



2019 Financial Empowerment Center Planning Grant Request for Proposals Frequently Asked Questions

Program

There are already organizations in my community that provide credit counseling or financial education—how does the Financial Empowerment Center (FEC) differ?

The Financial Empowerment Center initiative provides free, professional, one-on-one financial counseling as a public service led by local government. The model is based on the following core characteristics: (1) free one-on-one financial counseling from trained professionals; (2) a partnership, typically between a local government and nonprofit providers; (3) systemic collection and tracking of data, including across defined client outcomes; (4) integration within a range of local government and nonprofit service delivery systems; and (5) focus on sustaining the initiative as a free public service.

Where can I learn more about the FEC model and previous replication?

The CFE Fund released a [comprehensive evaluation](#) that documents replication success across five different American cities (Denver, Lansing, Nashville, Philadelphia and San Antonio). Additionally, interested applicants are encouraged to visit the [FEC Public website](#) to learn more about the FEC Public national replication strategy, participating cities and best practices around program integration and sustainability.

Do the FECs provide financial counseling or coaching?

The Financial Empowerment Center model focuses on a financial counseling and coaching blend. Financial counselors work individually with clients on a mix of goal setting and light case management in a direct service provision role and have both a deep technical knowledge of financial issues and the ability to advise people on their financial and personal goals.

Is there evidence of the FEC model's impact?

To date the FECs have served more than 85,000 clients, debt has been reduced by 100 million and savings have increased by 10 million. In addition, the CFE Fund's [FEC evaluation](#) demonstrated that the model worked in a variety of city contexts. Critical, well-replicated features of the model included programmatic emphasis on public-private partnerships, building rapport and prioritizing the clients' goals, encouraging return sessions, and professionalism through data-driven management and professional training. The evaluation draws on data from close to 22,000 clients across five cities. Nearly a quarter of unscored clients working on credit issues succeeded in establishing a credit score.

While FEC clients began counseling with an average of nearly \$29,000 in debt -- more than half with credit card accounts, 40% with utility debt, and 38% with student loans -- over a third of clients who tried to reduce their debt succeeded, with total debt reduction at \$22.5 million. In addition, FEC clients



were much more likely than average US residents to have no savings, yet overall, almost a third of clients working to increase their savings succeeded, averaging \$1,634 and totaling \$2.7 million. They achieved these successes despite the fact that clients' average annual incomes were only about \$21,000.

Can grantees make changes to the model as needed?

The core tenets of the model cannot be changed, including the use of a client database designed and maintained centrally by the CFE Fund, the involvement of the local government, the training standards and the one-on-one counseling. Grantees will have flexibility in selecting integration partnerships, which are typically unique to their local political priorities, existing programs, and resident needs.

Applicant/Eligibility

Can nonprofit organizations apply for this grant?

The CFE Fund will only accept applications from local government entities (city or county). However, nonprofits can work closely with selected local governments during the planning phase and should encourage their local government partners to apply.

How does the CFE Fund define local government for this grant?

Local government is a city or county government agency – such a Mayor’s office, City Manager’s office, County Executive office, or city/county service agencies. Note that a local government must represent a population of at least 75,000 people to be eligible for this grant opportunity.

If the county is the applicant, must all the cities in the county participate?

No, not all cities in a grantee county must participate in the FEC initiative for a county to be eligible for this grant. A county can propose to offer FEC financial counseling in one or more cities in the county, based on its service delivery operations.

When will the CFE Fund make final decisions and notify applicants?

The deadline to submit an application is August 09, 2019 (11:59 p.m. in your time zone). Once proposals are submitted, the CFE Fund anticipates conducting a series of follow-up phone calls and notifying successful applicants by early September.

Planning Grant

What happens during the FEC planning phase?

The engagement will involve an in-person kick-off meeting; identifying stakeholders and logistics for an Advisory Group; a series of planning discussions to determine implementation steps; and one CFE Fund



site visit (timing to be jointly determined). During this planning phase, grantees will be responsible for ensuring that the key deliverables, outlined below, are met.

What are the role and responsibilities of local government staff members assigned to this initiative?

The CFE Fund expects each local government grantee to identify at least one senior staff member to serve as the key liaison and coordinator. Anticipated responsibilities include:

- Participating in bi-weekly phone calls with CFE Fund staff to design and develop the implementation proposal;
- Coordinating internal discussions with relevant agencies/departments, as well as senior Administration leadership (e.g. Mayor or County Executive) to support all planning efforts;
- Creating an Advisory Group formed by community and local nonprofit leaders, financial institutions, local government leaders, service providers and potential funders;
- Leading fundraising efforts to secure match funding;
- Evaluating and selecting potential financial counseling provider(s) and community partners;
- Developing the scope of work and operations strategy for the FEC.

The CFE Fund will assist city leads in the completion of each planning phase deliverable, providing guidance, sharing best practices and resources (such as templates, checklists, job descriptions, etc.), and facilitating stakeholder discussions.

What are the key deliverables for this planning grant phase?

Key deliverables include: securing funding for the required match grant; securing a minimum of eight community partners; planning for or hiring a dedicated local government manager; securing the financial counseling provider(s) and outlining the training plan for the financial counselors and managers. Please note only those selected as a planning partner will be eligible to submit and implementation proposal which will cover these key deliverables, among other requirements.

What can the \$20,000 planning grant funds be spent toward?

The CFE Fund is open to several proposed approaches to using grant dollars during this planning phase. We anticipate funding to be used for staffing, research, and stakeholder engagements, as some examples. Once selected, the CFE Fund will work with grantees to finalize grant budgets.

When will the grant begin?

The CFE Fund anticipates that the grant start date will be October 2019, with the grant term running for about nine months, depending upon local success.

How will the CFE Fund disburse grant funds?

The CFE Fund will disburse funds to the local government grantee, or a fiscal agent designated by the grantee. The \$20,000 planning grant will be disbursed in its entirety at the beginning of the planning phase.



How does the match requirement work and when will it need to be secured?

CFE Fund support to implementation partners will include: a 1:1 match of \$150,000 in the first year; and a 1:2 match of \$100,000 in the second year. During the planning phase, grantees must secure funds for the first year, and be able to demonstrate a high likelihood of securing year two funding. Please note that applicants must be in a position to make a commitment to launch the FEC following the planning phase. The implementation phase is a two-year commitment to the FECs with the expectation that the program will continue beyond the grant.

Does the source of the funds matter?

Match funds can only include cash contributions (which includes new dollars secured or existing dollars allocated for the program). An example of existing dollars is allocating either the full amount or a portion of a current employee’s salary to FEC work; or repurposing open staff lines for the FEC work. The CFE Fund also encourages partners to identify in-kind contributions (use of facilities, services, equipment, etc.), but notes that these are not eligible for match fund grant requirements.

Who can apply to join the implementation phase?

Only those selected as a planning partner will be eligible to apply for the implementation phase. Please note that applicants must be in a position to make a commitment to launch the FEC following the planning phase.

Database

What is the cost of the FEC Database?

The FEC database, FECBOT, is provided at no cost to FEC grantees during the first two years of implementation.