

Office of Financial Empowerment
A Program of the New York City Department of Consumer Affairs (DCA)

PROGRAM REVIEW SUMMARY

This overview of the New York City Department of Consumer Affairs' Office of Financial Empowerment (OFE) is based on a program review conducted by Westat/Metis staff for the evaluation of the Center for Economic Opportunity (CEO) initiatives. The data were collected between March and August 2008 through interviews with staff of the CEO and OFE, interviews with OFE partners, and a review of program documents and monthly data reports through August 2008.

- Sponsoring Agency:** New York City Department of Consumer Affairs
- Provider Agency:** Office of Financial Empowerment (OFE)
- Start Date:** December 2006
- CEO Budget:** Approximately \$2,500,000
- Target Population:** New Yorkers with low to moderate incomes, the working poor citywide
- Statement of Need:** Nearly 800,000 New York City (NYC) residents do not have bank accounts and rely on check-cashing enterprises concentrated in low-income and immigrant neighborhoods for most of their financial needs. In addition, the fees that many of these residents pay for tax-preparation services in order to receive the Earned Income Tax Credit (EITC) erode the benefit of the tax credit. Low-income families also often fall victim to predatory lenders and are subject to disproportionately higher mortgage and insurance rates.¹
- Goals and Services:** OFE's overarching goal is to educate, empower, and protect New Yorkers with low incomes, enabling them to build assets and make the most of their financial resources. OFE is a new and pioneering municipal office, the first of its kind in the United States. OFE's activities are carried out in four broad areas: (1) outreach and education to individuals and financial service providers, (2) direct service pilots and programs to reach low- to moderate-income New Yorkers, (3) research, and (4) policy development, advocacy, and leadership. Examples of activities include: establishing the Financial Education Network (FEN) to disseminate information regarding financial education, conducting the EITC campaign to increase individuals' awareness and use of the EITC, establishing a financial counseling center in the Bronx, piloting innovative financial services to encourage low-income residents to become "banked," conducting studies to learn about the financial conditions of low- to moderate-income New Yorkers, co-founding and co-leading a coalition of city governments to develop comparable measures and evaluation methods, and providing policy development and advocacy within the Department of Consumer Affairs.
- Eligibility Criteria:** There are no eligibility criteria for this program. Any NYC resident can access information and determine eligibility for related services.
- Targets/Outcomes:** OFE differs significantly from other CEO programs. Given its broader mission, strategies, and the nature of its activities, OFE has not operated with specific performance measures as other CEO programs have done. Rather, OFE's targets have been related to the implementation of its broad and ambitious agenda. These activities have involved developing

¹ Commission for Economic Opportunity (September 2006), *Increasing Opportunity and Reducing Poverty in New York City*. New York: Author.

partnerships with financial institutions, other government agencies, and community-based organizations; seeking additional funding from private funders to support its innovations and research studies; developing various pilot programs; conducting research on financial needs and financial practices of New Yorkers; evaluating its programs; providing leadership and advancing policy initiatives to empower low- to moderate-income New Yorkers; and implementing city-wide outreach and educational campaigns.

Selected Key Findings

Fidelity to the Program Model. OFE represents an innovative, strategic, multifaceted approach to educate, empower, and protect New Yorkers with low- to moderate-incomes. While contributing to some direct service programs and piloting new programs, OFE operates at a high level of inter-agency coordination, network building, policy development, and advocacy. Indeed, it seeks to provide leadership in these complex arenas. Therefore, OFE's initiatives cannot be easily categorized in the same way as other CEO programs that provide a distinct intervention to enrolled participants. Thus, the issue of program fidelity—that is, the implementation of a program maintaining adherence to a prescribed model design—does not neatly apply to OFE. Given this important distinction from other CEO programs, OFE should be looked at through the lens of systems change rather than the lens of program fidelity. Program review results are indicative of highly innovative and ground-breaking programs and research.

Characteristics of the Clients Served in Comparison to the Target Population. This office serves New Yorkers with low to moderate incomes and New Yorkers who are among the working poor. OFE targets its services to approximately 800,000 unbanked and an estimated 350,000 working poor NYC residents. There is little or no baseline citywide information on the unbanked, so an initial activity of OFE is to conduct surveys that will provide baseline estimates. OFE has already collected a significant amount of information through its pilot programs and surveys. Findings will be available in 2009.

Service Delivery. OFE has a leadership role through its productive partnerships with banks and financial education providers, working with publicity and advertising firms, presentations, hosting of events, convening of other municipalities, and legislative work in Albany. OFE co-leads the Cities for Financial Empowerment (CFE), a coalition of city governments that is developing comparable evaluation methods. Through its involvement with CFE, OFE is also exerting leadership at the national level. Partners who were interviewed by the evaluation team said that OFE is considered to be on the cutting edge of the financial empowerment field. In addition, the fact that OFE represents the first municipal office of its kind in the country has led other cities and funders to take note of OFE's work.

Provider Capacity. For a new municipal office with ambitious goals, OFE is demonstrating capacity to build relationships and networks while managing multiple programs and services—for example, the Financial Empowerment Center (FEN), \$aveNYC, and the CFE. OFE has supplemented its core budget (\$2.5 million in 2008) with foundation support. OFE was awarded \$150,000 over 2 years by Living Cities to expand the \$aveNYC pilot to a second year and provide incentives for year one participants to roll over their accounts. OFE was also awarded \$50,000 for 2 years from the F.B. Heron Foundation to support \$aveNYC, the Financial Empowerment Center in Melrose, and the Citywide Financial Services Study. The Insurance Industry Charitable Foundation (IICF) awarded \$126,000 to the Financial Empowerment Center in Melrose. Additionally, \$200,000 from American International Group, Inc. (AIG) will support financial education initiatives.

Agency Management. The management of OFE falls under the Department of Consumer Affairs (DCA). OFE's placement within DCA appears to be beneficial organizationally and operationally. Partners believe that there is strong synergy between DCA and OFE in terms of mission and strategy.

Early Outcomes. As part of its theory of change, OFE has identified the following short-term outcomes:

- Increase capacity of financial education system;
- Increase accessibility of low-cost financial education resources;

- Implement best practices gleaned from national learning about OFE programs;
- Raise national awareness of the importance of financial empowerment;
- Disseminate OFE findings for replication;
- Identify and advocate for needed policy and regulatory reforms;
- Increase investigations of predatory practices and scams within the financial services industry;
- Collaborate with banking institutions to develop innovative banking and savings products;
- Increase awareness of tax credits;
- Pilot safe, affordable tax preparation opportunities; and
- Target services to the working poor and low- to moderate-income New Yorkers city-wide.

At this point (approximately a year and a half into program operations), based on review of program materials and interviews with key stakeholders and program staff, OFE appears to be making good progress toward attaining all of these short-term outcomes.

Conclusions and Recommendations

Review of program materials and interviews with staff and key stakeholders suggest that OFE has been operating in accordance with its various strategies: developing relationships and establishing partnerships with financial institutions, developing innovative financial services, implementing and supporting financial empowerment campaigns, identifying and promoting protective legislation, and conducting groundbreaking research to guide its operations. In keeping with its educational agenda, OFE has developed a user-friendly website with information and publications about available financial services and financial education. In keeping with its agenda to test innovative strategies, pilot programs targeting low- to moderate-income residents are being implemented citywide.

OFE stakeholders and partner organizations concur that OFE is demonstrating remarkable progress for a new municipal office. Most consistently, however, observers point to OFE staff's ability to form partnerships with community organizations, financial institutions, education providers, and funders and to engage these stakeholders in a shared mission to educate, empower, and protect low- to moderate-income New Yorkers. These relationships among the public, private, and non-profit sectors set the foundation for accomplishing OFE's ambitious agenda of programmatic goals.

The current downturn in the economy and the crisis among banking institutions are likely to create strong challenges to OFE's pursuit of its goals. The economy will certainly affect the financial well-being of a large number of families. In addition, it might become difficult to get the cooperation of financial institutions, as many are likely to be struggling for survival and less inclined to provide services with small profit margins. However, these same conditions also present OFE with the opportunity to draw greater focus to its work as attention is given to the impact of the economic downturn on individuals. In balance, the current national economic upheaval highlights the importance of OFE, as it will be more critical for low- to moderate-income New Yorkers to better understand the importance of strengthening financial knowledge, protecting their assets, reducing debt and building savings, and achieving economic well-being for themselves, their families and their future. Against this backdrop, OFE will need to be flexible in setting goals and priorities in order to adapt to changing economic conditions and meet the increasing need for their services.

We provide the following specific recommendations, around the four distinct OFE goals:

Outreach and education. The EITC represents the largest cash antipoverty program in the nation. In NYC, nearly 820,000 residents filed for the EITC in 2006 and received total benefits of \$1.627 billion.² This is, of course, a centerpiece of OFE strategies. Since it is assumed that, as of last year, actual EITC filers represented about 75 to 80 percent³ of all of those who qualified for the EITC and given the high potential of this strategy for generating

² Assuming a 5 percent increase in total returns for each successive year as a result of OFE-led campaigns, the results would be \$1.708 billion in 2007, \$1.793 billion in 2008, and \$1.883 billion in 2009.

³ IRS estimates; personal communication, Darrel Weinberg, August 1, 2008.

benefits, continuing to use research to identify and target neighborhoods where the EITC is being underutilized and testing out various outreach and engagement methods should be a high priority for OFE.

The FEN has been a noteworthy accomplishment this year, and the FEN Directory is a valuable resource for individuals and organizations providing services to low- to moderate-income households. However, many households may be unable to use this resource directly or use other OFE publications because of language limitations (the directory and most of the financial publications offered on the OFE website are in English only) and/or the digital divide that is prevalent among low-income households. Given the high percentage of non-English-speaking households in NYC, we recommend the translation of the FEN Directory and other publications presently posted on the OFE website into Spanish and other languages.

Again, because of the current national economic crisis, it is more important than ever for OFE to continue providing outreach to other cities through the CFE collaboration, as there is much promise in the strategy of building capacity of other cities and building a strong network of cities that will be able to influence policy at the national level.

Policy development, advocacy, and leadership. In the current NYC financial environment, it will be important for OFE to maintain relationships with existing financial institutions as well as to develop relationships with new institutions. Also, OFE should continue to exert leadership within CFE and should continue working with DCA to develop and advocate legislation that protects consumers in the areas of financial services.

Research. OFE is already undertaking important studies to learn more about the practices and needs of low to moderate income households. To the extent possible, it will be important to disaggregate research findings by race/ethnicity, income level, neighborhood of residence, and level of acculturation. These are all critical factors that are likely to influence both, financial practices and financial needs. In our interviews, providers emphasized that household needs are different in different neighborhoods. Thus, it will be important to focus on findings that can be generalized city-wide as well as on findings that can provide more nuanced descriptions of differentiated needs within the city.

Direct service pilots programs. Based on what has been already learned from the pilots, it will be important for OFE to move toward bringing these pilots to scale. Already established partnerships with CBOs who are part of the FEN should facilitate the expansion of the pilot programs.

Overall. Finally, for next year, OFE should set performance targets for each of its initiatives and pilots, taking into consideration the recent downturn of the economy and making sure that the targets are realistic. These targets should be incorporated into OFE's logic models. This will then provide a more detailed framework for OFE's program implementation and for its ongoing evaluation.

Office of Financial Empowerment (OFE)
A Program of the New York City Department of Consumer Affairs (DCA)

PROGRAM REVIEW REPORT

1. Introduction

The Center for Economic Opportunity (CEO) has funded approximately 40 initiatives across some 20 sponsoring agencies aimed at reducing the number of working poor, young adults, and children living in poverty in New York City. CEO is committed to evaluating its programs and policies and is developing a specific evaluation plan for each of its initiatives. For example, several major new initiatives will implement random assignment evaluations or other rigorous designs. Some programs are slated to receive implementation and outcome evaluations, while others may be evaluated using readily available administrative data. This differentiated approach reflects the varied scale of the CEO interventions, data and evaluation opportunities, and finite program and evaluation resources. Westat and Metis Associates are evaluating many of these programs on behalf of CEO. The purposes of the evaluations are to collect and report data on the implementation, progress, and outcomes of the programs in the CEO initiative to inform policy and program decision-making within CEO and the agencies that sponsor the programs.

The first phase of the Westat/Metis evaluation is to conduct a systematic review of selected CEO programs. The program reviews involve Westat/Metis staff reviewing program documents, obtaining available implementation and outcome data, interviewing program administrators, and, where appropriate, directly observing program activities and interviewing staff and participants. The results are used to assess the program design and implementation, develop a logic model to represent the underlying theory of each program, determine the extent to which the program meets key CEO criteria, examine the measurement and information systems for the program, and provide options for next steps. This Program Review Report provides an overview and assessment of the Office of Financial Empowerment (OFE) on several dimensions, including its goals, fidelity to the program model, target population and clients served thus far, program services, and agency management. OFE is a pioneering CEO initiative housed within the New York City Department of Consumer Affairs (DCA).

