CFE Financial Capability Presentations Illustrates a sampling of CFE direct service presentations to various vulnerable populations	Number Trained
DPSS Job Club presentations to CalWORKs recipients on banking, tenant rights, and credit	1,031
Youth Presentations foster youth, high school students, career development interns, My Brother’s Keeper youth, and college students on basic money management, savings, credit, and ID theft	2,107
WDACS Hire LAX Program trained construction pre-apprentices on money management and credit	60
Department of Mental Health (2018 CalWORKs Symposium) promoted self-sufficiency to CalWORKs recipients	30

² Refer to the Addendum – Item 1 for a detailed outline of the youth curriculums

“With support from the Los Angeles County Center for Financial Empowerment, the MAOF has been in discussion with other key financial capability partners in Los Angeles to professionalize the field of financial coaching. Over the last year and through our collective work, it has been identified that the financial coaches are integral to the daily operations and success of any financial capability program. By standardizing training for all new financial coaches that is tailored to meet the needs of Los Angeles residents, nonprofit organizations will enhance the effectiveness of their programs. This means that new financial Coaches will receive the same “initial” training before receiving secondary training at their respective organizations.”



ISAIAS HERNANDEZ
Community Development Director
Mexican American Opportunity Foundation

CFE Sponsored NeighborWorks Certification

As part of the NeighborWorks America Financial Capability certification, the CFE staff and select service partners³ are undergoing their training to receive a professional certificate in financial capability. This will further professionalize the teaching of financial education, while developing the industry knowledge for the region to allow for a deeper understanding of the components needed for a successful financial capability program. The suite of trainings will conclude in November 2018.

Youth Focused Programming

Educating youth gives the CFE the opportunity to teach them how to be consumer-savvy and develop good financial habits, which supports the County’s goal of improving young people’s transition into adulthood. The CFE youth programs are as follows:

Cash for Grads – In partnership with DPSS, CFE provided financial education workshops to their graduating high school seniors whose parents are in CalWORKs. CFE worked with DPSS youth to encourage successful completion of high school by training the youth on becoming consumer savvy adults. With the focus on money management, savings, credit, and renting an apartment, **888 young**

³ DCBA – including foreclosure prevention and small business, Koreatown Youth and Community Center , Mexican American Opportunity Foundation), El Centro de Ayuda) West Angeles CDC), East Los Angeles Community Corporation), and City of LA FamilySource

people completed the workshop, and the program demonstrated the potential for effective internal County partnerships with the CFE. Testimonials from a youth and parent involved in Cash for Grads:

“The \$500 was very useful to purchase books and supplies that I needed. I was also able to use the money management class with Consumer Business Affairs to obtain a refund on a purchase I made.”

Daniel – Student

“It was a positive experience for my son, even going to the library to take the Money Management class and learn how to manage his money. I thought it was a good idea because kids nowadays like to spend money once they get it without a care in the world. It is a helpful thing and a good experience for someone to teach him how to manage his money. “

Amelia – Parent

LifeSmarts – LifeSmarts is a statewide competition that serves as the CFE’s financial empowerment tool for all middle and high school age youth. The free program provides a comprehensive curriculum that empowers students with the skills, knowledge, and experience to become savvy and responsible consumers. A teacher or youth mentor registers their team of students on the lifesmarts.org website and players compete in monthly tests covering various subjects. In order to qualify for the state championship, students must demonstrate competency in all of the following subject fields: Personal Finance, Health & Safety, Technology, Consumer Rights, and Environmental Impact.

In the 2017-2018 school year, the CFE was proud to host the first ever in-person competition to determine California’s LifeSmarts Champion. Teams from Lincoln High School and College Bridge Academy Watts demonstrated their knowledge in an exciting academic-decathlon-style event. Participants walked away with prizes and medals, but Watts ultimately earned the title of California State Champion. While both schools serve communities facing adverse socio-economic conditions, the win for College Bridge Academy Watts was especially poignant as it is a second-chance charter high school serving at-risk students that have been removed from other schools, are behind on credits, have a mental health diagnosis, have struggled in a traditional classroom setting, are foster youth, and/or are in probation system. The victory was well deserved, and the students were awarded recognitions from the Office of Supervisor Mark Ridley-Thomas.

2016 – 1 Team completed all required coursework and competed in the online state competition

2017 – 3 Teams completed all required coursework and competed in the online state competition

2018 – 4 Teams completed all required coursework. **2 Teams** competed in the in-person state competition

In total, 132 students participated in teams to compete and increase their financial capabilities.

“The LifeSmarts program challenged the students to learn various useful subjects that allowed them to expand their knowledge and gain leadership skills. All of the students were very grateful to have been able to travel to San Diego, and compete in the National competition where they were able to gain new friends from different states. The competition was very well structured and kept the students engaged the entire time. I am confident that due to the knowledge received through this program, the students will be able to make wise health and finance decisions in their adult lives.”

Wendy Estrada

AVP, Branch Manager De Novo

Team Coach (Union Bank)

Abraham Lincoln High School

Mad City Money - The CFE partnered with Department of Children and Family Services and SCE Federal

Credit Union to bring the Mad City Money event to L.A. County foster youth. Mad City Money teaches youth about money management through “real world” simulation in which youth take on the role of an adult. They are given a persona that includes their occupation, salary, and family size, and must learn to navigate life challenges such as choosing housing, transportation, dealing with surprise expenses, paying off debt, and learning how to live within their means.



Photo 1: Mad City Money DCFS youth participants

Foster youth are a vulnerable population when it comes to a lack of financial education. Hosting an event like Mad City Money provides these youth a glimpse of what it takes to deal with life’s financial responsibilities and learn to develop healthy money habits during foster care and into adulthood. The Mad City Money event was held at Rio Hondo College on June 21, 2018 with 31 participants between the ages of 14-20.

Shared Impact Metrics

During the pilot period, the CFE began leading and convening the **Financial Capability Partner Network**⁴, a group of experienced financial coaching practitioners. The network was developed to build the capacity of member providers, professionalize and standardize services, and work collectively

⁴ Koreatown Youth and Community Center, Mexican American Opportunity Foundation, East Los Angeles Community Corporation, LIFT-LA, New Economics for Women & FamilySource Centers

to demonstrate collective impact throughout Los Angeles County. As the advanced practitioner network in the region, the CFE has begun to coordinate a shared metrics identification and collection process to aggregate impact for the region.

The Network agreed upon four key metrics:

1. **Increased Income**
2. **Reduced Debt**
3. **Increased Savings**
4. **Improved Credit**

Based on these identified and agreed upon metrics, the CFE created a reporting template and will schedule periodic data collection, starting July 2018, from the Network partners to show collective impact of services in L.A. County. The CFE will continue to work with the existing members, recruit qualified new members, and support the Network's needs in collectively demonstrating impact while advancing financial capability services to more L.A. County low-moderate income residents.



