

SERVICES

Financial Education

Use these standards for programs that provide financial education to consumers. Financial education includes classes or workshops on topics such as credit and debt, retirement planning, taxes, budgeting, family financial planning, and insurance.

Level 1: Program Feasibility Assessment

These basic criteria determine the feasibility of a financial education program. The focus is on the organizational and financial readiness of the program.

1. NEED

a. Community Need

- i. There is a population that is unbanked or underbanked.
- ii. There is a population lacking financial education and information about financial services.

b. Market Study/Needs Analysis

- i. The market study confirms the need for, and viability of the program.
 1. There are no other financial education programs in the area that can work with the target population.
 2. There is enough demand for services and sources of funding to support the program.
- ii. The market study informs the organization about demographics of the area, competition, and barriers to entry.

c. Local Support

- i. The beneficiaries of the program support the program.
- ii. Neighbors and local community members support the program.
- iii. The program is in alignment with local city, county, state and/or federal development goal(s)

2. ORGANIZATIONAL READINESS

- a. The organization is willing and able to do the program.
- b. The program is in alignment with the mission of the organization.
- c. The Board of Directors embraces a CED strategy and/or embraces the program as a part of the CED strategy.
- d. The organization and/or its partners have a track record of participating in similar programs.
- e. The organization has the financial and operational capacity to undertake the proposed program.
 - i. The organization can support the additional debt (if any) created by the program.
 - ii. The organization has qualified staff that can undertake the program.
 - iii. The organization has access to reliable, qualified vendors and service providers.

3. FINANCIAL FEASIBILITY

a. Program cost

- i. The program is affordable to the organization, and the projected cost is appropriate to the concept.
- ii. The operator or staff providing the cost estimates is qualified and experienced with financial education programs.

b. Funding sources

- i. There are enough sources of funding for the uses.
- ii. The organization has endeavored to secure all available competitive and noncompetitive funding sources for which the program qualifies.
- iii. The actual disbursement of each source is timely and in sync with the needs of the program.
- iv. The organization is aware of the compliance implications of each source.

c. Cash flow

- i. The program produces enough cash flow to support the proposed debt structure (if any).
 1. If the program is low-cost or free, it is subsidized enough to sustain itself beyond the first year.

Level 2: Practical Considerations

These criteria are essential for a successful, operating financial education program.

1. MARKET BARRIERS

- a. The organization understands why past programs have not worked and instead addresses prior issues in innovative and alternative ways.

2. DEVELOPMENT TEAM & PARTNERSHIPS

- a. The organization has assembled the best team for the program, including vendors, employees, trainers, outreach coordinators, and management staff.
- b. If the organization is lacking in any area (financial, experience), it has partnered with another entity to operate the program.
- c. The program is supported by public sector, private sector, and community partners.
- d. Through an open dialogue with the community, the organization has sought and incorporated community participation in the program

3. SITE CHARACTERISTICS

- a. The area that is served by the program makes sense.
- b. The offices and training sites of the program are located near or adjacent to transit.

4. PROGRAM DESIGN & OPERATION

- a. The program is run in the appropriate language(s) for the clientele in the area.
- b. The program is culturally appropriate to the clientele in the area.
- c. The program is tailored to the specific geography of the clientele in the area.

Level 3: From Feasible to Exemplary

These criteria elevate a financial education program to an exemplary program.

1. FUNDING & FUNDING REQUIREMENTS

- a. The program uses a funding program or funding source that is new and innovative.
- b. Each funding source was heavily leveraged to gain further resources.
- c. Certain features of the program were adapted to capture funding, but the program was not completely changed in order to capture one particular funding source.
- d. There are multiple stakeholders providing funding, and this mix of funding sources maximizes the feasibility of the program.
- e. The program exceeds minimum standards required by funding sources.
 - i. There is deeper low and moderate income targeting than required by funding sources.

2. FUTURE PROJECTS

- a. The program strengthens the position (financial, political, capacity, experience) of the organization.
- b. Through the program, the reputation of the organization was enhanced. Issues that the staff faced were dealt with in a diplomatic manner, enabling future programs.
- c. The success of the program will enable future funding on other programs.
- d. The community is happy with the program and will participate in more/similar programs in the future.
- e. The community is more knowledgeable about financial education programs.

3. ENVIRONMENTAL IMPACT

- a. The program has less environmental impact than traditional programs during operation.
- b. The program stimulates green job creation.

4. ECONOMIC IMPACT

- a. The program attracts new businesses to the area.
- b. The credit union helps retain existing businesses.
- c. The program improves matching of employees with employers.
- d. The program encourages development, redevelopment, and investment.

5. COMPREHENSIVENESS

- a. The organization provides or connects to other programs that provide multiple services e.g. social services.

6. DIVERSITY

- a. The program serves a mixed income clientele.
- b. The program encourages mixed age, gender, ethnic, etc. participation.

- c. The program supports minority businesses.
- 7. PUBLIC BENEFITS
 - a. The program provides financial education that is needed by the community but is currently not provided or accessible.
 - b. The program results in other positive physical impacts.
 - c. The program results in other positive economic impacts.
 - d. The program results in other positive social impacts.
- 8. LONGITUDINAL DATA
 - a. The program tracks financial indicators of its participants (e.g. # of participants who have gone on to open savings accounts)
- 9. REPLICABLE/SCALABLE
 - a. This program can be replicated in other communities, regions, and/or states.