Research shows that an estimated 800,000 NYC residents do not have bank accounts and rely on cash, check-cashers, high-cost tax preparation services, debt, predatory lenders, and informal and unprotected financial practices (referred to as unbanked in the remainder of the program review).¹ A recently-released study by the Metropolitan Policy Program of the Brookings Institution found that poor financial literacy puts low-income families especially at a tremendous disadvantage in the marketplace.² Lack of financial literacy and information limits their ability to build assets and achieve financial well-being. These individuals and their families are more vulnerable to high mortgage and insurance rates; many do not know that they qualify for free or low-cost services, tax credits, and

¹ Commission for Economic Opportunity (September 2006). *Increasing Opportunity and Reducing Poverty in New York City*. New York: Author.

² Fellowes, M. (2006). "From Poverty, Opportunity: Putting the Market to Work for Lower Income Families." Washington, DC: Brookings Institution.

benefits; and many do not take advantage of available free or low-fee bank accounts.³ Therefore, OFE's mission of increasing the financial knowledge and capacity of low- to moderate-income households represents a critical component of CEO's anti-poverty policy and programming.

Established by CEO in December 2006, OFE is the first municipal office in the country whose central mission is to educate, empower, and protect city residents with low to moderate incomes, enabling them to build assets and make the most of their financial resources. This mission complements the overarching mission of DCA, which serves NYC consumers and businesses by working to ensure a fair marketplace. OFE was the first CEO initiative launched, reflecting the city's interest in expeditiously getting this effort up and running.

As stated on its website, DCA "works to ensure that New York City's consumers and businesses benefit from a fair and vibrant marketplace" through a "focus on empowering and protecting consumers, while at the same time facilitating fair business practices." When instituted, OFE assumed responsibility for some DCA activities, particularly those that serve low- to moderate-income New Yorkers. These activities include managing the Earned Income Tax Credit (EITC) information campaign and working with Volunteer Income Tax Assistance (VITA) tax sites. Furthermore, OFE and DCA share responsibility for policy development and advocacy work on behalf of low- to moderate-income consumers. In addition to disseminating information to the public, implementing pilot initiatives, and researching the availability and use of financial services in the city, OFE features a research and evaluation staff that monitors and advances its efforts through surveys and studies.

Because DCA has the ability to actively pursue investigations and enforce consumer protection, it was logically, organizationally, and operationally sound to house OFE within DCA. OFE complements the roles and functions of DCA through the relationships it is forging among municipal agencies, community-based partners, and private sector entities such as banks. Combined with its ability to reach people at the grassroots level, OFE bridges policy and practice.

Information and data for this program review are based on interviews conducted by Westat/Metis staff between March and August 2008 and a review of documents and monthly reports from OFE through August 2008. Westat/Metis interviewed OFE staff, as well as representatives from stakeholder groups and partner organizations, including banks and foundations. The list of interviewed partners is presented in Appendix A of this report.

A key analytic tool in the program review is development of a logic model that serves as a visual representation of the underlying logic or theory of a program. The program logic model details the program's context, assumptions, and resources and their relationships to one another. By examining the program's internal logic and external context, the evaluation team and reader are able to determine if the program design is consistent with overall goals and capable of achieving its intended outcomes. Toward this end, this brief focuses on early outcomes and the challenges faced in achieving them. The following section in the report provides a fuller description of OFE's goals and activities.

³ See Holt, S. (2004), "The Earned Income Tax Credit at Age 30: What We Know," Washington, DC: Brookings Institution; and Barr, M.S. (2004), "Banking the Poor: Policies to Bring Low-Income Americans into the Financial Mainstream," Washington, DC: Brookings Institution.

2. Overview and Assessment of the Program

The Office of Financial Empowerment (OFE) is the first office of its kind to be created by any city in the country. OFE seeks to institutionalize key recommendations of the NYC Commission on Economic Opportunity that calls on the city to combat exploitive business practices that can have a disproportionate impact on the poor and to empower low- to moderate-income New Yorkers with the tools and education they need to make informed financial decisions.

When OFE was launched, DCA Commissioner Jonathan Mintz observed that "by empowering New Yorkers with low incomes to move up the economic ladder—whether through financial education, asset building, or targeted protections—this new city-wide office is poised to make a real difference and help make every dollar count."

Program Goals. OFE's overarching goal is to educate, empower, and protect New Yorkers with low to moderate incomes, enabling them to build assets and make the most of their financial resources. While OFE works primarily at the macro level launching large-scale city-wide campaigns and connecting people to a network of financial education and service providers, specific pilots have been designed to test innovations that OFE might choose to incorporate.

OFE's long-term success will be determined by the office's ability to increase individuals' financial capacity by identifying and launching coordinated campaigns to help New Yorkers get and save financial resources, such as encouraging the fullest use of the EITC, and working with financial institutions to create safe and appropriate banking products that effectively enhance savings. To improve financial education, OFE aims to centralize connections between those who seek to learn and those who seek to teach through public outreach and the creation of a city-wide clearinghouse, helping build capacity of new and existing providers, and generally promoting the value of financial education. To enhance watchdog protection, OFE seeks to deter deceptive practices among tax preparers, especially as it relates to refund anticipation loans and predatory lenders, aimed at New Yorkers with low incomes. Toward these ends, the office works to broker strategic partnerships with private industry, nonprofit, and government players to maximize capacity-building, education, and protection. Finally, the office identifies and nurtures the best practices, locally and beyond, that most benefit workers with low incomes, such as program evaluation models and credit-building methods.

OFE works toward these goals with activities in four broad areas: (1) outreach and education for individuals and financial service providers, (2) policy development, advocacy, and leadership, (3) research, and (4) direct service pilots and programs to reach low- to moderate-income New Yorkers. This program review concentrates its attention on the progress OFE has made in creating an infrastructure capable of better educating, empowering, and protecting low- to moderate-income New Yorkers through this four-pronged approach. It also describes the pilot programs and discusses lessons learned from these pilots. The remainder of this program review provides an assessment of how OFE is progressing towards achievement of these major goals.

(1) Goals for Outreach and Education

- To generate large-scale awareness campaigns (such as the EITC campaign) to educate the public regarding the tax benefits for which they are eligible and the ways they can reduce debt and save, manage, and protect their money.

- To increase accessibility of financial information, financial literacy, and direct assistance; make financial education and assistance as readily available to as many people as possible; and develop and support efforts to link New Yorkers to these services.
- To establish a network of high-quality providers of financial education classes and counseling, strengthen the capacity of financial education providers, maximize the quality of financial education and services they provide, and establish and maintain a community-based center staffed with counselors providing individual financial counseling.
- To increase public awareness of questionable businesses and practices, rights as consumers, and actions consumers can take for their own protection within the financial services industry.

(2) Goals for Policy Development, Advocacy, and Leadership

- To support and develop stronger regulations, policies, and laws protecting individuals at the local, state, and federal level from deceptive practices within the financial services industry.
- To collaborate on establishing policies, strategies, and arrangements enabling more people to join banks and credit unions and open savings accounts.
- To monitor tax preparation firms; used car dealers; rent-to-own businesses; and credit, debt collection, and lending businesses and practices.

(3) Goals for Research

- To better understand the financial circumstances, practices, and incentives of individuals with low to moderate incomes; and partner with experts in financial literacy, banking, and economics to develop best practices for improving the financial circumstances and practices of those with limited incomes.
- To leverage new research and data analysis to improve financial products, target resources, advocate for policy changes, and better implement direct service pilots.

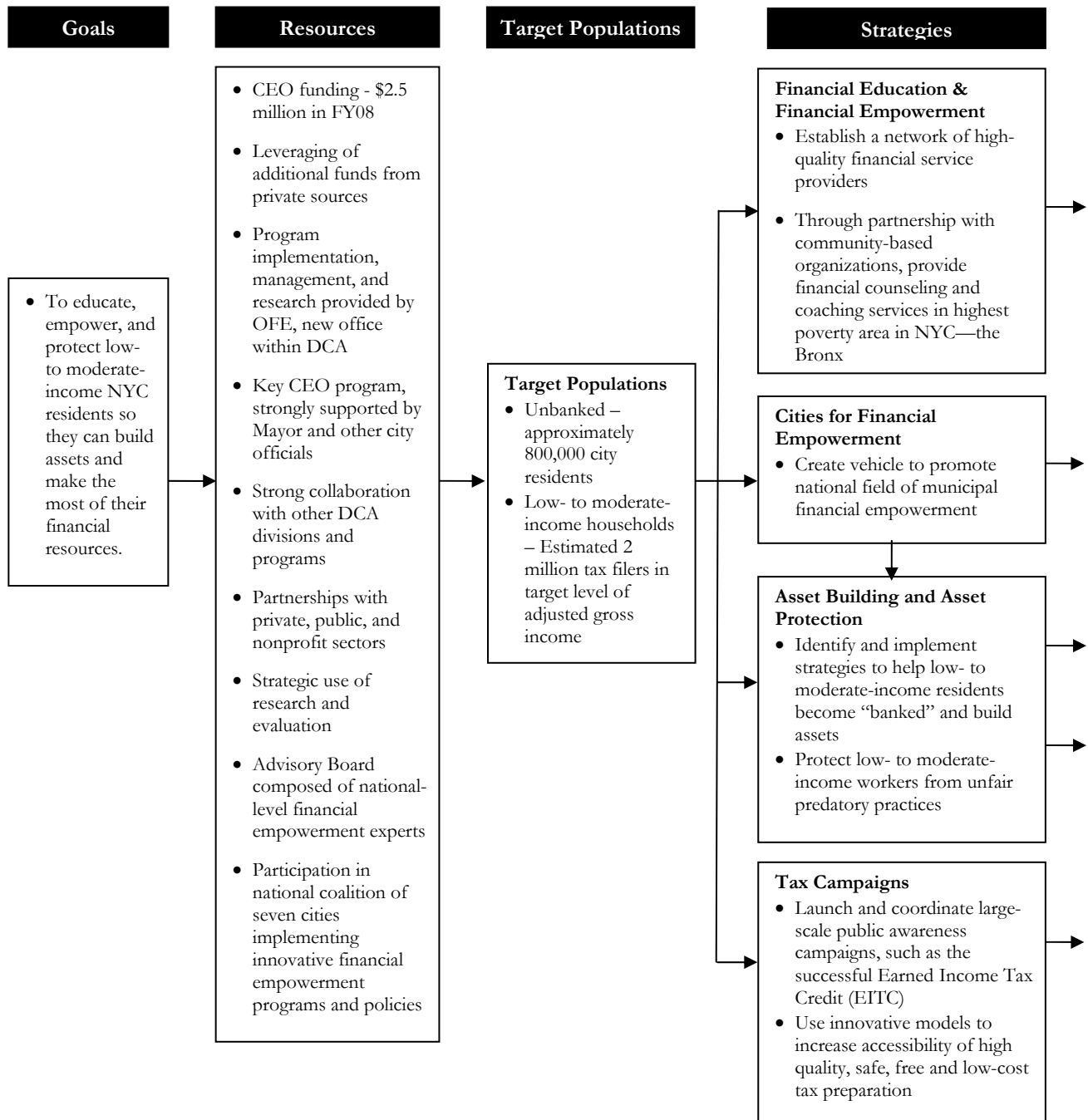
(4) Goals for Direct Service Pilot Programs