Asset Building

Asset building refers to strategies that move individuals and families towards economic well-being through increased resources and financial assets, such as savings, homeownership, business ownership and education. For the CFE, asset building is an important focus because it is the application of financial education to achieve greater economic security. As explained by the Asset Funders Network, asset building makes prosperity achievable and helps families move beyond living paycheck-to-paycheck to increase their agency, build wealth and strengthen communities⁵. Layering financial education, appropriate financial products, with asset building programs can help individuals and families move towards the goal of economic security.

BankOn

The initial approach for the CFE focused on access and utilization of safe and affordable financial products. In 2017, the CFE began planning and coordinating a countywide BankOn program as part of the national initiative dedicated to helping improve the financial stability of unbanked and underbanked consumers with safe and affordable mainstream bank and credit union accounts and avoiding expensive alternative financial services.

BankOn L.A. County works to improve the financial stability of unbanked and underbanked residents by:

⁵ Asset Funders Network. "What is Asset Building?" <https://assetfunders.org/the-issue/what-is-asset-building/>

- Encouraging financial institutions to meet the National Account Standards (NAS)
- Working with County departments and nonprofit agencies to integrate BankOn into existing social services and asset building programs
- Hosting community events with partner agencies and increasing awareness through joint marketing and outreach.




In January 2018, the CFE conducted a BankOn Los Angeles County soft launch to ensure County residents had access to accounts during the tax season. During the summer of 2018, the CFE hosted two community events in partnership with our financial institutions, County departments and non-profit organizations to officially launch the program and market the BankOn opportunity⁶.

To date, the CFE team enlisted **9 financial services partners**, ensuring a mix of credit

unions, private banks and over a dozen community-based coalition partners that agree to share BankOn information and connect clients to partners. To manage for quality of financial products, the CFE encourages all financial services partners to work towards having their accounts certified by the Cities for Financial Empowerment Fund. The following page represents the confirmed partners and the account benefits currently being offered.

As a result of the CFE’s outreach and continued engagement, the CFE also supported and guided SCE Federal Credit Union and Self-Help Credit Union in officially creating BankOn qualified accounts.

BankOn Highlight





THE ROSIO Saavedra family came to El Centro de Ayuda (BankOn nonprofit coalition partner) seeking family financial assistance and academic support. They were able to access BankOn L.A. County services and financial coaching that allowed for Rosio Saavedra to tangibly improve her household financial stability.

Prior to linking up with El Centro de Ayuda, Rosio experienced predatory lending on a car payment plan. Her financial coach connected her to a BankOn partner, SCE Federal Credit Union where she accessed safe and affordable banking services and was able to refinance her payments at a lower APR resulting in direct savings.

⁶ The events were held in Van Nuys and East Los Angeles.

You've earned your money. Don't lose it through costly fees.
See the list below of checking accounts available to you to take advantage of benefits of free bank alerts, direct deposit, and more!

YOUR MONEY IS WORTH PROTECTING. BANK ON IT.

BANKS AND CREDIT UNIONS	CHECKING ACCOUNT NAME	MINIMUM OPENING DEPOSIT	MONTHLY MAINTENANCE FEE	OVERDRAFT FEE	NON-SUFFICIENT FUNDS FEE	INACTIVITY FEES	ATM FEE (IN-NETWORK)	ATM FEE (OUT-OF-NETWORK)	CHECK CASHING FEE	ONLINE BILL PAY	ACCEPTS ALTERNATIVE FORMS OF ID
*CITIBANK	Access Account	\$0	\$10 or less	None	None	None	No Fee	\$2.50	No Fee	No Fee	Yes
*BANK OF AMERICA	SafeBalance Banking	\$25	\$4.95	None	None	None	No fee and unrestricted	\$2.50 In US/ \$5.00 In foreign country	No Fee	No Fee	Yes
BENEFICIAL STATE BANK	Positive Change e-Checking	\$50	No Monthly Fee	One time free per year	One time free per year	None	No Fee	\$2.50	No Fee	No Fee Online Bill pay	Yes
*CHASE BANK	Liquid Card	\$25	\$4.95	None	None	None	No Fee	\$2.50	No Fee	No Fee Online Bill pay	Yes
*SCE FEDERAL CREDIT UNION	Checkless Checking	\$0 (\$15 for membership)	No Monthly Fee	None	None	None	No fee and unrestricted	\$0	No Fee for Members	No Fee	Yes
*SELF-HELP FCU	Access Checking	\$0 (\$5 for membership)	\$3 or less	None	None	None	No Fee	\$0	\$5	Not Available	Yes
UNION BANK	Access Account	\$25	\$6 or less	None	None	None	No Fee (except \$1 for mini Statement)	\$2.50 In US/ \$5.00 In foreign country	No Fee	Not Available	Yes
*U.S. BANK	Safe Debit Account	\$25	\$4.95	None	None	None	No Fee	\$2.50	No Fee	No Fee Online Bill Pay	Yes
FIRST FOUNDATION	Supportive Checking Account	\$25	\$0	None	None	\$0	No Fee	\$0, all ATM transactions are reimbursed	No Fee	No Fee	Yes

*This bank or credit union has a national certification for their checking account from the Cities for Financial Empowerment Fund indicating accounts are safe and affordable. Fines and fees are subject to change.

Need help understanding the benefits of banking or want to discover more ways you can give your money a purpose? Visit dcba.lacounty.gov for Los Angeles County's Center for Financial Empowerment's Resource Guide 2017. Community organizations listed in the resource guide can give you additional information on the benefits of banking.

7/11/2018

Securing BankOn Financial Institution Partners

The CFE learned that relationships matter. It is critical to identify the appropriate contact within the bank or credit union, consistently engage them, and work to get buy-in and approval through the bank/credit union's appropriate channels to be successful in securing financial institution partners. While this may take weeks to months, once approved, the CFE must then work with the financial institution to receive the account features translated into the 9 threshold languages (English, Spanish, Tagalog, Cambodian, Farsi, Armenian, Korean, Chinese and Russian), and ensure its accuracy.

In addition to extensive relationship building, starting a Countywide BankOn program required researching previous models and addressing pitfalls that impacted those models. This includes challenges faced by smaller financial institutions in meeting the account standards, and the limitation of credit unions that may not serve all based on their member population focus. Despite these

challenges, the CFE successfully worked with Beneficial State Bank, Self-Help Federal Credit Union, SCE Federal Credit Union, and First Foundation to help them become certified partners and ensure that our BankOn portfolio included offerings from credit unions and smaller financial institutions.