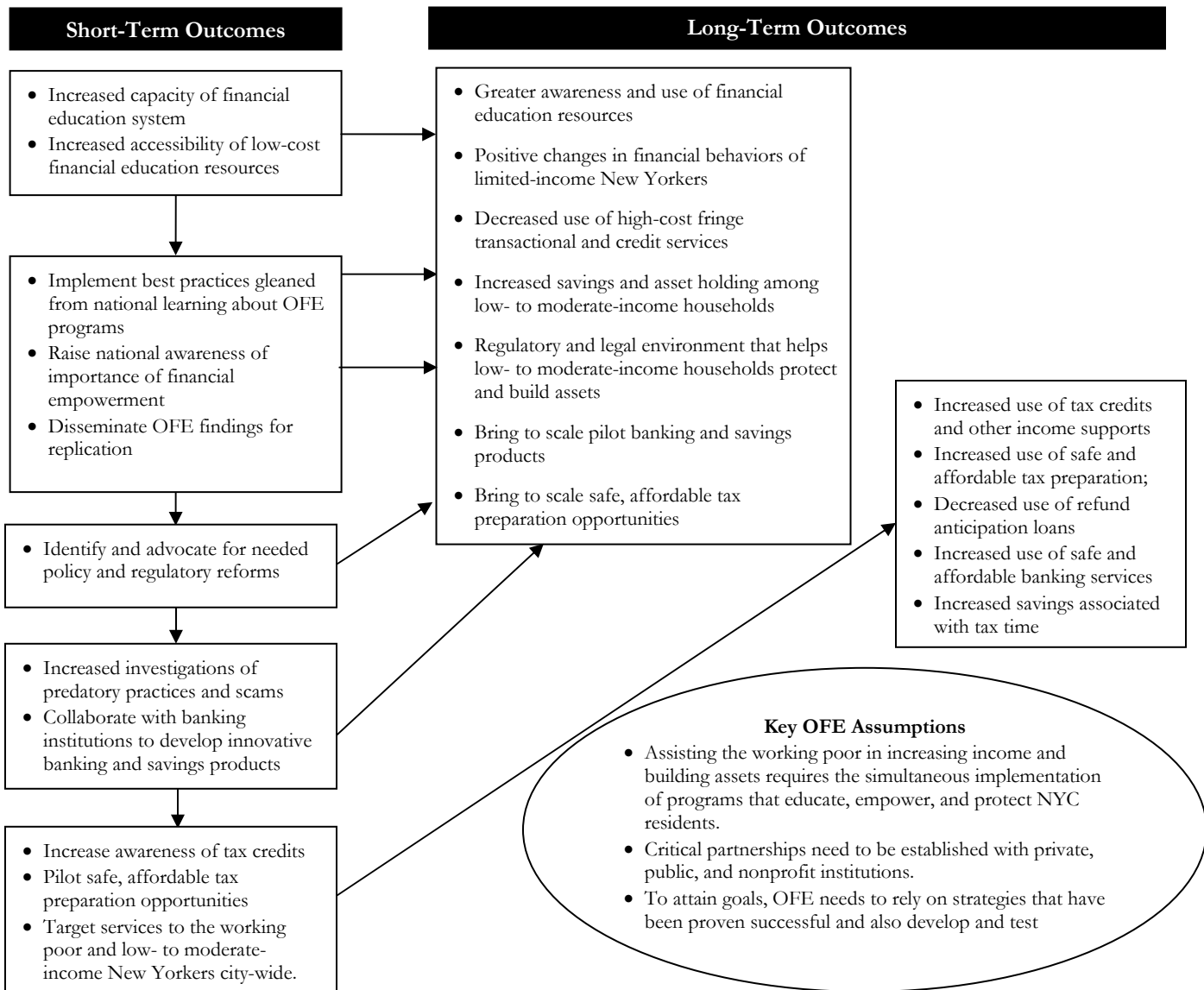
- To identify and implement innovative strategies, practices, and incentives to help New Yorkers save, participate in banking, build assets, and achieve financial well-being.
- To motivate and assist low- to moderate-income New Yorkers to take advantage of all the tax policies and credits available to them and to open and maintain bank accounts.
- To partner with financial institutions so they will offer feasible, safe, and affordable types of bank accounts, savings plans, and terms to low-income New Yorkers.

- To develop and maintain a widely known, user-friendly website that serves to link New Yorkers to financial education, literacy, and assistance services, and provide updated information for the 311 call system to help link New Yorkers to these services.
- To partner with community based organizations to test innovative models of financial counseling in high needs communities.

Logic Models. As part of each program review, a CEO program is displayed in a logic model—or theory of action—format that is neatly depicted in a two-page display. The logic model includes the program’s context, assumptions, and resources. Each activity is linked to the number of individuals targeted to participate in the different activities (outputs), as well as short- and long-term participant outcomes. OFE is unique in that it is a new municipal office engaged in wide-ranging efforts and initiatives. At this stage, a year and a half into its existence, OFE’s evolving initiatives are currently portrayed as an overarching logic model reflecting OFE’s goals, strategies, and long-term outcomes in three key areas: (1) financial education initiatives, (2) tax campaigns, and (3) asset building and asset protection. Three strategy-specific logic models reflecting OFE’s goals, activities, outputs, and targeted outcomes in these key areas can be found in Appendix B. These logic models were developed in collaboration with OFE and with CEO’s input.

**Office of Financial Empowerment (OFE)
Overarching Logic Model**





Context

- Poverty rates in NYC exceed the national average and have been rising in this decade.¹
- In NYC, poverty is concentrated geographically. There are 248 census tracts classified as in “extreme poverty” in which more than 40 percent of the population lives below the poverty line.²
- The number of working poor continues to grow.³
- Nearly 800,000 NYC residents largely concentrated in low-income and immigrant neighborhoods do not have bank accounts and rely on check-cashing enterprises for most of their financial needs. This leaves these residents vulnerable to predatory practices and reduces their ability to build their financial assets. In addition, the fees that many of these residents pay for tax-preparation services in order to receive the Earned Income Tax Credit (EITC) erode the benefit of the tax credit.⁴
- Low-income New Yorkers pay \$59 million annually for refund anticipation loans (RALs); 60% of EITC filers use RALs, which erodes the value of the EITC benefit; low-income families also often fall victim to predatory lenders.

¹ Current Population Survey (CPS) and Historical Poverty Data, U.S. Census Bureau. CPS tabulations performed by Community Service Society of New York.

² Ibid.

³ Ibid.

⁴ Center for Economic Opportunity (2007), Strategy and Implementation Report, p. 63.

Fidelity to the Program Model. OFE represents an innovative, strategic, multifaceted approach to educate, empower, and protect New Yorkers with low- to moderate-incomes. While contributing to some direct service programs and piloting new programs, OFE operates at a high level of inter-agency coordination, network building, policy development, and advocacy. Indeed, it seeks to provide leadership in these complex arenas. Therefore, OFE’s initiatives cannot be easily categorized in the same way as other CEO programs that provide a distinct intervention to enrolled participants. Thus, the issue of program fidelity—that is, the implementation of a program maintaining adherence to a prescribed model design—does not neatly apply to OFE. Given this important distinction from other CEO programs, OFE should be looked at through the lens of systems change rather than the lens of program fidelity.

Target Population and Clients Served. This office serves New Yorkers with low- to moderate-incomes and New Yorkers who are among the working poor. OFE targets its services to approximately 800,000 unbanked and an estimated 350,000 working poor NYC residents.⁴

OFE Goal 1: Outreach and Education

OFE conducts wide-ranging outreach to individuals and institutions building on pre-existing DCA initiatives as well as implementing new initiatives. Accomplishments in this area include development of a comprehensive, searchable database to connect low- to moderate-income New Yorkers to financial education classes and individual counseling opportunities located in their communities. OFE is also conducting outreach in the nonprofit community through the creation of the Financial Education Network (FEN), a network of providers of financial education classes and counseling. Its outreach and recruitment efforts have resulted in an active network of more than 100 institutions capable of reaching out to New York residents in the low- to moderate-income range. OFE augmented DCA’s EITC Coalition Campaign⁵ by introducing pilot programs to encourage low- to moderate-income New Yorkers to save and build assets and by introducing safe and affordable tax preparation services. OFE also helped to publicize the EITC widely across NYC. By interfacing with the EITC Coalition of about 150 partners—including VITA sites, commercial tax preparers, funders, community-based organizations, and city agencies—OFE provided value-added coordination and integration among these diverse entities. Each of these efforts will be discussed in greater detail below.

Establishing the Financial Education Network (FEN). Much of OFE’s accomplishments to date and potential for achieving its four primary goals are due to OFE’s ability to forge relationships among diverse entities across the public, private, and nonprofit sectors. A prime example is FEN. OFE established FEN as a dynamic partnership of financial education providers, including nonprofit organizations, financial institutions, and commercial credit counselors. Currently there are 132 providers in the network. FEN’s goals include:

- Improving the quality and accessibility of financial education for New York City consumers;
- Strengthening ties between providers;

⁴ Commission for Economic Opportunity (September 2006). *Increasing Opportunity and Reducing Poverty in New York City*. New York: Author.

⁵ Department of Consumer Affairs, Office of Financial Empowerment, Briefings before the OFE Advisory Council’s Spring Meeting held March 4, 2008 and Summer Meeting held July 24, 2008.

- Enhancing both best practice and capacity in the field; and
- Advancing financial education policy.

OFE conducts quarterly FEN Forum meetings, with featured programs and speakers. These quarterly meetings help advance the FEN goals listed above. FEN Forum quarterly meetings are designed around a central financial education topic, with presentations by experts followed by a discussion of the topic. In addition to the emphasis on knowledge development and sharing of best practices, the forums are designed to increase ties among FEN members and to create an institutional basis of support for OFE's advancement of financial education policy.

Notably, OFE created the Financial Education Network Directory (FEN Directory) to link the public to financial education providers and financial literacy resources. This directory is a user-friendly, searchable database that connects low- to moderate-income New Yorkers to financial education classes, workshops, hotlines and individual counseling opportunities located in their communities. Contact information is included for each provider listed in the directory; in addition, the directory lists the language competencies of each provider for delivering financial education services. Only organizations that meet the following requirements are included in the directory: has provided financial education or counseling in the past 12 months; is an established nonprofit, for-profit, or government entity providing financial education or counseling at low or no cost; and is in compliance with all federal, state, and local laws and regulations. Currently, the directory lists 51 financial education organizations providing services in 61 locations. To date, the OFE website has received over 50,000 visits and more than 2,000 visits have been made to the FEN Directory. Paper copies of the directory are obtainable through 311 and distributed to partners regularly, and the entire searchable database will be loaded onto the 311 system in November 2008.

In the fall of 2007 OFE conducted a survey of FEN members and other organizations to identify providers of financial education and the range of services that were available.⁶ The survey also obtained information on NYC's financial education capacity by modality and language. The survey identified 71 providers in 188 locations by borough (Bronx, 46; Brooklyn, 43, Manhattan, 59; Queens, 34; Staten Island, 6) and allowed OFE to determine which neighborhoods and boroughs needed additional financial education programs. At least a quarter of the locations offer evening and weekend hours. Financial education is offered via educational materials (93%), one-on-one counseling (89%), one-time workshops (85%), recurring classes (68%). In some cases, it is accessible through a telephone hotline (18%). Eighty-seven percent of the respondents do not charge fees. The five most common topics covered include credit counseling, saving, investing, bankruptcy, and home ownership. Topics covered by hotlines include credit counseling, bankruptcy, foreclosure prevention, and legal assistance. Hotlines and financial counseling services are mainly available in the following languages, in addition to English: Spanish, French, Chinese, Russian, Haitian Creole, Arabic, Hindu, Korean, Urdu, and Vietnamese. A limited number of counselors provide services in other languages. While 50 percent of respondents indicated that they are at capacity and 32 percent reported they have more students than they can serve, 18 percent indicated that they have capacity available to serve more people.⁷

⁶ The providers that responded to the survey should not be considered representative of all financial education providers in the city (telephone communication with Caitlyn Brazill, October 6, 2008).

⁷ Further information about these survey findings is not available. OFE will have more detailed findings from the upcoming fall 2008 survey.

OFE is preparing to conduct an expanded follow-up survey of FEN members this fall, which will include questions regarding the OFE website, the FEN directory, and interest in certifications or trainings in financial education. Additional survey questions will cover organization type, contact information, service hours, language, and geographic area served; elements of service provision such as counseling, coaching, classes, workshops, hotlines, and perception of program capacity; funding information; and usage of the FEN and the Financial Education Directory. This will result in more detailed information in the Financial Education Directory to help those who are seeking financial education.

“Take Control of Your Finances” Public Awareness Campaign. A core component of OFE’s outreach and education initiatives will be the Debt Public Awareness Campaign, a very ambitious and integrative three-phase initiative that will start in November 2008 and last for 12 months. This campaign aims to empower New Yorkers to take charge of their finances and will raise awareness of the various resources that OFE makes available for free or at a low cost. It will encourage people to call 311 and will direct people to FEN members and the Financial Education Directory. The campaign will use various public media, including newspapers, radio, television, subway and bus advertisements, flyers, and other formats. It will be conducted in English and Spanish, with some materials translated into other languages. The target population will be New Yorkers who earn less than \$55,000 a year, particularly individuals who are having difficulties managing their debt. These individuals tend to rely on fringe financial services (such as pay day loans and refund anticipation loans) and some of them may also rely on services from mainstream financial institutions and credit cards.

The theme of the first phase of the campaign, from November to early December, will be financial education resources and the message will be “You’re not alone. We can help you take control.” The campaign will empower New Yorkers to take action while raising awareness of the financial education resources available from OFE, including the FEN Directory and the OFE website. The theme for the second phase, which will run from late January to April 15, will be tax credits. During this phase, OFE will expand on the EITC campaign by including other tax credits that New Yorkers may be eligible for—the New York City Child Care Tax Credit⁸, another CEO program; the Federal/Empire State Child Tax Credit; and the Federal/New York State Child & Dependent Care Credit. In addition, the campaign will direct New Yorkers to free VITA sites and affordable Tax Prep *Plus* sites, an OFE pilot expected to continue into a second year (described more fully later in this report). This phase of the campaign will also aim to encourage filers to think about their financial future and to pay down debt or start saving. To that effect, OFE will sponsor the \$aveNYC Account pilot program (also described subsequently in the report) for the second year. The theme of the third phase of the campaign, running from late April to June, will be consumer education and protection. The objective of this phase will be to help consumers avoid high-cost pitfalls and wisely manage their debt, including information about when to take on debt and how to “read the fine print.” The OFE website will offer a consumer-friendly guide to understanding debt and will advertise the FEN Directory in various languages.