Spotlight: BankOn Collaborative Partnerships to Increase Outreach

The Los Angeles County America's Job Centers of California (AJCC) system is currently partnering with the CFE to distribute BankOn program brochures and materials to workforce development clients during one-on-one sessions or during group orientations. Some AJCCs have added the BankOn materials to their financial literacy tool kits, while others have become familiar with the CFE page on the Department of Consumer of Business Affairs website to provide clients with information on how to open a low-cost bank account and additional tips on how to manage personal finances. The AJCC system is uniquely positioned to extend the promise of financial stability to prospective job seekers by connecting them to accurate informational resources and successful strategies for improved financial capability. Collaborative efforts like this with the AJCC system can leverage the power of partnership to facilitate access to financial capability services to consumers within the broader community.

With potential for further collaboration, many AJCCs have expressed interest in obtaining additional BankOn trainings and hosting banking workshops to further integrate the program. While employment is critical to attaining a stronger economic future for Los Angeles County's job seekers, the development of financial capability strategies related to personal savings, asset building, managing credit, and individual budgeting are critical for sustaining financial security. Financial security in turn helps individuals sustain their employment outcomes.



Tax Programs

Paying taxes is a fundamental part of the American experience. Unfortunately for many low-moderate income individuals and families, they are not fully leveraging tax-time as an opportunity to invest in their own future.

Volunteer Income Tax Assistance (VITA) and Earned Income Tax Credit (EITC)

With an emphasis on assisting individuals and families who qualify for the Earned Income Tax Credit (EITC), the CFE prioritized its efforts in creating greater awareness and access to free tax preparation sites with the goal of greater refunds awarded to L.A. County residents.

Volunteer Income Tax Assistance (VITA)

A program of the IRS, VITA provides free tax preparation services to taxpayers who earn \$54,000 or less annually. VITA is an important catalyst for promoting the California and Federal Earned Income Tax Credits.

Earned Income Tax Credit (EITC)

Considered the nation’s largest antipoverty program, EITC is a refundable tax credit for eligible working people who have very-low-to-moderate incomes. The tax credit puts money back into the hands of families struggling to make ends meet.

In an effort to increase the availability of VITA services, the CFE recruited and trained **24** team members to become volunteer tax preparers for the 2016 tax year, and **14** volunteers for the 2017 tax year who all completed training and passed certification. Volunteer recruitment is one of the biggest challenges in increasing VITA services to communities; there is a lack of certified volunteers willing to become tax preparers.

Key outcomes of the CFE’s direct VITA and EITC programming for the two-year pilot:

Outcome Indicators	2016 Tax Year	2017 Tax Year
Number of accepted e-file and paper returns	99	99
Total state and federal refunds awarded	\$199,387	\$167,967
Total state and federal EITC dollars claimed	\$63,418	\$73,173
Average federal refund amount	\$2,009	\$1,627
<i>Average state refund amount</i>	\$228	\$200
Average federal EITC refund	\$2,103	\$1,892
Average adjusted gross income	\$24,012	\$21,886

“There are almost 3 million residents in Los Angeles County that may qualify for federal EITC, yet only about one million claim the credit. When you combine the Federal EITC and State EITC that are unclaimed, it ends up being billions of dollars that can help a struggling family pay the rent, buy basic necessities, get caught up and find a little breathing room. I am excited at the prospect of the Center of Financial Empowerment leading and coordinating the VITA service and EITC outreach in the County, as the CFE can provide much needed leadership to bring together stakeholders, improve delivery of service, and enhance outreach efforts.”



Rick Kim
Economic Development Director
Koreatown Youth and Community Center

CFE VITA Program Clients

Overall the taxpayers served by the CFE VITA program lauded the prompt service, professionalism, and kindness of the volunteers:

"Awesome. They were very helpful and knowledgeable. I am very thankful the County provided this service." -Adam Syed

"It was a very quick process. There was almost no line and when I was helped I was explained what was going on with my taxes."-Joshua Bonilla

"I was very pleased by the staff. They are very welcoming and reassuring that everything is going well and in order."-Andrea Cortez

"Coordinated and pleasant informative-quick representatives"-Armando M. Avila

"Excelente, todo ordenado, personal muy amable, rapido"- Anonymous

"Excellent, everything organized, staff very friendly, fast"-Nuria Ruiz

Key VITA/EITC Program Highlights

- The CFE partnered with the Department of Public Social Services to provide VITA services in Lancaster, a high need, low-resourced area.
- Partnership developed with the County Library, which provided IT technical support at all Tax Days hosted at library sites.
- Partnered with the Federal Deposit Insurance Corporation’s (FDIC) Alliance for Economic Inclusion (AEI) to pilot credit building workshops to 21 individuals at a VITA site to integrate financial education learning.



Free Tax Prep Los Angeles (FTPLA)

In 2016 and in partnership with the City of Los Angeles, United Way of Greater LA, Citi Community Development, and Koreatown Youth and Community Center, the CFE (DCBA) formed a cross-sector collaborative dedicated to multilingual EITC and VITA outreach. This initiative allowed partner agencies to leverage resources, align efforts, and work collaboratively to amplify VITA as an effective alternative to paid tax preparation services and raise public awareness about the EITC.



As a marketing and outreach campaign, paid media (internet, radio, television, and print), social media, press events, and the initiative’s main website were the outreach strategies implemented by the collaborative. *(Note: marketing outcomes will be shared in the outreach + information section of the report.)* The campaign allowed participating agencies to leverage resources and expand their reach beyond the capabilities of any one organization to achieve the following programmatic outcomes.

FTPLA Outcome Indicators	2016 Tax Year	2017 Tax Year
Number of participation VITA sites	23	23
Total number of income tax returns completed	11,721	14,317
Total refund dollars awarded	\$14,998,970	\$18,651,772
Total State and Federal EITC refund dollars	\$6,546,794	\$8,071,669

In total for Los Angeles County, the region achieved comprehensive VITA and EITC outcomes outlined below.

L.A. County Total Outcome Indicators	2016 Tax Year	2017 Tax Year
Total returns	52,053	55,775
Total additional Child Tax Credit	\$5,364,519	\$5,653,752
Total Federal EITC dollars	\$18,381,658	\$19,496,186
Average Federal EITC refund dollars	\$1,572	\$1,552
Average adjusted gross income	\$22,441	\$23,395
Total refund dollars awarded	\$53,283,459	\$56,658,579
Total balance owed	\$9,254,432	\$10,453,704
Average balance owed	\$1,042	\$1,048
Total ITIN returns	1,356	1,473

“The City of Los Angeles, Housing + Community Investment Department (HCIDLA), is pleased to support the endeavors’ of the Los Angeles County, Department of Consumer and Business Affairs. The alignment of our goals and values has helped meet the emerging needs of our most vulnerable communities by working in unison and providing financial education, reasonable economic assessment and providing gainful resources. The Department of Consumer and Business Affairs has been a true value in helping in the development and implementation of the Free Tax Prep Los Angeles (FTPLA) brand and collaborative partnership that extends County and City wide to help promote fee free tax preparation throughout the tax season.”



Abigail R. Marquez

Assistant General Manager, Community Services & Development Bureau

Los Angeles Housing + Community Investment Department

Research + Convening + Policy

Goal 2: *Take collective action to improve financial practices and systems that advance wealth equity*

The CFE determined 3 areas in which to build the financial empowerment field and directly impact systems that negatively impact the financial health of low-moderate income residents of L.A. County. The three areas include: **1)** Research, **2)** Convenings/Conferences, and **3)** Policy. These areas are geared to capture and leverage information from the field, promote research on best practices, and convene partners to tackle shared challenges, while drafting and supporting policies to change systems that are unjust and predatory.



Research

To ground the field and set the framing for potential policy priorities, data and research is necessary to inform practitioners and policymakers on the most effective strategies to deliver robust programs and services. The CFE has begun to research the issue of high-cost lending in the County and submitted a report to the Board of Supervisors on September 3, 2018 with recommended strategies to combat the ill effects of these loans. The CFE intends to co-produce quality research on high-cost loans and other issues to disseminate to the field to highlight issues and build provider capacity.



Convenings and Conferences

Bringing people together to share best practices, challenges, and innovative solutions is how the CFE will build a community around the work and foster connections among practitioners and key

stakeholders. Having the most populous County in the country, it is critical to convene stakeholders across sectors to formulate strategies on furthering the financial capability of our constituents.



Financial Capability Summit 2018

On April 4, 2018, the CFE hosted its first annual Financial Capability Summit at the California Endowment in downtown Los Angeles. Using the theme **Creating Pathways for the Financial Health of L.A. County Residents**, the one-day conference served as an opportunity to engage stakeholders in conversations and learnings around improving the financial wellbeing of the County’s low-moderate income residents. The event served as an unofficial public launch, allowing for the introduction of the CFE to broad audiences and situating the CFE as L.A. County’s regional convener for financial capability thought leaders and practitioners.

The summit drew 125 attendees from different sectors including, but not limited to nonprofits, local and state government, financial institutions, and philanthropic organizations. Supervisor Sheila Kuehl served as the lunchtime keynote speaker and the sessions provided attendees with the tools, resources, and information to better serve LMI constituents.

Summit Topics

- Strategies for increasing the impact of EITC;
- Understanding how health and gender disparities in the County relate to economic insecurity;
- Engaging youth to end the cycle of poverty;
- Exploring the intersectionality of financial empowerment and consumer protection;
- Highlighting the breakthroughs in financial empowerment service delivery; and
- Strategies to improve marketing of financial capability programs.



Photo 2: Supervisor Kuehl providing lunch keynote to attendees

The evaluations of the survey were positive with 94% of respondents rating the conference as either “outstanding” or “good”. As the first inaugural conference, the CFE plans to continue the momentum of in-person connections by hosting future convenings to connect stakeholders and equip them with

the tools and information to better assist County residents improve their pathways to financial stability.



Policy

For systematic change in wealth equity, policy change is an important factor to achieving this.

The CFE is positioned within L.A. County and has the unique advantage of leveraging the Board of Supervisors to advise and support policy change or creating new policies that can have countywide impacts on strengthening low-moderate income families opportunities to be financially well.

Curbing the Effects of High-Cost Loans in L.A. County

On December 12, 2017, Supervisor Hilda Solis and Chair Sheila Kuehl put forth a motion to curb the effects of high-cost loans in Los Angeles County. The rationale put forth in the motion is based on research demonstrating that low-income households are so overwhelmed by the constant worry about money that they tend to make choices that solve short-term crises at the expense of long term financial health. The California Department of Business Oversight (DBO) indicates that more than 60% of California payday loan storefronts are concentrated in areas with family poverty rates higher than that of the state average, and the city of Los Angeles is home to the highest number of high-cost lenders in the state of California.

While high-cost loans are a legal industry, they harm the most vulnerable in that, according to the Pew Charitable Trust, 7 in 10 borrowers use them for regular recurring expenses such as rent and utilities. Additionally, the CFE found that the median fee on a storefront payday loan is \$15 per \$100 borrowed, and the median loan term is 14 days, resulting in an annual percentage rate of 391 percent on a loan with a median amount of \$350.

The CFE is positioned to study the growing problem of high-cost loans and on September 3, 2018, presented a report to the Board with recommendations that include:

- Developing and scaling high-cost loan alternatives
- Creating a large-scale, multi-year and multilingual consumer awareness campaign
- Amending County zoning codes to control the impact of high-cost lenders
- Addressing predatory and abusive loan issues through policy changes

On October 16, 2018, the Los Angeles County Board of Supervisors adopted a motion titled “Implementation: Curbing the Impact of High-Cost Loan Products” directing the CFE to implement the above recommendations.

Outreach + Information

Goal: Connect low-moderate income L.A. County residents to CFE information, services, and consumer financial protections

One of the key values of the CFE is to leverage the marketing and outreach power of the County to create, align, and distribute information and resources to consumers throughout the County. Awareness and connection to information and resources is key to the success of building more financially empowered individuals and families.



Outreach and Marketing Campaigns

CFE Resource Guides

The CFE created two **Resource Guides** (2017 & 2018) that provide consumers with education about basic financial capability principles and connection to partner service organizations assisting low-moderate individuals and families throughout the County. With improvements of tips and hints in the 2018 resource guide, it is accessible online through the CFE's website and is disseminated to partner organizations, County departments, and public County facilities to reach as many consumers as possible. For 2017 & 2018, 1,500 resource guides were printed with 750 of the 1,500 in 2018 printed in Spanish.



General Marketing – Bus Shelter Ads



The CFE engaged in an awareness campaign to alert consumers about the financial education resources and services available to them throughout L.A. County. As such, the CFE secured bus shelter ads in unincorporated areas of the County to bring greater visibility to our programs.

Number of bus shelter posters	28 units
Run Dates	2/2/18-4/30/18
Locations	1 st , 2 nd , and 3 rd Districts



Free Tax Prep Los Angeles

As shared earlier, Free Tax Prep Los Angeles (FTPLA) is a joint marketing and outreach campaign that includes paid media (internet, radio, television, and print), social media, press events, and the initiative’s main website to raise awareness about the EITC.