Cities for Financial Empowerment (CFE). OFE officials are founders and co-chairs of CFE, which is described more fully in the next section of this report. This is a new national-level partnership involving seven cities. In terms of outreach, OFE has shared program information, strategies,

⁸ To offset the high cost of child care in the city, CEO’s New York City Child Care Tax Credit is a program designed to assist families with low incomes or who are underemployed, with a federal, adjusted gross income of \$30,000 or less with the cost of child care for children under the age of four.

research, and lessons learned with the other CFE cities. Through this outreach, OFE is strengthening the knowledge base and capacity of other cities to empower, educate, and protect low-to moderate-income individuals and to develop a cross-city network of public agencies capable of influencing policy to reduce poverty at the national level.

Contributing to the EITC Campaign. For tax season reflecting tax year 2007 (January 1st through April 15th, 2008), OFE collaborated closely with DCA to manage the EITC campaign. DCA has managed this campaign since 2001. OFE has built upon the foundation of the EITC campaign to launch pilots to expand access to free and low-cost tax preparation services and to use the tax season to leverage families into savings, paying down debt, and moving toward long-term asset building. While results of the 2007 city-wide EITC campaign are not yet available, signs that the overall campaign is increasing awareness and use include substantial, steady increases in the number of EITC-related inquiries to 311 (a 23.8% increase occurred in the number of EITC calls related to TY2007 over TY2006). Although it is not possible to isolate and measure changes in EITC campaign results attributable to OFE's specific efforts, OFE partners who have participated in the overall EITC campaign for several years reported that OFE's work in publicizing the EITC and linking it to other available tax credits and pilot programs added important value to the campaign. For example, OFE brought increased attention to another CEO initiative, the New York City Child Care Tax Credit, in addition to the more familiar EITC. Preliminary data show that more than 50,000 New Yorkers with low incomes claimed this new tax credit. Total refunds represented over \$30.5 million⁹ so far to help with costs of child care for children under 4 years old.

OFE developed pilot programs, described more fully later in this report, which utilized the EITC marketing and services efforts as the backdrop for their implementation. Despite some difficulties getting these programs off the ground given the short period of time to launch them, partners were very pleased with the innovative pilots and with the results of the TY2007 EITC campaign. OFE has already begun planning for the next tax season and will fine-tune various aspects of the campaign next tax year, for example, through more specifically targeted efforts to reach groups most likely to qualify.

Working with Volunteer Income Tax Assistance (VITA) Tax Preparation Sites. OFE worked closely with the 53 free VITA tax preparation sites, sponsored by community-based organizations, churches, and libraries city-wide. VITA sites are staffed by volunteers who help low-income individuals who meet IRS qualifications prepare their taxes and obtain the benefits and credits for which they are eligible at no charge. DCA has worked with VITA sites for many years; this year there was a 25 percent increase in the number of VITA sites available. OFE supported the VITA network for the TY2007 tax season by developing individual VITA profiles that tracked site results for both number of filers and amounts of refunds. This tracking provided data accuracy and served as a resource for coalition partners to raise funds. Other VITA support includes marketing and outreach, technology (laptops) and technical support, and support for fundraising efforts. For the 2008 season, OFE is also supporting volunteer training and recruitment efforts.

⁹ Office of Financial Empowerment, OFE Advisory Council Summer Meeting, July 24, 2008. Presentation by Jonathan Mintz, DCA Commissioner and Cathie Mahone, Assistant Commissioner and Executive Director.

OFE met with VITA site representatives to discuss opportunities pertaining to the IRS VITA Matching Grant Program,¹⁰ provided a cost analysis of in-kind city donations to VITA sites to help quantify non-federal match funds, and offered to submit letters of support for partners planning to apply for the grant. Lastly, OFE took over some DCA functions, providing VITA staff with laptops and training to maintain data on filings and tax credits—helping to gather information that can be used for programmatic and evaluation purposes. While it is impossible to disentangle the exact contribution of OFE to VITA’s overall outcomes, as of August 2008 over \$123 million in federal, state, and city funds had been returned to VITA filers for the TY2007 year, up 12.8 percent from last year. There were a total of 82,374 VITA returns, representing an increase of 33 percent over last year. It should be noted, though, that the 2008 Economic Stimulus Plan¹¹ checks increased the overall number of filers throughout the country. For example, because of the Stimulus Plan checks many elderly people who did not earn income had a reason to file.

OFE Goal 2: Policy Development, Advocacy, and Leadership

OFE works with DCA to develop and advocate legislation that protects consumers in the areas of financial services and practices. Particular target areas that OFE and DCA tackle together include predatory lending and credit practices, the rent-to-own industry, and the mortgage industry. OFE staff makes presentations, reviews proposed state legislation, and writes and delivers recommendations to strengthen rules, terms and conditions, regulations, policies, and legislation.

At the same time, OFE brings empowerment and education to policy development and advocacy. OFE adds value to DCA's consumer protection mission through its focus on educating and empowering consumers, which enables them to protect themselves (e.g., by avoiding tax refund anticipation loans). OFE commented to the Federal Trade Commission in October 2007 on consumer debt collection and the Office of the Comptroller of the Currency in November 2007 regarding garnishment of exempt funds. OFE and DCA submitted comments to the Federal Reserve Board regarding proposed amendments to Regulation DD Truth-in-Savings and Regulation Z Truth-in-Lending in July. The proposed amendments cover increased disclosures for credit card and overdraft "protection" plans and charges. OFE has been working with DCA General Counsel and the Research and Investigations unit to explore online payday lending enforcement.

Two New York legislative bills vigorously promoted by OFE passed on the final day of the 2008 legislative session. The Exempt Income Protection Act (Bill number A09807C) will prevent financial institutions from freezing bank accounts under \$2,500 that receive public benefits. Bill number A10817 addresses the subprime mortgage crisis in New York State by adjusting the incentives of mortgage brokers to align with borrower interests and offers a period of arbitration between lender and borrower before a property can be foreclosed. Both bills further protect the assets of low- to moderate-income New Yorkers and their ability to remain in good standing with their financial institutions.

As mentioned previously, OFE is the leading member of a new national level partnership: The Cities for Financial Empowerment (CFE), co-chaired by DCA Commissioner Jonathan Mintz in NYC and

¹⁰ The IRS VITA Matching Grant Program allows the Stakeholder Partnerships, Education and Communication (SPEC) organization of IRS to award grants to partner organizations to enable the VITA program to extend service to underserved populations in hardest-to-reach areas, increase the capacity to file returns electronically, heighten quality control, enhance training of volunteers, and improve significantly the accuracy rate of returns prepared at VITA sites.

¹¹ The 2008 Economic Stimulus Plan providers, among other things, tax rebates to low- and middle-income U.S. taxpayers.

San Francisco Treasurer José Cisneros. CFE is a coalition of city governments that initially encompassed NYC, San Francisco, San Antonio, Seattle, Miami, and Savannah. The CFE representatives convene three times a year. The meetings include knowledge sharing among partner cities, as well as outside expertise to guide cities on their program development and implementation. Organizations that have participated include the National League of Cities, the New American Foundation, Pew Charitable Trusts, Seedco, Single Stop USA, Nets to Ladders, Annie E. Casey Foundation, and the Neighborhood Economic Development Advocacy Project (NEDAP), among others. Mayor Richard Daley of Chicago recently accepted CFE's invitation to join as the seventh partner city. A website with links to the financial empowerment initiatives of all of these cities is available at www.cfecoalition.org.

There is a partnership-wide interest in developing uniform baseline measures and indicators that can be compared across cities. Toward this end, an initial activity is a planned seven-city analytical research project to identify and compare the cities' current measures and data. This project is still in the planning stages (see CFE Financial Services Research Project below). An area under exploration is how to obtain funding for a research project that is targeted to New York City and is expected to result in data-sharing across cities nationwide.

OFE has obtained grant funds in support of the entire coalition. CFE funders include the American International Group, Inc. (AIG) Financial Literacy Fund, Living Cities, the Annie E. Casey Foundation, and the Evelyn & Walter Haas, Jr. Fund. The AIG grant of \$1.45 million includes \$200,000 per CFE city to advance financial education and asset-building. Grant support is a tangible benefit to the partner cities since it means that these funds do not have to come out of partner cities' budgets. CFE held its second members' forum in San Francisco from July 30th-August 1st. Member cities shared in an exchange of programmatic information and made decisions about coalition programming and structure moving forward.

A representative from Seattle, a CFE partner city, praised OFE's efforts in the area of advocacy: "CFE is working collectively for a more effective voice in financial [areas]: consumer protection and redefining poverty." Seattle has used position papers generated by OFE and has instituted a campaign that stresses financial education, based on New York's pilot programs. Lessons learned through CFE information exchanges have helped it to improve its standards and capacities. OFE was "instrumental" in getting the partner city organized in terms of logistics, content, and identifying best methods. "OFE is clearly top-notch, comprehensive and effective. This is a very appropriate role for local government and OFE is an effective conduit. They provide citizens with the pathway to financial success."

A representative of a CFE national funder also felt that OFE has been "tremendously successful" in its leadership role with CFE. OFE has had a "national influence in presenting a model for other cities" and has been a "national leader in asset building." This leadership stems from the "innovation and competence" at OFE, which has gone beyond traditional financial education. The funder has seen a great deal of national interest in CFE from other funders, and foresees a gradual expansion of both membership and funding. In the view of this funder, OFE "has established itself as a leader in the field."

Opportunity NYC. Opportunity NYC (ONYC) is a privately-funded conditional cash transfer initiative designed to help families break the cycle of intergenerational poverty. It is a major initiative sponsored by CEO that provides monetary incentives when households meet specific targets related

to human capital development within the domains of education, health, and work. Unlike conventional approaches to poverty reduction that focus on social services to create a safety net for those in need, incentive-based strategies increase participation in targeted activities and programs that decrease factors that contribute to poverty and long-term dependency. The initiative consists of three separate programs: a family-focused program, Family Rewards; an adult-focused program, Work Rewards; and a child-focused program, Spark.¹²

To receive their monetary rewards for Family Rewards and Work Rewards, and to strengthen low- to moderate-income New Yorkers' financial stability, ONYC encourages participants to open and/or maintain a bank account. The initiative provided a significant opportunity to create relationships between city government and banking institutions. In response, OFE negotiated the development of a "safe" savings account for ONYC participants with 7 financial institutions—later increased to 10.

The ONYC bank account, as designed by OFE, does not require a minimum balance, nor does it charge monthly or overdraft fees. While targeted towards previously unbanked residents, participants with bank accounts are eligible to open an ONYC account, which provides a safe place for residents to keep and build their assets. To encourage participation, ONYC offers a \$50 incentive to those who open an ONYC account.

In alignment with its financial education goals, OFE provides support and materials to Seedco, the intermediary organization operationalizing ONYC. The materials help communicate information to participants regarding financial services and education opportunities.¹³ OFE also helps educate participating financial institutions about ONYC and monitors the performance of these institutions in terms of participant complaints. To this end, OFE provides personalized troubleshooting and arbitration for all levels of the bank-customer interaction—during the opening of accounts, as well as when accounts are closed or frozen for unknown reasons. OFE ensures a smooth account maintenance process for both financial partners and recipients of the Conditional Cash Transfer.

OFE is gathering information to assess change in participant bank usage over time and the outcomes related to accounts created in the course of ONYC. To date, ONYC data show that at the start of the program, 56 percent of ONYC Family Rewards participants were unbanked but by this summer, less than 5 percent were unbanked. Over 1,600 Family Rewards and 189 Work Rewards individual accounts have been opened. Insights from this initiative fit into OFE's larger effort to develop better financial products for low-income individuals and families. OFE is utilizing this opportunity to work with participating banks and credit unions to learn what products they are currently offering and what kinds of products they would be willing to offer. OFE has initiated planning discussions with these and other financial institutions to explore the possibility of developing CheckNYC, a safe checking account with similar features to the ONYC savings account.

OFE Goal 3: Research

It is difficult to overemphasize how little is currently known about the level of financial literacy among low- to moderate-income groups in NYC, their knowledge of financial services, the degree

¹² The social research organization MDRC is presently conducting an evaluation of Family Rewards and Work Rewards. Spark is being implemented and evaluated by the American Inequality Lab at Harvard University, led by Dr. Roland Fryer.

¹³ For Family Rewards, OFE also participated in the selection of a financial education provider for ONYC workshops with participants.

of mismatch between financial service needs and product offerings, or the attitudes and behavior of these populations with respect to financial institutions. Therefore, OFE is poised to fill an enormous knowledge vacuum through its research agenda regarding the financial circumstances, practices, and incentives of those with limited incomes. OFE has established national and local advisory groups of experts in financial literacy, banking, and economic incentives from the academic and research communities. These groups are working to establish baseline measures, evaluation methods, and best practices that can be used throughout NYC and in other municipalities. To begin addressing questions about the financial circumstances, knowledge, and practices of low- to moderate-income New Yorkers and identify gaps in financial services, initial efforts of OFE included the Neighborhood Financial Services Study of 2007, the City Employee Financial Services Study of 2007, and an analytical effort to explore financial services using public and private data in 2008/2009.