FTPLA Press Events + Media

2017 (2016 Tax Year)

FTPLA Comprehensive 2017 Public Relations and Media Highlights⁷

METRIC	OUTCOME
Earned Media Impressions	1.8 million
Paid Media Impressions	11.8 million
Freetaxprepla.com Website Visitors	13,045

⁷ Total Comprehensive 2017 Highlights noted in Appendix – Item 2

2017 CFE Press Events

Cal EITC Awareness Week Press Event

January 31, 2017

The Board of Supervisors proclaimed January 29 – February 4, 2017 as CalEITC Awareness Week to bring more visibility to this tax credit. Supervisors Sheila Kuehl and Hilda L. Solis provided remarks at a press conference organized by the CFE, along with representatives from Citi Community Development and the CalEITC4Me coalition. The press conference helped the CFE secure media coverage in several publications and news outlets.



Picture 3: Supervisor Kuehl and Supervisor Solis speaking at the Cal EITC Awareness Week Press Event

FTPLA Press Conference

February 2, 2017

The CFE held a second press conference in partnership with the City of Los Angeles to announce the launch of Free Tax Prep LA campaign and companion [website](#). The site features a service locator to help residents find a VITA site in their community and includes a calculator tool to help tax payers estimate if they qualify for the EITC.

Claim Your Refund Day

February 4, 2017

To culminate CalEITC Awareness Week in Los Angeles County, FTPLA held a Countywide Claim Your Refund Day in which over 20 VITA sites were open across the County to help residents file their return with an IRS-certified volunteer.



2017 EITC & VITA Asset Building Symposium

February 21, 2017

FTPLA hosted a symposium for 149 practitioners and service providers to share best practices, network, and learn strategies to strengthen their VITA, EITC, and asset building programs.

2017 Tax Year

FTPLA Comprehensive 2018 Public Relations and Media Highlights⁸

METRIC	OUTCOME
Kick off Press Event Online Coverage	47 million online impressions
Kick off Press Event Broadcast Viewership	114,000
Culminating Press Event Coverage	63 million online impressions
Number of Articles Between Kick-Off / Culminating Press Events	16 (English, Spanish, Korean)
Tax Day Press Event Online Coverage	8.6 million online impressions

2018 CFE Press Events

Culminating Tax Season Press Event April 12, 2018

The weeks leading up to the end of the tax season present a great opportunity to leverage the media to outreach about tax issues. The CFE held a press conference one week before the 2018 tax season ended to remind last-minute tax filers about the EITC and to promote the Free Tax Prep LA Tax Day event that was to occur the following week.

63 million online impressions

14 stories across English, Spanish, and Korean print/online/broadcast outlets.



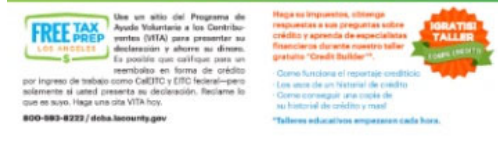
⁸ Total Comprehensive 2018 Highlights noted in Appendix – Item 3

**Free Coffee, Free Donuts, Free Tax Prep
April 17, 2018**

In an effort to capture last-minute tax filers, the Free Tax Prep LA collaborative coordinated a 12-hour income tax preparation event at Central City Neighborhood Partners on April 17, 2018, the tax filing deadline. Branded as *Free Coffee, Free Doughnuts, Free Taxes*, the event allowed the collaborative to provide VITA services to tax payers and served as a media event. The team filed returns for 264 tax payers and the event received coverage in 10 media outlets.

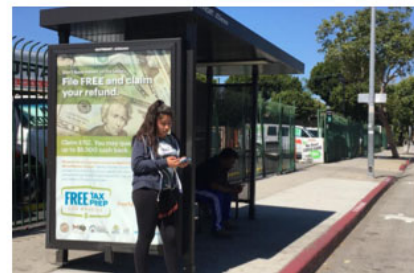


**8.6 million online readership
50K estimated coverage views**



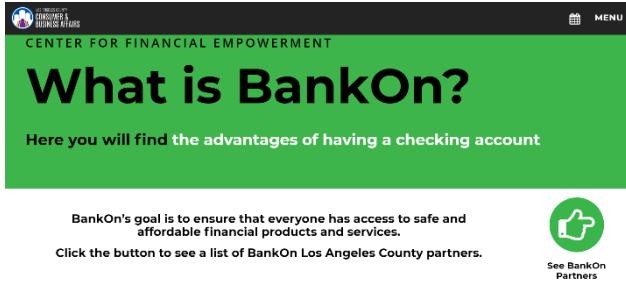
FTPLA Bus Shelter Ads

In addition to the above referenced events and activities, the CFE installed FTPLA bus shelter ads at bus stops in unincorporated areas throughout the County to bring increased visibility to DCBA and the FTPLA website.



BankOn Los Angeles County Marketing

CFE is leading the BankOn initiative for L.A. County, including the branding, marketing, and outreach. As part of the soft launch in the beginning of 2018, the CFE achieved the following connections to consumers about the BankOn program through avenues including the CFE website, bus shelter ads, and departmental partnerships.



Bank On Metrics

Webpage	Views	Publish Dates
BankOn page	516	2/2/18-5/28/18
Opening a checking account page	304	2/12/18-5/28/18
BankOn matrix page	100	2/13/18-5/28/18
BankOn partners page	96	2/12/18-5/28/18
BankOn form download	5	3/28/18-5/28/18

BankOn Bus Shelter Posters



Metric	Outcome
Number of bus shelter posters	35 units
Run Dates	1/2/18-4/1/18
Locations	1 st , 2 nd , and 3 rd Districts
Ad Impressions	Average 900,000 impressions



Online Marketing and Events

During the pilot period, the CFE launched a new section on DCBA’s redesigned website, created a new CFE specific Twitter account, and leveraged the departments’ existing Facebook and YouTube pages to bring additional visibility to CFE programs and information.

Below represents a snapshot of the top five most viewed pages as a result of the development of the new CFE website.⁹

Web Page URL (ranked by popularity)	Page views	Published
/volunteer-income-tax-assistance/	6,960	2/12/18 to 5/28/18
/financial-empowerment/	2,146	2/12/18 to 5/28/18
/financial-empowerment-resources/	576	2/12/18 to 5/28/18
/bankon/	516	2/12/18 to 5/28/18
/opening-a-checking-account/	304	2/12/18 to 5/28/18

In regard to social media, below represents the CFEs social media performance statistics

Twitter @LACountyCFE

- CFE Twitter went live 12/1/17
- 81,055 impressions since 12/1/17
- 229 tweets

Facebook

- 78 posts
- 4,951 impressions (since 11/17)

YouTube DCBA (since 1/12/18)

- 108 views
- 4 videos

⁹ CFE total comprehensive website metrics noted in Appendix – Item 4

PROGRESS AND OUTCOMES

Deliverables of the Board Motions

Based on the board motion passed on **March 2016**, the CFE has been able to complete all the directives laid out in the motion and set the foundation towards expansion and growth of CFE programs and services.

Directives	Deliverables
<p>1 Direct the Department of Consumer and Business Affairs (DCBA), in consultation with the Chief Executive Office, Dept. of Public Social Services, County Librarian, Office of Education, Dept. of Children and Family Services, Dept. of Community and Senior Services and the Community Development Commission, along with other relevant County departments, within 45 days, to complete an inventory and assessment of the county’s current financial empowerment offerings.</p>	<p>Completed and shared in the May 3, 2016 Board Report- <i>Report on Improving Financial Empowerment – Assessment of County Services (Item No. 3, Agenda of March 15, 2016)</i></p>
<p>2 Direct DCBA, in consultation with relevant County departments, other governmental agencies, local nonprofit organizations offering financial empowerment services, community credit unions, and other local subject matter experts, within 45 days, to seek input from experts and stakeholders to advise the County on strategies, tools, best practices, and performance metrics for the successful implementation of a coordinated internal and external approach to address financial empowerment and asset-building among Los Angeles county’s low-moderate income communities.</p>	<p>Completed and shared in the May 31, 2016 Board Report – <i>Report on the Proposed Establishment of a Countywide Center for Financial Empowerment (Item No. 3, Agenda of March 15, 2016)</i></p>
<p>3 Direct the DCBA Director to submit a report to the Board of Supervisors within 60 days that includes a proposal to develop a new Center for Financial Empowerment within DCBA to coordinate and expand asset-building, financial empowerment, and financial literacy initiatives throughout the County. The report back should include:</p>	<p>Completed and shared in the May 31, 2016 Board Report – <i>Report on the Proposed Establishment of a Countywide Center for Financial Empowerment (Item No. 3, Agenda of March 15, 2016)</i></p>
<p>3a An assessment of staffing, funding required, and resources available to establish the Center for Financial Empowerment as a two-year pilot beginning September 1, 2016.</p>	

<p>3b A detailed description of the Center for Financial Empowerment’s proposed service offerings.</p>	
<p>3c An inventory and assessment of the empowerment efforts that are currently being provided in Los Angeles County by external stakeholders.</p>	
<p>3d A strategic plan and recommendations on how to coordinate and align the County’s existing financial empowerment efforts with those of our external partners and stakeholders, including the City of Los Angeles’ BankOn Los Angeles program.</p>	<p><i>Completed and shared in the December 5, 2016 Board Report – Quarterly Report on the Status of the Center for Financial Empowerment (Item No. 19, Agenda of June 14, 2016)</i></p>
<p>3e Specific strategies that focus on marketing and outreach to ensure a culturally competent and linguistically appropriate approach to meet the financial empowerment needs of the County’s diverse population.</p>	<p><i>Completed and shared in the November 29, 2017 Board Report – Quarterly Report on the Status of the Center for Financial Empowerment (Item No. 19, Agenda of June 14, 2016)</i></p>

KEY LEARNINGS & RECOMMENDATIONS

Summary of Findings and Recommendations

While the overall launch and pilot of the Center for Financial Empowerment was successful in meeting the tenets of the board motion and mobilizing the financial capability community for increased learning, coordination and collaboration, there were key takeaways realized which will be helpful as the CFE continues to improve and grow its programs and services.

Programs and Activities

KEY LEARNING: Enhanced coordination and integration of financial capability services across County programs will maximize resources toward improving the financial wellbeing of County residents.

The CFE made inroads with partners in raising awareness and leveraging opportunities to better integrate and coordinate financial capability services for their clients through BankOn L.A. County, but more can still be achieved throughout the County with more robust working partnerships. For the CFE to more effectively support and advance County financial capability services it can leverage its position to streamline processes that facilitate integration and leveraging of resources across County departments. One such opportunity is evaluating how the County pays out many benefits, refunds, and other funds via paper checks. Within County governance there are several touchpoints where asset building programs such as BankOn could be integrated. A more robust and coordinated approach within the County that streamlines and leverages its own financial transactions stands to significantly advance financial capability and the utilization of safe banking products. **The CFE recommends leveraging its role to help develop a shared process for integration and coordination of financial capability programs and services.**

KEY LEARNING: The Center for Financial Empowerment would have greater impact serving as a convener and leader in expanding EITC instead of providing VITA as a direct service.

While the CFE demonstrated increased outcome performance in recruiting VITA volunteers and serving more individuals, volunteer recruitment, training, and certification continues to be one of the main challenges in growing VITA. To become a VITA certified volunteer, individuals must take approximately 40 hours of training and pass the certification exam. This is often a barrier in getting volunteers on board, which then limits the VITA services that can be provided. Additionally, to get the word out and increase awareness about VITA and EITC, more resources are needed to conduct a robust marketing and awareness campaign. The pilot surfaced challenges in a single entity trying to coordinate and collaborate with partners while also providing direct VITA services and found that some entities are

better positioned to support one effort over the other. The key learning is that with over \$500 million in federal EITC credits going unclaimed in L.A. County, and 25% of CalEITC qualified individuals residing in L.A. County, the CFE should focus on EITC outreach as the key impact to increase the amount of dollars returned to low-income individuals and families. More robust joint marketing campaigns are needed that include both external and internal County partners for greater clarity, outreach, and awareness of services and providers available to L.A. County consumers. Therefore, the key recommendation is for the CFE to serve as the lead convener for L.A. County to increase the amount of EITC dollars returned to County residents and connect residents to BankOn L.A. County products to safely manage and grow their savings. **The CFE proposes leading the coordination of Free Tax Prep LA, securing commitments from County departments who are already running VITA sites to ensure coordination in delivery of EITC service and tracking, while also leading the promotion of a coordinated marketing campaign for greater awareness of EITC across the L.A. County.**

Research + Convening + Policy

KEY LEARNING: Trainings and convenings are in high demand among financial capability practitioners to build capacity, leverage resources, and learn best practices.

As a result of hosting the first annual CFE Summit, there was much excitement and momentum focused on building financial capabilities within L.A. County. As there is no comprehensive entity to convene the sector, the CFE serves this role and is addressing a gap that is important to building a cohesive field. The CFE's financial capability working group also provided feedback through a CFE-led focus group. Working group members shared the need to professionalize the field with on-going training opportunities focused on personal finance topics, industry news and trends, coaching skills, social services, consumer protection, and case management. As such, the CFE recognizes the need to continue hosting the CFE Summit as a comprehensive gathering to share best practices, network, and address challenges impacting the sector as a whole. Additionally, there is a need to explore smaller working group gatherings to be able to share, learn, and grow from each other as peers in this work. **The CFE proposes hosting a 2nd Annual Financial Capability Summit in 2019 to share best practices, and to work in partnership with County departments, nonprofit partners, and others to build their capacities through financial capability train-the-trainer workshops and professionalization of financial coaching. Ideally, this would be an annual event.**

KEY LEARNING: In order to track and measure the financial wellbeing of County residents' over time, the CFE needs access to partner data and resources to conduct research.