The Neighborhood Financial Services Study explored the availability and use of financial services and products in two NYC neighborhoods, Jamaica in Queens and Melrose in the Bronx, to better understand banking dynamics in low-income neighborhoods. The study's goal was to identify public and private opportunities for long-term, high-impact financial empowerment initiatives. The study explored two hypotheses: the lack of physical availability of mainstream financial services and the lack of availability of products that meet the needs of consumers with low incomes.

The survey provided data to analyze the relationship between consumer financial needs and current product offerings in neighborhoods with low incomes. In developing the survey design, OFE drew on methodological guidance and survey development expertise of New England Market Research and an independent consultant. OFE partnered with two community-based organizations, Phipps Community Development Corporation in Melrose and Neighborhood Housing Services in Jamaica, to conduct the in-person survey with 640 randomly selected residents. To supplement the survey data, two focus groups, each involving six to 10 individuals, were convened to delve more deeply for context underlying key findings. Separately, to better understand the supply of financial services in the two neighborhoods, researchers from the William J. Clinton Foundation analyzed products and services currently offered by both mainstream and fringe financial services providers, and analysts from the Neighborhood Economic Development and Advocacy Project (NEDAP) mapped relevant community and city data.

Findings indicated a mismatch between current financial product and service offerings and the needs of low-income households. This mismatch appeared to play a more prominent role in these communities than bank branch proximity in determining why residents remained unbanked and why fringe financial services were widely used—contradicting a common belief that remaining unbanked was due to limited supply of bank branches. For example, findings indicated that most savings accounts available to low-balance savers in these neighborhoods “have fees greater than their potential interest, meaning that these accounts may actually erode savings rather than help accumulate savings.”

Findings also showed that financial education is strongly associated with positive financial behaviors, such as being linked to mainstream financial institutions, having savings, and avoiding use of fringe debt. There was no relationship, however, between financial education and indicators of overall financial stability. Focus group participants further indicated that unpredictability and complexity of fees were as important to the unbanked as actual cost. Since many fees (minimum balance, monthly maintenance, transaction limits, insufficient funds) are the result of unplanned consumer actions

rather than fees charged upfront (such as check-cashing fees), they are perceived as unpredictable actions by consumers, many of whom might not monitor their accounts.

The report *Neighborhood Financial Services Study: An Analysis of Supply and Demand in Two NYC Neighborhoods* (June 2008, NYC Department of Consumer Affairs, Office of Financial Empowerment) includes copies of the survey instruments and a thorough description of the research methodology to encourage replication of similar research in other cities.¹⁴ Promotion of such research more broadly is key to augmenting the currently thin knowledge base and reflects OFE's interest in playing a leadership role nationally.

CFE Financial Services Research Project. OFE will use publicly available and proprietary datasets to make inferences about financial services behaviors at a city-wide level. Its objectives are to establish for the first time a baseline of critical indicators of financial empowerment—indicators that can be comparable across cities—including use of financial services and level of basic knowledge regarding financial products; to provide data to encourage private-sector engagement in delivery of critical services to meet the needs of low- to moderate-income households; and to inform the development of asset-building programs and financial education campaigns. Planning is underway for this effort, which will yield baseline indicators of financial empowerment.

The City Employee Financial Services Study of 2007 obtained data from employees in six city agencies on financial services usage, participation in direct deposit and employee benefits, and interest in workplace financial education. The survey found that employees who were part-time, had only a high school education, or had a non-continuous employment history were the most likely to be unbanked. The survey also found that many employees were interested in financial education, and one-on-one counseling was the most popular format for receiving information.

OFE Goal 4: Direct Service Pilot Programs

OFE's efforts in the area of direct service include supporting tax preparation sites that serve low- to moderate-income New Yorkers, piloting programs that encourage people to save and build assets, and establishing a first-of-its-kind Financial Empowerment Center.

Tax Prep Plus Pilot. OFE developed this pilot program as part of the EITC campaign for the 2007 tax year. Tax Prep Plus sites offer quick and easy tax preparation at a low price to ensure that eligible New Yorkers receive all of the benefits for which they qualify. Five community-based organizations (CBOs) in NYC opened 14 sites,¹⁵ intended to be in high-need neighborhoods far from VITA sites, to offer low-cost¹⁶ tax preparation and benefit screening for low-income families or individuals. OFE negotiated with H&R Block to provide the off-site low-cost tax preparation and scanner technology system. ACCESS NYC, another CEO program, collaborated with the sites to train CBO staff to screen clients for benefits while they waited for their tax filing to be processed. H&R Block used scanner technology to provide tax-return data from Tax Prep Plus sites, including data on filers served, benefit screening, and ancillary services provided.

¹⁴ The full Neighborhood Financial Services report is available at http://www.nyc.gov/html/ofe/downloads/pdf/NFS_Compiled.pdf.

¹⁵ 13 sites were originally opened; 2 were shut down during the season and one additional site was opened during the season.

¹⁶ The charge was \$20 during the peak filing period of January 27th-February 16th and \$10 during the off-peak period from February 16th-April 15th.

Under this first-year pilot program, the five organizations were able to open all the sites in a considerably short time frame. They had 2,225 visitors, 1,564 completed tax returns, and 538 completed benefit screenings. The pilot generated \$1.2 million in federal tax refunds, for an average of \$1,350 per filer who received a refund. Approximately \$620,000 in EITC refunds resulted, with an average EITC refund of \$1,560. A total of 538 people were screened for benefits and 568 people were given financial education materials or information about financial counseling or workshops.

OFE conducted an evaluation of the Tax Prep *Plus* pilot using various methods: site reports, H&R Block reports, consumer reports, comments cards, operations assessment (by a consultant), and a quality assessment (also by a consultant). Important lessons were learned from the evaluation related to quality, operations, and marketing.

Regarding quality, the evaluation found:

- A need to develop simpler, clearer, and more comprehensive intake forms;
- The importance of conducting more comprehensive staff training on intake forms; and
- The importance of conducting a quality review by a trained staff person.

Regarding operations, the following were the main findings:

- An earlier planning process is needed to secure enough time to market the program, address technological issues, and train staff.
- Stricter evaluation of partners is needed to ensure organizations have the administrative and outreach capabilities necessary.
- Enhanced telephone communication is needed and enhanced technology should allow for instant messaging through Tax One software.
- Wait times at the end of the season were estimated as between 30 and 45 minutes and median time on intake forms were approximately 1 hour.
- Having forms in other languages and bilingual tax preparers (or help line) would simplify the process.
- All clients should receive a letter with the H&R Block 800 number to resolve issues after the tax season.

As for marketing, the principal findings highlighted:

- The importance of beginning early, by late November, and continuing throughout the tax season;
- The importance of combining mass marketing and grassroots efforts;
- The importance of distinguishing the model from the VITA program;
- That marketing should emphasize the attractive price of service; and
- The importance of visibility for site for attracting customers.

The evaluation also addressed the issue of going to scale with this project and concluded that reducing the costs to the city is the key to expansion. Therefore, volume would need to increase at these sites without compromising quality. Another issue to consider is the need to balance resources devoted to filing with resources devoted to benefit screening. The initiative emphasized tax preparation, and the focus on benefits screening decreased as the number of clients increased. OFE is weighing whether it makes sense to pair tax preparation and benefits screening in the future.

SaveNYC Pilot. A *SaveNYC* account pays an incentive to individuals who deposit their EITC refund into a special savings account and do not withdraw it for at least 1 year. The program is geared to

individuals who use tax preparation services such as those offered at VITA or Tax Prep *Plus* sites that are concentrated in lower-income neighborhoods. When completing the tax return, the tax preparer asks the individual to specify the amount to deposit into the \$aveNYC account; this is the first step in opening this special account. When an account is kept open 1 year, the program matches 50 percent of the initial deposit up to \$250. OFE has encouraged community banks to participate in offering these special accounts, and in the first pilot year, as of July 2008, six banks and credit unions offered the accounts.

OFE worked with staff of selected VITA sites to introduce and encourage using the program. As of July 2008 approximately 2,800 people had been offered participation in the \$aveNYC pilot program. One goal of the \$aveNYC account program was to have at least 100 New York residents open accounts in 2008. Cumulative data as of the first half of 2008 indicated that 177 accounts were opened and a total of \$58,102 had been initially pledged, for an average initial deposit of \$389. To date, 18 of the accounts have been closed, and 131 accounts remain open. Twenty-eight accounts have still not been funded because of IRS reviews; if they are not funded by the end of the second quarter, they will be automatically closed. During the first quarter, 17 \$aveNYC account holders (13% of active accounts) made 29 subsequent deposits totaling \$12,028. Over the same time period, however, \$12,267 was withdrawn from \$aveNYC accounts.

OFE specified the following research questions regarding the \$aveNYC pilot, as outlined in a VITA presentation on August 6, 2008: Can New Yorkers with low incomes save if presented with the right incentives? Can a tax-based savings incentive be implemented at scale? Can short-term, non-goal-directed savings improve financial stability and help households build longer-term assets? To begin addressing these questions, OFE will conduct an in-person or telephone survey of active \$aveNYC account holders. The survey aims to capture the impact of the \$aveNYC account on people's financial practices and attitudes. OFE also plans to conduct focus groups on these same themes. The focus groups will provide information on participant demographics and early experiences with financial institutions, self-efficacy with respect to debt and savings, consumer confidence, respondents' use of general financial services, account holding types and balances, credit and banking habits, satisfaction with current financial institutions, use of fringe and mainstream financial products, loan repayment practices, savings (including retirement accounts), liquidity; tax preparation, plans for tax refunds, and knowledge of and attitudes toward the EITC. The survey will also seek to ascertain the extent to which features of the \$aveNYC account are understandable to respondents.

OFE will also conduct a survey tailored to those who closed their \$aveNYC accounts before benefiting from the offered match. This survey will elicit information about the motivation to open the account, the motivation to close the account, whether all facets of the match component were clearly explained, whether the respondent understood that closing the account meant losing the match money, whether the respondent might participate in this program again in the future, types of savings vehicles and amount of savings maintained by the respondent, and basic demographic information.

Financial Empowerment Center Pilot. OFE's pilot center, the Financial Empowerment Center in the Melrose neighborhood of the Bronx, was planned and launched in partnership with the Phipps Community Development Corporation, a long-standing community organization, and with the Insurance Industry Charitable Foundation, which contributed grant funds. OFE organized training for the staff of this center and developed and distributed publicity materials in conjunction with the

Communications Office of DCA. Opened in June 2008 at the multiservice Phipps Opportunity Center, the new center offers financial counseling and coaching services led by trained professionals for Bronx residents. Services are offered free, in English and Spanish, and are confidential. Specific services include education in money management, financial planning, credit and debit counseling, affordable banking services, benefit screenings, and referrals to other services and organizations.

Key indicators for the Financial Empowerment Center include:

- **Activities:** partnerships created with community organizations and financial institutions to reach the target population; additional outreach efforts such as participation in community events, distribution of Financial Empowerment Center materials, and total number of distribution partners; total number of clients served, including number of clients attending workshops or classes and number of clients receiving one-on-one counseling; number of returning clients; number of clients who create a budget plan; number of clients for whom a credit report is pulled and analyzed; number of clients who undergo facilitated benefits screening; and number of clients who receive strategic referral to appropriate additional support services.
- **Outputs:** proportion of clients whose presenting needs are met; proportion of clients engaged in longer term coaching; number of clients connected to appropriate banking products and services; number of clients for whom applications for public benefits are generated; and number of clients who follow-up on strategic referrals.
- **Outcomes:** number of clients achieving budget plan goals; reducing debt to asset ratio; reducing usage of fringe financial services; and increasing savings to the individual.

In the 4 months that the Financial Empowerment Center has been open, it has demonstrated that it is meeting a need for safe, reliable, and confidential financial counseling, as reported by OFE. As of early October, 64 clients have received counseling. With clients struggling with issues ranging from debt and credit to basic money management, while at the same time wanting to build savings, the Financial Empowerment Center appears to be filling a critical gap in the provision of financial counseling and coaching to low- to moderate-income families in the Bronx. This is supported by the services that clients are seeking; 75 percent need assistance to pay down debt, while 70 percent would like to improve their credit score. The counselor diagnosis is also an indicator of client need; 52 percent need assistance in money management and 50 percent need to start saving money.

Data gathered from the pilot will help to improve and expand the services of the Center, as well as capture important information regarding the financial practices and needs of low- to moderate-income New Yorkers that will inform future initiatives and project development.

Outputs and Outcomes. This discussion begins with a consideration of the nature of the targets that OFE has aimed to fulfill since its establishment 18 months ago, and indicators of the extent to which they have been achieved by mid-2008. Then we discuss OFE's general short-term and long-term outcomes in relation to OFE's strategic plan and goals, as represented by OFE's overarching logic model presented earlier in this report.