Data is critical to helping service providers and policy makers better understand the challenges faced by low-moderate income County residents and identify areas for collaboration and innovation. The CFE

has organized the Financial Capability Network, a group of local non-profit service providers, to begin the work of streamlining outcomes and data collection for financial capability programs. A similar coordinated approach across relevant County departments would provide a more robust and insightful analysis into the financial wellbeing of County residents. The key learnings are that financial capability partners need access to more data and research which they can leverage to better implement effective and impactful programs and services. The CFE can leverage partnerships to produce research that will address this. The CFE also needs to have clear agreements with partner agencies and County departments to better understand how data is captured and shared so that the CFE can align comprehensive data captured and report on outcomes collectively for the County. **The CFE recommends leveraging its role to help lead efforts to integrate County financial capability data collection and reporting to collectively report financial capability impacts for the County.**

Outreach + Information

KEY LEARNING: There is a need for coordinated branding, marketing, and outreach for CFE partners providing financial capability services, and the CFE needs to better leverage technology and innovation to serve consumers at scale.

One of the strengths of the CFE is being able to leverage the County's communications team to assist with developing eye-catching branding and marketing that resonates with the community at-large. It was realized through feedback from nonprofit partners that many agencies lack resources and know-how to be able to aggressively market and build awareness campaigns and materials to help promote their financial capability programs and services. It was determined to be such a need that it was included as a key CFE Summit workshop topic: *Maximize Your Organization's Marketing Strategy*. Additionally, in order to scale in providing financial capability services, the CFE needs to explore innovative technologies to more effectively outreach and serve County consumers. The key learnings are that there continues to be a need to convey a clear and cohesive message to the community-at-large that eliminate confusion among consumers regarding the various service offerings, and that removes some of the burden from individual organizations marketing programs while building a joint marketing platform for all partners to leverage and benefit from. Additionally, the CFE must leverage technology to integrate into its services offerings as a solution in scaling its direct reach. **The CFE proposes increased efforts for a coordinated CFE outreach campaign and exploration of innovative technologies to better outreach and serve consumers at scale.**

Recommendations

Item	Suggestions
1 Establish the CFE as permanent program within DCBA	<ul style="list-style-type: none">▪ Assess and determine sustained budget for CFE, including internal staffing, coordinated marketing/branding, and program/data management.<ul style="list-style-type: none">– Financial capability pulls from many different disciplines and is an emerging field. The CFE team will need ongoing training to position them as thought leaders and to ensure that they continue to develop programs that are relevant and impactful. The funds could also be used to help the CFE facilitate train-the-trainer workshops– Develop a countywide cloud-based database for the collection of metrics relating to program outcomes– Establish an annual marketing budget. Virtually all of CFE programs require extensive marketing to reach the target audience– Direct DCBA to report back on a budget in consultation with the CEO▪ Ability to structure and serve as an intermediary funder that can administer grants/contracts to support financial capability partners and measure impact.
2 Increase staff positions to support growth of CFE programs and activities	<ul style="list-style-type: none">▪ In order to continue advancing and growing the key initiatives identified in this report, the CFE will need additional staffing and a structure that reflects the needs of the program. This will require establishing an organizational structure that is responsive to the policy, planning and program needs of the CFE’s mission. This includes expanding beyond the current three (3) positions and bifurcating staff roles between Policy and Planning activities and Outreach and Capacity Building activities.▪ Add managers/high-level analysts to lead the more complex policy, planning and coordination needs of the CFE.▪ Add additional support staff to expand programmatic and outreach capacity.
3 Create a CFE-led EITC countywide awareness campaign	<ul style="list-style-type: none">▪ Increase resources to support EITC programs to lead a comprehensive countywide CFE EITC campaign by developing and promoting coordinated marketing for greater outreach and awareness of EITC across the County.▪ Work with County departments which are already running VITA sites to ensure CFE partnership and coordination in delivery of EITC service and tracking.

	<ul style="list-style-type: none"> ▪ Connect EITC to BankOn L.A. County products to promote savings and wealth building for low-income residents. ▪ Establish a countywide strategy to create easier pathways to recruit County VITA volunteers (an example model to replicate is L.A. County’s poll worker program with a required 5% volunteer rate). ▪ Pilot EITC outreach initiative in 2019 with CalEITC and DPSS to connect DPSS families to access VITA/EITC through a text outreach campaign.
<p>4 Build provider capacity and share best practices through trainings, convenings and the professionalization of financial capability/coaching</p>	<ul style="list-style-type: none"> ▪ Develop a L.A. County CFE financial capability trainer and coach certification program that establishes a professionalized standard of excellence for the sector, and creates a pipeline of trainers and coaches to serve more low-moderate income families in L.A. County. ▪ Secure sponsorships to host a 2nd Annual Financial Capability Summit in 2019 to share best practices.
<p>5 Increase countywide departmental partnerships, integration, and data collection/reporting to the CFE</p>	<ul style="list-style-type: none"> ▪ Identify and partner with key departments and initiatives within L.A. County to integrate and leverage financial capability learning and services. ▪ Establish a countywide process for the integration of CFE programs, services, data collection, and shared reporting to ensure comprehensive capture of County impact. <ul style="list-style-type: none"> – Example: All County workforce development programs (i.e. TempLA, Youth@Work, County Bridges, Winter, etc.) adopt a standardized curriculum developed by the CFE that includes financial capability and consumer protection. – Example: DHR hiring placement programs (i.e. youth bridges and foster youth internship) integrate financial capability as part of the requirements for placement. – Example: Work with DCFS/DPSS and connect their benefit payments to utilize direct deposit with a BankOn account, including youth recipients.
<p>6 Coordinate branding and marketing of CFE programs and services while leveraging innovation to scale financial capability services</p>	<ul style="list-style-type: none"> ▪ Build innovation in the financial capability sector in Los Angeles by researching and leveraging a technology application that makes financial capability tools more accessible to all of L.A. County’s consumers at any time. ▪ Increase resources to coordinate and execute a comprehensive L.A. County CFE marketing and outreach campaign to better educate and inform consumers on programs and services.



APPENDIX

Item 1: Youth Financial Capability Curriculum Outlines

A) **Make Your Money Count** – youth financial capability curriculum used for the Cash for Grads program. Presentation is a total of 3 hours.

I. About DCBA

II. Money Management 101

- a. Needs vs. Wants
- b. S.M.A.R.T Goals
- c. Savings
- d. Banking
- e. Credit
- f. Credit Score

III. ID Theft

- a. Prevention
- b. Detection
- c. Resolving

IV. Renting an Apartment

- a. What can you afford
- b. Month-to-month tenancy vs. lease
- c. Security Deposits

V. Buying a Car

- a. Buying vs. leasing
- b. New car vs. old car
- c. Financing a vehicle
- d. Understanding misleading car ads
- e. Common mistakes consumers make when purchasing a vehicle
- f. Tips for buying from a private seller
- g. Warning about “buy here, pay here” lots

B) Empowerment Curriculum - Department of Children and Family Services – Career Development Intern Training Program. This is the CFE’s comprehensive youth curriculum and was utilized for foster youth who are employed by the County in the Career Development Internship program. Topics were pre-selected from the comprehensive curriculum and conducted as a one-day training.

	NAME OF TOPIC	TOPICS COVERED	Activities
DAY 1	PART 1 Make sense of your cents	PART 1 <ul style="list-style-type: none"> • Budgeting: paying bills and other expenses; and identifying spending leaks • Saving for emergencies, large purchases • Setting financial goals/S.M.A.R.T goals • Banking • Choosing a checking and savings accounts • Alternative financial institutions 	PART 1 Participants will write out a S.M.A.R.T. goal for 3 months, 6 months, and 1 year And, participants will review a sample budget to identify healthy and negative financial habits.
	PART 2 Understanding how to use credit and learning how not to abuse it	PART 2 <ul style="list-style-type: none"> • What is credit? • Why is credit important? • Types of credit • What is a credit report/score and where do I get it? • Best practices for maintaining good credit 	PART 2 Option 1: Participants can review a sample credit report and find mistakes or ways to improve credit Option 2: Participants can work with a member of AEI –Marketing and Outreach working group to obtain and review a copy of their own credit report at no cost on annualcreditreport.com
DAY 2	PART 1 Making informed financial decisions	PART 1 <ul style="list-style-type: none"> • Understanding your rights as a consumer • Tips on being a savvy consumer 	PART 1 Review an e-mail, advertisement or message and determine if it is a scam.

		<ul style="list-style-type: none"> • Common Consumer Scams (such as scams related to jobs, mobile phones, mystery shopping, etc.) • Identity theft 	
	<p>PART 2 Practicing to be a savvy consumer</p>	<p>PART 2</p> <ul style="list-style-type: none"> • Renting your first apartment • Buying your first car 	<p>PART 2 Participants will receive sample consumer profiles and they will have to determine “What would they do” when purchasing a car or renting an apartment.</p>

Youth curriculum outline for additional financial topics:

	NAME OF TOPIC	TOPICS COVERED	Activities
DAY 3	<p>Part 1 Understanding your earnings</p>	<p>Part 1</p> <ul style="list-style-type: none"> • Understanding your paycheck stub • What is the difference between net versus gross income • What is being deducted from your paycheck? • What are exemptions? • Income tax basics: what do the W2, W4 and 1040 have in common? 	<p>Part 1 Review a sample paycheck stub</p> <p>And,</p> <p>Review sample tax forms</p>

	NAME OF TOPIC	TOPICS COVERED	Activities
DAY 4	<p>Part 1 Planting your money tree</p>	<p>Part 1</p> <ul style="list-style-type: none"> • What does it mean to invest? • Investing basics • Saving for retirement: IRA, 401K and more • CD's and bonds • Stocks 	<p>Part 1 Utilize a free stock market simulation game to learn about purchasing and investing in stocks</p>
	<p>Part 2 You have it now keep it</p>	<p>Part 2</p> <ul style="list-style-type: none"> • Understand why it is important to protect your assets • Get insured: life insurance, renters insurance 	<p>Part 2 Review checklist of items needed to obtain insurance</p>

Item 2: Free Tax Prep Los Angeles Comprehensive 2017 Public Relations and Media Highlights

METRIC	OUTCOME
Earned Media Impressions	1.8 million
Paid Media Impressions	11.8 million
Freetaxprepla.com website sessions	13,045
Tax Day Media Event – April 18, 2017	30 pieces of coverage 917,685 impressions 17,872,855 total reach
Laundromat Advertising (Indoor)	1,531,800 impressions
Poster Panels (Outdoor)	3,759,643 impressions
Online Display Banner Ads	16,314,329 impressions
Bilingual Ads (El Clasificado)	504,401 circulation
Bus Bench Ads	60 bus benches displayed throughout City of LA
Bus Shelter Ads	92 posters in unincorporated L.A. County 50 posters focused in South LA

Item 3: Free Tax Prep Los Angeles Comprehensive 2018 Public Relations and Media Highlights

METRIC	OUTCOME
Kick off Press Event Online Coverage	47 million online impressions*
Kick off Press Event Broadcast Viewership	114,000
Culminating Press Event Coverage	63 million online impressions**
Number of Articles Between Kick-Off / Culminating Press Events	16 (English, Spanish, Korean)
Tax Day Press Event Online Coverage	8.6 million online impressions
Tax Day Press Event Broadcast Viewership	50,000
Laundromat Advertising (Indoor)	999,000 impressions
Poster Panels (Outdoor)	4,853,347 impressions
Online Display Banner Ads	554,583 impressions
Sponsored Facebook Ads (Individuals Reached)	5,972
Bus Bench Ads	22,658,776 impressions
Bus Shelter Ads	2,504,404 impressions

Item 4: Overview of CFE Webpage Views by URL and Ranked by Popularity

Web Page URL (ranked by popularity)	Page views	Published
/volunteer-income-tax-assistance/	6,960	2/12/18 to 5/28/18
/financial-empowerment/	2,146	2/12/18 to 5/28/18
/financial-empowerment-resources/	576	2/12/18 to 5/28/18
/bankon/	516	2/12/18 to 5/28/18
/opening-a-checking-account/	304	2/12/18 to 5/28/18
/financial-empowerment-tips/	267	2/12/18 to 5/28/18
/cfe-our-mission/	208	2/12/18 to 5/28/18
/additional-resources-2/	149	2/12/18 to 5/28/18
/tax-prep-checklist/	142	2/12/18 to 5/28/18
/lifesmarts/	114	2/12/18 to 5/28/18
Download CFE Guide PDF	106	2/12/18 to 5/28/18
Download BankOn Matrix	100	2/13/18 to 5/28/18
/bank-on-partners/	96	2/12/18 to 5/28/18
Download Budget Sheet 1	85	2/13/18 to 5/28/18
/tax-dispute-help/	78	2/12/18 to 5/28/18
Download Budget Sheet 2	55	2/14/18 to 5/28/18
Download ScholarShare PDF	13	3/4/18 to 5/28/18
Download CFE Guide 2.0	5	5/22/18 to 5/28/18
Download BankOn Form	5	3/29/18 to 5/28/18
---Total ---	11,925	