(1) Specific 2008 targets. As noted earlier in the report, OFE differs significantly from other CEO programs. Given its broader mission, strategies, and the nature of its activities, OFE has not operated with specific performance measures as other CEO programs have done. Rather, OFE's targets have been related to the implementation of its broad and ambitious agenda. These activities have involved developing partnerships with financial institutions, other government agencies, and

community based organizations; securing additional funding from private funders to support its innovations and research studies; developing various pilot programs; conducting research on financial needs and financial practices of New Yorkers; evaluating its programs; providing leadership and advancing policy initiatives to empower low- to moderate-income New Yorkers; and implementing city-wide outreach and educational campaigns.

(2) OFE's general short-term and long-term outcomes. OFE's logic model, which articulates its theory of change, identifies various short-term outcomes, listed below:

- Increase capacity of financial education system;
- Increase accessibility of low-cost financial education resources;
- Implement best practices gleaned from national learning about OFE programs;
- Raise national awareness of the importance of financial empowerment;
- Disseminate OFE findings for replication;
- Identify and advocate for needed policy and regulatory reforms;
- Increase investigations of predatory practices and scams within the financial services industry;
- Collaborate with banking institutions to develop innovative banking and savings products;
- Increase awareness of tax credits;
- Pilot safe, affordable tax preparation opportunities; and
- Target services to the working poor and low- to moderate-income New Yorkers city-wide.

Anticipated long-term outcomes are as follows:

- Greater awareness and use of financial education resources;
- Positive changes in financial behaviors of limited-income New Yorkers;
- Decreased use of high-cost fringe transactional and credit services;
- Increased savings and asset holding among low- to moderate-income households;
- Regulatory and legal environment that helps low- to moderate-income households protect and build assets;
- Bring to scale pilot banking and savings products;
- Bring to scale safe, affordable tax preparation opportunities;
- Increased use of tax credits and other income supports;
- Increased use of safe and affordable tax preparation;
- Decreased use of refund anticipation loans;
- Increased use of safe and affordable banking services by low- to moderate-income households; and
- Increased savings associated with tax time.

Based on the program review to this point (18 months into program operations) and interviews with key stakeholders and program staff, OFE appears to be making good progress toward attaining all of the short-term outcomes. For example, through collaboration with DCA and other partners on existing and new pilots, the number of low- to moderate-income New Yorkers who open accounts at financial institutions appears to be increasing. OFE staff has observed increased EITC uptake and enrollment in related credits and benefits for which individuals and families are eligible. Through support of programs such as VITA and Tax Prep *Plus*, there has been a corresponding increase in

access to free and low-cost tax preparation services for eligible individuals and families. Through participation in the EITC campaign, OFE has helped to distribute financial education materials. There has been a notable increase in access to and numbers of referrals to FEN providers, and OFE staff have helped to increase the number of investigations into harmful practices in the financial services industry.

As OFE continues to solidify its networks and collaborations, it is beginning to work toward long-term goals and appears poised to achieve many of the longer-term objectives, which include achieving greater awareness, knowledge, and use of financial services; promoting positive changes in financial behaviors of low- to moderate-income New Yorkers, including increases in the opening and maintenance of bank accounts; reducing the incidence of harmful practices in the financial services industry; and achieving policy changes that provide greater protection to financial services consumers.

OFE Capacity. For a new municipal office with ambitious goals, OFE is demonstrating capacity to undertake and build relationships and networks while managing multiple programs and services—for example, the Financial Empowerment Center, FEN, \$aveNYC, and the coalition CFE. OFE has supplemented its core budget (\$2.5 million in 2008) with foundation support. OFE was awarded \$150,000 over 2 years by Living Cities to expand the \$aveNYC pilot to a second year and provide incentives for year one participants to roll over their accounts. OFE was also awarded \$50,000 for 2 years from the F.B. Heron Foundation to support \$aveNYC, the Financial Empowerment Center in Melrose, and the City-wide Financial Services Research Project. Additionally, \$200,000 from AIG will support financial education initiatives. The establishment of OFE, with its emphasis on education, empowerment, and protection, appears to be an advantage in being able to attract funds from private local and national funding entities.

OFE's capacity as the central source of data and information in the area of financial services to individuals with limited income is just breaking ground. The city has not studied the financial activities of its low-income residents before, and there is little or no baseline information. One of OFE's initial activities is to conduct surveys that will provide baseline estimates of, for example, the number of low-income New Yorkers who are unbanked. The number of EITC and Child Care Tax Credit filers and dollar amounts, similarly, are still estimates and are not completely documented in a timely fashion.¹⁷ OFE is exploring methods to obtain this information and ensure that it is as current as possible. The next few years will likely see OFE's efforts to document targets, outputs, and outcomes bear more fruit. OFE is pioneering in that it is a municipal office, the first of its kind, trying to pull together this information on a city-wide basis. As noted throughout this report, OFE has already collected a significant amount of information through its pilot programs and surveys.

OFE's staff composition and functions are evolving. The staff of 16 is led by an executive director, a senior deputy for programs and outreach, a deputy director for research and policy, a deputy director for communications, and a chief of staff. OFE's initiatives are carried out by a combination of internal staff, consultants, and contracted organizations and firms. The office operates with integral involvement of the DCA Commissioner and senior management. Further observations of staffing and utilization will provide more understanding of OFE's capacity and how best to make the most efficient use of capacity and resources.

¹⁷ There is a 2-year lag for obtaining city-wide EITC data from the Internal Revenue Service. Thus, the results for TY2007 will not be available until 2009.

OFE is committed to evaluating and improving its programs and pilots. A dedicated OFE evaluation team monitors the progress and outcomes of OFE programs through surveys and studies. At this stage, early information on OFE's pilots is being gathered through internal surveys and working with partners to gather additional information. Certain OFE research projects call for specific outcomes to be evaluated on a city-wide basis. For example, the City-wide Financial Services Survey intends to furnish a baseline estimate of the number of limited-income New Yorkers who lack a banking relationship. Future data collection will then produce outcome data that, it is anticipated, show increased numbers of limited-income New Yorkers who have a banking relationship. The \$aveNYC Accountholder Surveys will gather information on the uses and perceptions of those who opened savings accounts in the pilot year. OFE will use these data and insights to improve the program. Future data will gauge the extent to which the desired outcome of increasing the number of EITC filers who link to such asset-building opportunities is being achieved.

Agency Management and Leadership. OFE staff are active, visiting sites, developing and maintaining partnerships with banks and financial education providers, publicizing their initiatives, and pursuing legislative solutions. OFE works with DCA to develop and advocate legislation protecting consumers in the areas of financial services and practices. Particular target areas include predatory lending and credit practices, the rent-to-own industry, and the mortgage industry. OFE staff members make presentations, review proposed state legislation, and write and deliver recommendations to strengthen rules, terms and conditions, regulations, policies, and legislation. Partners believe that there is strong synergy between DCA and OFE in terms of mission and strategy.

Through its involvement with the CFE, OFE is also exerting leadership at the national level. Partners who were interviewed by the evaluation team said that OFE is considered to be on the cutting edge of the financial empowerment field. In addition, the fact that OFE represents the first municipal office of its kind in the country has led other cities and funders to take note of OFE's work.

OFE has established two important advisory groups. The research advisory group is national in scope and comprises experts in financial literacy, banking, and economic incentives from the academic and research communities. An overall OFE advisory council consists of representatives from NYC government, foundations, banks and credit unions, and institutes.¹⁸ OFE staff work closely with members of both groups to bring together national and city-wide expertise.

Conclusions. Review of program materials and interviews with staff and key stakeholders suggest that OFE has been operating in accordance with its various strategies: developing relationships and establishing partnerships with financial institutions, developing innovative financial services, implementing and supporting financial empowerment campaigns, identifying and promoting protective legislation, and conducting groundbreaking research to guide its operations. In keeping with its educational agenda, OFE has developed a user-friendly website with information and publications about available financial services and financial education. In keeping with its agenda to test innovative strategies, pilot programs targeting low- to moderate-income residents are being implemented city-wide.

¹⁸ Appendix C contains a list of the OFE advisory council members.

Interviews with OFE stakeholders and partner organizations concur that OFE is demonstrating remarkable progress for a new municipal office. Most consistently, however, observers point to OFE staff's ability to form partnerships with community organizations, financial institutions, education providers, and funders and engage these stakeholders in a shared mission to educate, empower, and protect low- to moderate-income New Yorkers. These themes of relationship building, network establishment, and active partnership pervade this program review and are arguably at the heart of OFE's accomplishments to date. These relationships among the public, private, and nonprofit sectors also set the foundation for accomplishing OFE's ambitious agenda of programmatic goals.

Present findings suggest that OFE is in alignment with the CEO mission. When examining OFE's accomplishments to date, available data suggest that OFE is making good progress toward meeting its overall educational, policy, advocacy, and leadership missions.¹⁹ OFE's strategies are in the midst of implementation and piloting, and will be producing data and evaluation findings.

From the available evidence, the evaluation team believes that OFE is uniquely poised to create opportunities for low- to moderate-income New Yorkers to attain accessible and secure pathways to financial stability. OFE has established collaborative relationships with an array of community stakeholders, both public and private; provided the means to connect these stakeholders to the public; and initiated programs to improve the financial health of low- to moderate-income NYC residents. In alignment with their housing within DCA, they have established financial products and services for this vulnerable population that are safe and secure.

While OFE has conducted evaluation studies to help assess impact and capacity for scale, additional observation and application of initial lessons learned will ensure a thorough capacity assessment. Completed and planned research will provide much-needed baseline data as well as critical information to help guide program operations. OFE has shown itself capable of objective self-examination.

The consensus of our program review interviews is that OFE is adding value in other dimensions. It adds to the EITC campaign by promoting complementary themes—encouraging people to take advantage of stimulus payments and tax credits (e.g., the NYC Child Care Tax Credit) and to invest their refunds in special savings accounts. OFE's research is considered to be adding value to the store of knowledge about the financial circumstances and incentives of limited-income individuals and households. OFE is contributing, as well, to understanding what motivates and influences providers of financial products, such as banks, credit unions, tax preparation firms, and financial educators.

OFE is fulfilling its mission and is an innovative and important leader in coalition coordinating. In general, OFE partners find that OFE has a strong strategic approach, which is consistent, practical, and results-oriented. That said, some partners cautioned that OFE might be trying to accomplish too much within a very short time frame and urged attentiveness to focus and priority-setting in the future. As an indication of its ambitious approach, OFE's second Advisory Council meeting in July

¹⁹ There were two examples where progress fell a little short (Tax Prep Plus opened in five sites rather than the eight originally envisioned, and the follow-up City-wide Financial Services Survey is still in the planning phase rather than carried out in mid-2008 as originally envisioned). However, these seem minor compared with everything that OFE has accomplished to date.

focused on specific upcoming plans and priorities, including financial education initiatives, a city-wide debt awareness campaign, and new strategies to market tax credit initiatives in the 2008 tax year.

In conclusion, OFE is moving in the right direction and has made tremendous progress towards meeting its goals of educating, protecting, and empower low- to moderate-income New Yorkers.

3. Recommendations

The current downturn in the economy and the crisis among banking institutions are likely to create strong challenges to OFE's pursuit of its goals. The economy will certainly affect the financial well-being of a large number of families. In addition, it might become difficult to get the cooperation of financial institutions, as many are likely to be struggling for survival and less inclined to provide services with small profit margins. However, these same conditions also present OFE with the opportunity to draw greater focus to its work as attention is given to the impact of the economic downturn on individuals. In balance, the current national economic upheaval highlights the importance of OFE, as it will be more critical for low- to moderate-income New Yorkers to better understand the importance of strengthening financial knowledge, protecting their assets, reducing debt and building savings, and achieving economic well-being for themselves, their families and their future. Against this backdrop, OFE will need to be flexible in setting goals and priorities in order to adapt to changing economic conditions and meet the increasing need for their services.

We provide the following specific recommendations around the four distinct OFE goals that have served as the organizing framework for this report:

Outreach and education. The EITC represents the largest cash antipoverty program in the nation. In NYC, nearly 820,000 residents filed for the EITC in 2006 and received total benefits of \$1.627 billion.²⁰ This is, of course, a centerpiece of OFE strategies. Since it is assumed that, as of last year, actual EITC filers represented about 75 to 80 percent²¹ of all of those who qualified for the EITC, and given the high potential of this strategy for generating benefits, continuing to use research to identify and target neighborhoods where the EITC is being underutilized and testing out various outreach and engagement methods should be a high priority for OFE. This targeting might require additional partnerships with organizations and institutions that serve immigrant communities and/or other groups of disconnected limited-income families. For instance, in addition to community-based organizations, the faith community and ethnic/cultural groups may provide linkages and access to these families.

The FEN has been a noteworthy accomplishment this year, and the FEN Directory is a valuable resource for individuals and organizations providing services to low- to moderate-income households. However, many households, particularly immigrant households, may be unable to use this resource directly or use other OFE publications because of language limitations (the directory and most of the financial publications offered on the OFE website are in English only) and/or the digital divide that is prevalent among low-income households. Once the directory is fully incorporated into 311 in fall 2008, referrals can be made in many languages. OFE will also begin

²⁰ Assuming a 5% increase in total returns for each successive year as a result of OFE-led campaigns, the results would be \$1.708 billion in 2007, \$1.793 billion in 2008, and \$1.883 billion in 2009.

²¹ IRS estimates; telephone communication, Darrel Weinberg, August 1, 2008.

marketing to non-English media at that time. Given the high percentage of non-English-speaking households in NYC, we recommend the translation of the FEN Directory and other publications presently posted on the OFE website into Spanish and other languages.

Again, because of the current national economic crisis, it is more important than ever for OFE to continue providing outreach to other cities through the CFE collaboration, as there is much promise in the strategy of building capacity of other cities and building a strong network of cities that will be able to influence policy at the national level.

Policy development, advocacy, and leadership. In the current NYC financial environment, it will be important for OFE to maintain relationships with existing financial institutions as well as to develop relationships with new institutions. In addition, OFE should continue to exert leadership within CFE, a collaboration that is likely to expand to other cities. OFE should also continue working actively with DCA to develop and advocate legislation that protects consumers in the areas of financial services and practices.

Research. OFE is already undertaking important studies to learn more about the practices and needs of low- to moderate-income households. To the extent possible, it will be important to disaggregate research findings by race/ethnicity, income level, neighborhood of residence, and level of acculturation. These are all critical factors that are likely to influence both financial practices and financial needs. Thus, it will be important to focus on findings that can be generalized city-wide as well as on findings that can provide more nuanced descriptions of differentiated needs within the city.

Direct service pilots programs. Based on what has been already learned from the pilots, it will be important for OFE to move toward bringing successful pilots to scale as well as continuing to develop new evidence-based pilots. Already established partnerships with CBOs who are part of the FEN should facilitate the expansion of the pilot programs. Such expansion is planned for the Debt Awareness Campaign.

Overall. Finally, for next year, OFE should set performance targets for each of its initiatives and pilots, making sure that the targets are realistic and, therefore, attainable. These targets or benchmarks should be incorporated into OFE's logic models. This will then provide a more detailed framework for OFE's program implementation and for its ongoing evaluation.

APPENDIX A

LIST OF OFE PARTNER AND STAKEHOLDER INTERVIEWS

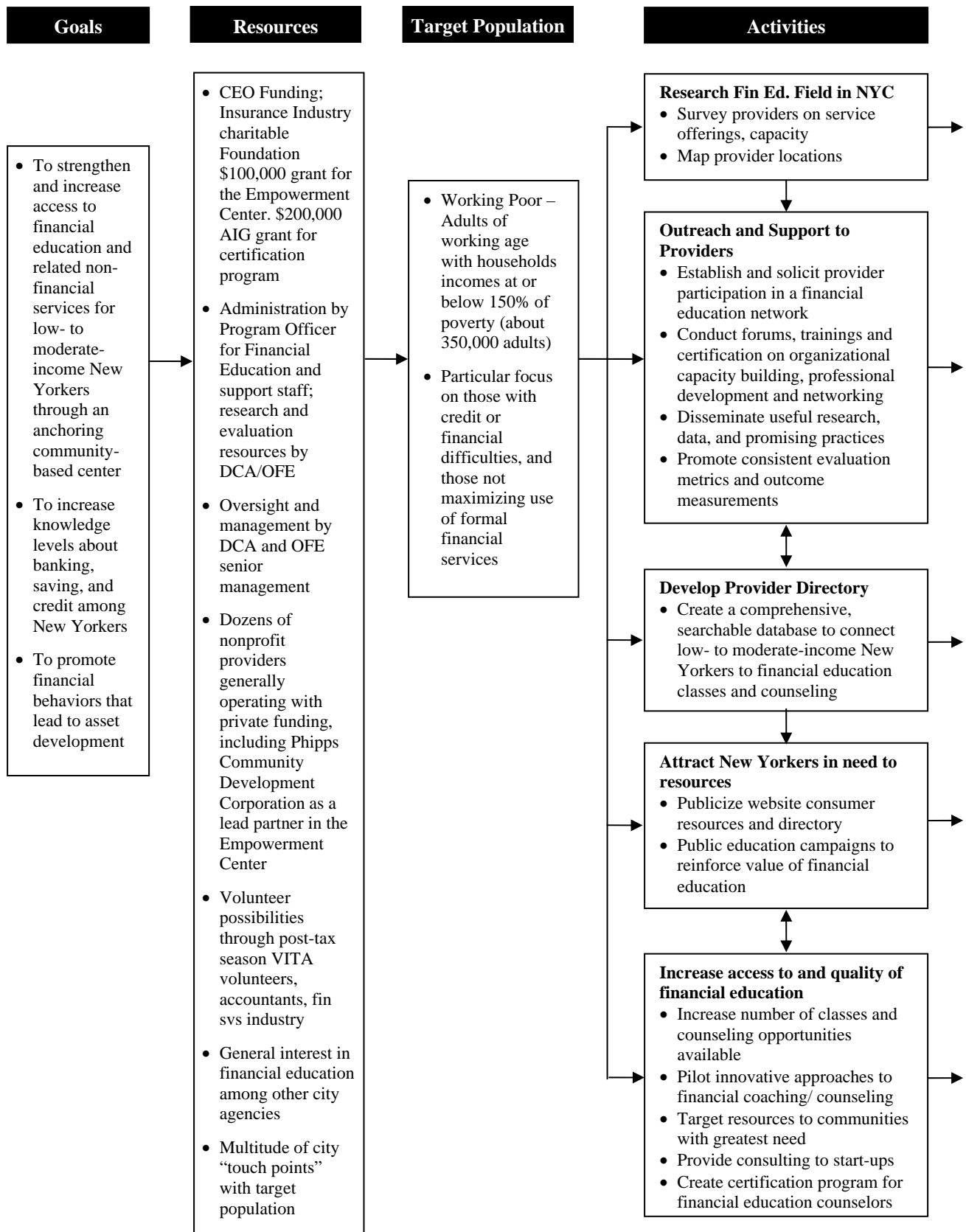
List of OFE Partner and Stakeholder Interviews

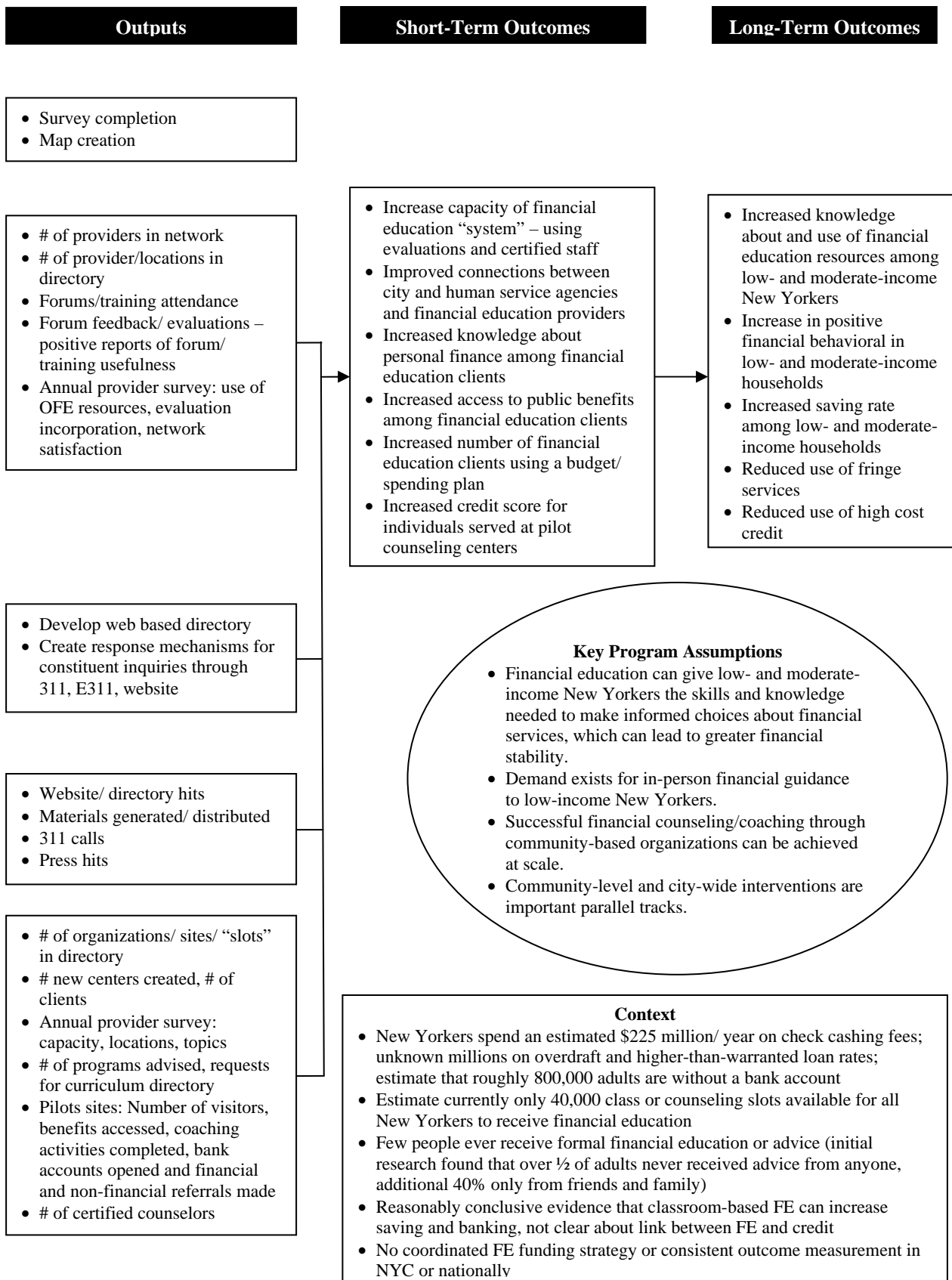
Interviews included representatives from:

- Ariva/CheckSpring
- Amalgamated Bank of New York
- FoodChange
- Neighborhood Economic Development Advocacy Project (NEDAP)
- Phipps Opportunity Center
- Capital One Bank
- Chinese American Planning Council
- Bedford-Stuyvesant Restoration Corporation
- Annie E Casey Foundation
- Internal Revenue Service
- New York City Department of Consumer Affairs (DCA)
- City of Seattle

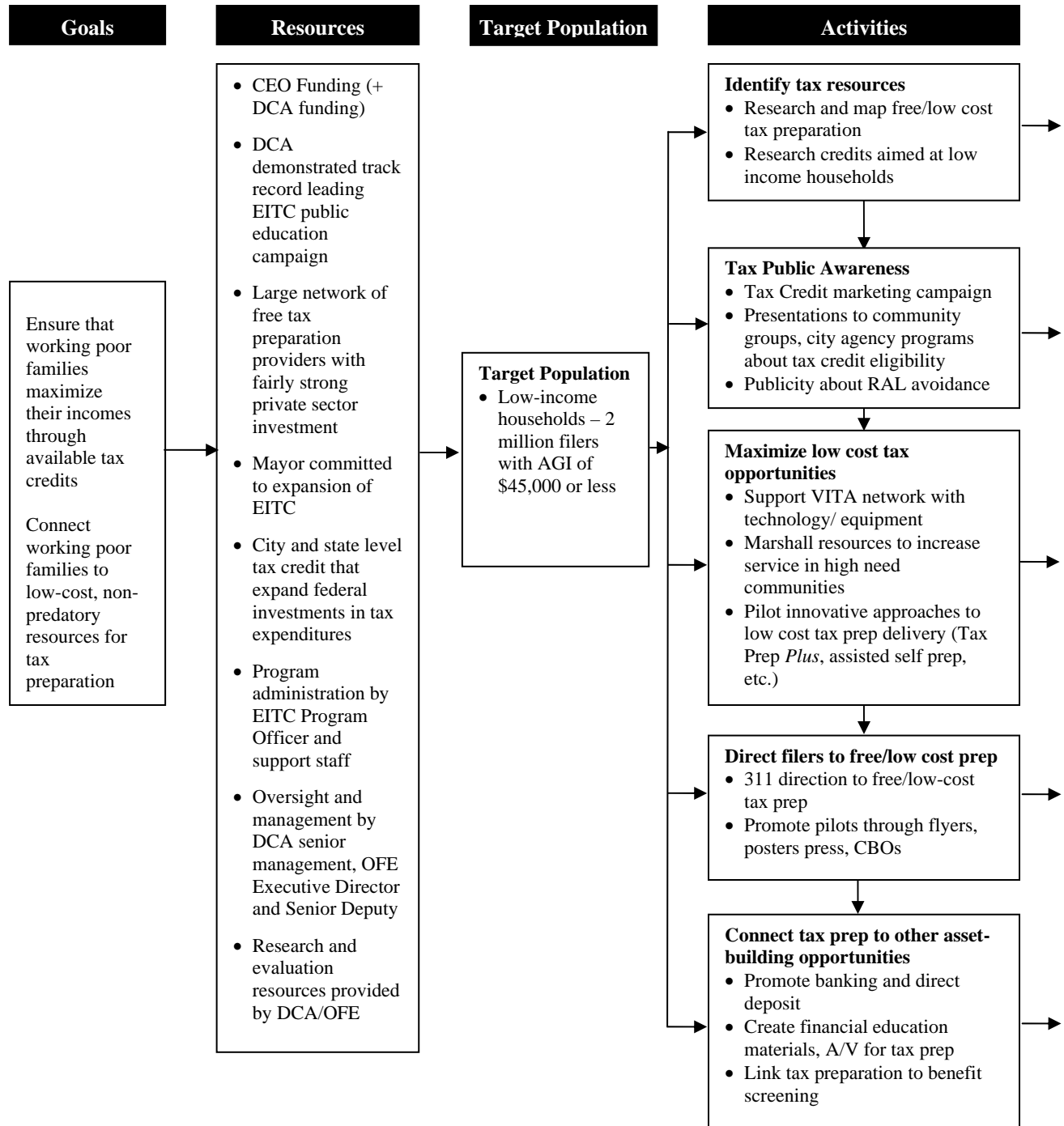
APPENDIX B
STRATEGY-SPECIFIC LOGIC MODELS

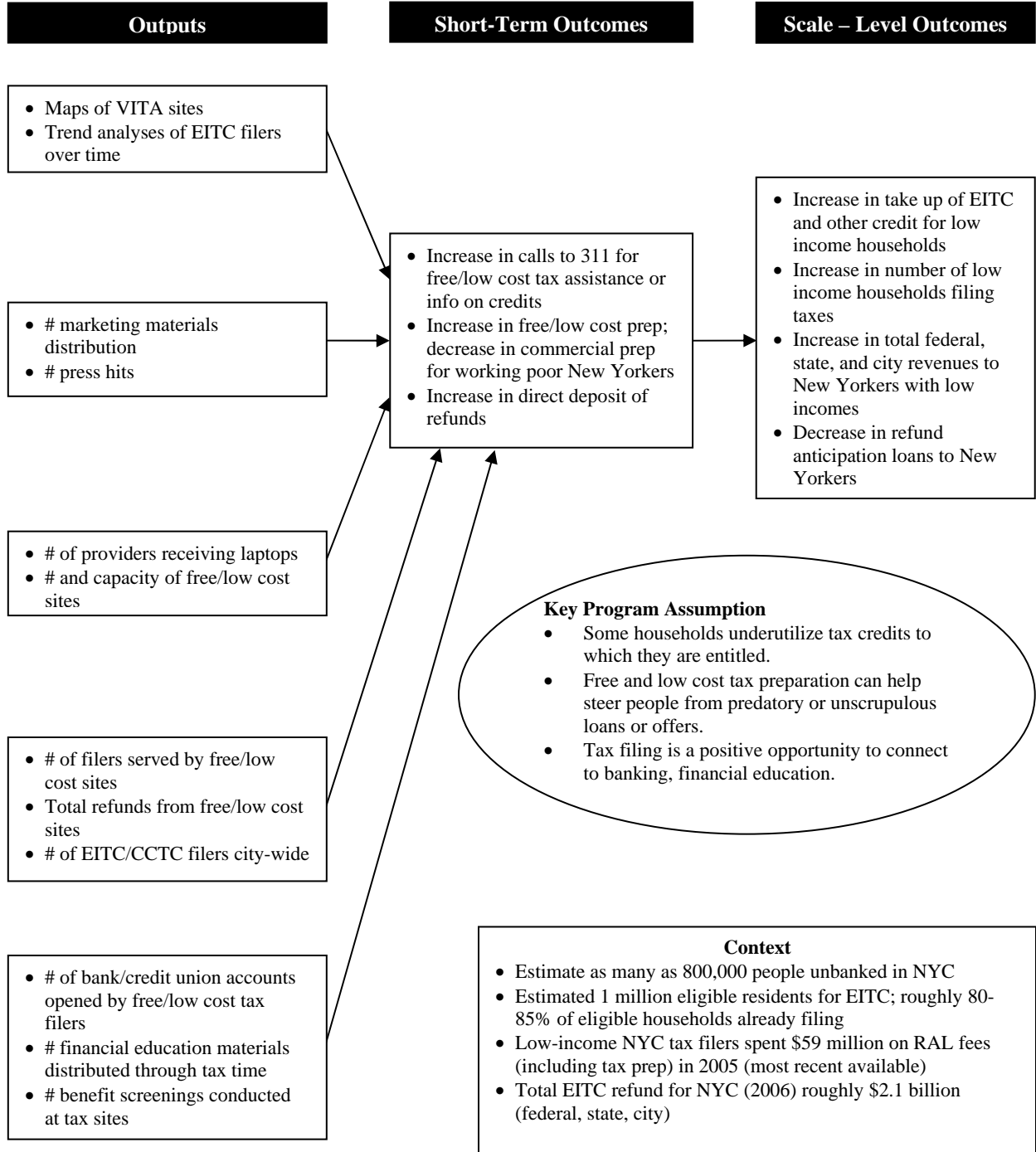
OFE Financial Education Initiatives
Logic Model



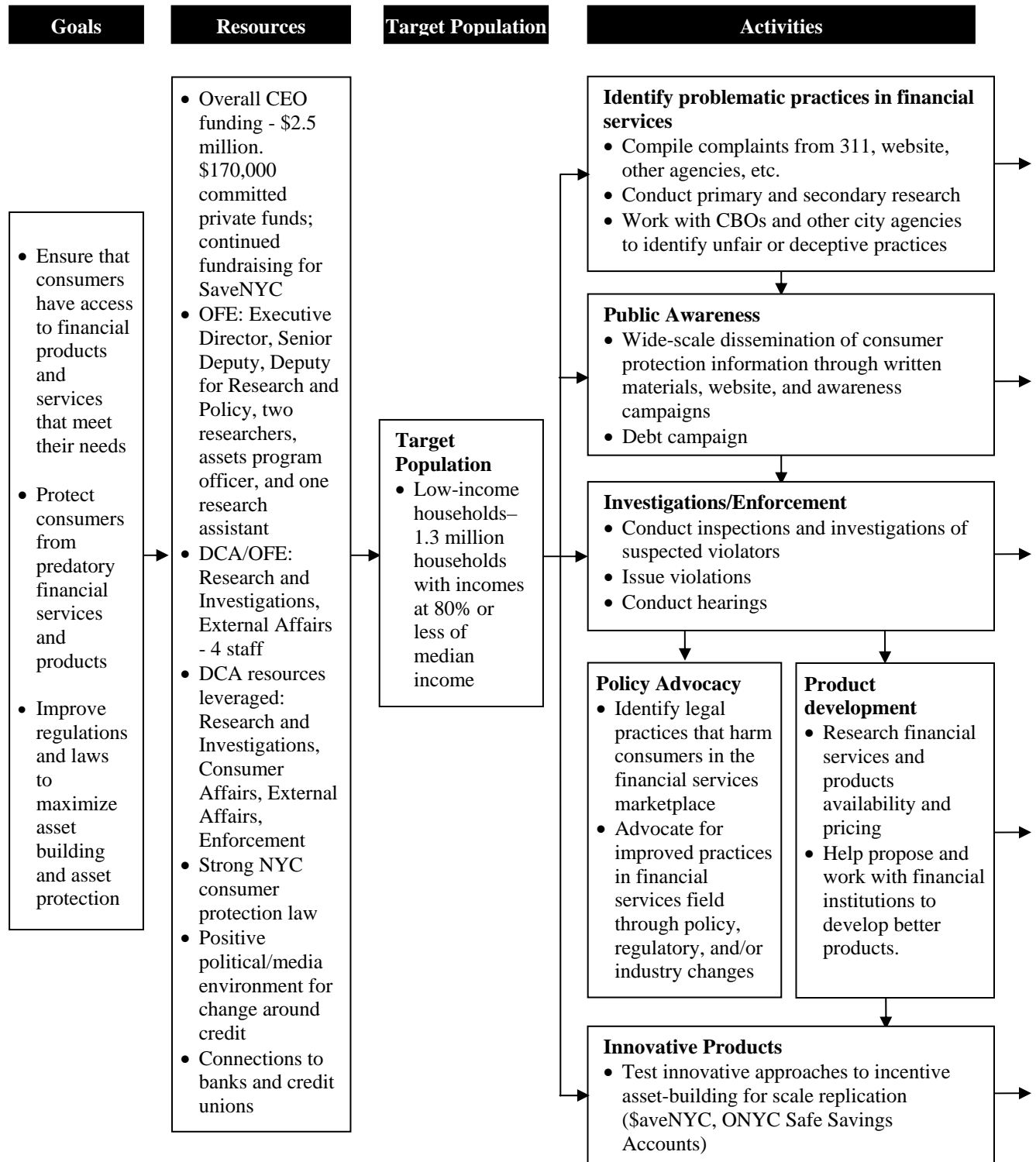


OFE Tax Campaigns Logic Model





**OFE Asset Building and Asset Protection
Logic Model**



Outputs

Short-Term Outcomes

Long-Term Outcomes

- Website content created and launched
- Written materials developed
- Number and types of written materials distributed
- Public education campaigns launched
- Press conferences held, press releases issued
- Inspections in target neighborhoods & target business categories, hearings held

- Identify promising practices in banking, savings, and credit products for low- and moderate-income workers
- Create and disseminate research products identifying financial services and products usage, features, and costs
- Develop coherent analyses of pilot experiments
- Testimony/memos written and delivered
- Coalitions developed/used, including Cities for Financial Empowerment

- Increase in number of web hits to consumer information pages
- Increase in number of 311 calls regarding debt or other financial practices and products
- Increase in number of working poor connected to mainstream banking
- Increased investigations of financial services scams and predatory practices
- Increase the availability of innovative financial products aimed at better serving low-income households

- Increase in public awareness about debt, money management and predatory practices
- Increase in positive financial behaviors among low income households
- Policy and regulatory changes to provide greater protections to consumers in the financial services marketplace and induce asset accumulation
- Improve product offerings for low income households

- Key Program Assumptions**
- Consumers are best protected by a combination of awareness and a legal framework that prevents unfair practices.
 - Mainstream financial products do not currently meet the needs of low-income consumers.

- Context**
- Strong consumer protection laws at local level in area of financial services (highly regulated check cashers, no payday lending, truth-in-advertising enforcement).
 - Estimated 800,000 unbanked adults.
 - 1/3 of NYS households are asset-poor, meaning that they could not support themselves for 3 months at the poverty level.
 - Estimate spending of \$225 million on check cashing/ year by city residents.
 - High level of debt in NYC, especially concentrated in low income areas.

APPENDIX C

LIST OF OFE LOCAL
ADVISORY COUNCIL
MEMBERS

OFE Local Advisory Council

Eileen Auld, State Director, New York Community Relations, Global Consumer Group, Citi

Diane Baillargeon, Executive Director, Seedco

Margot Brandenburg, Associate Director, Rockefeller Foundation

John Hope Bryant, Founder, Chairman and Chief Executive Officer, Operation HOPE, Inc.

Gordon Campbell, President and CEO, United Way of New York City

David Chen, Executive Director, Chinese-American Planning Council, Inc.

Anthony Crowell, Counselor to the Mayor, Mayor's Office

Matthew Fellowes, Director of Safe Banking Opportunities Project, Pew Charitable Trusts

Robert Friedman, Founder and Senior Counsel, Corporation for Enterprise Development

Fatima Goldman, Executive Director, Federation of Protestant Welfare Agencies

Matthew Goldstein, Chancellor, City University of New York

Colvin Grannum, Executive Director, Bedford Stuyvesant Restoration Corporation

Karen Gross, President, Southern Vermont College

Abby Holsclaw Hughes, Vice President for Community Development, Nets to Ladders

Daniel Letendre, Director, Lending & Investing, Merrill Lynch CDC

Linda Levy, CEO, Lower East Side People's Federal Credit Union

Sarah Ludwig, Executive Director, Neighborhood Economic Development Advocacy Project

Lisa Mensah, Executive Director, Initiative on Financial Security, Aspen Institute

Mark Menting, Partner, Sullivan and Cromwell

Clifford Rosenthal, Executive Director, National Federation of Community Development Credit Unions

John Sanchez, Executive Director, East Side House Settlement

Trooper Sanders, Domestic Policy Advisor, Clinton Foundation

Ronald Soloway, Director, Government Relations, UJA Federation of New York

Herb Sturz, Trustee, Open Society Institute

Zubin Taraporevala, Director, McKinsey & Co.

John Weiler, Senior Program Officer, F.B. Heron Foundation

Veronica White, Executive Director, Center for Economic Opportunity

Mark Willis, Visiting Scholar, Ford Foundation