

September 5, 2008  
Nonprofit Subcommittee Meeting  
DRAFT Recommendations

Recommendations:

**1. Use Pennsylvania model for their Office of Financial Education to create WA State's own financial education office OR fund a nonprofit to operate in same fashion**

- **Prefer** a nonprofit, to keep separate from government, to manage endowment
- Coordinate state-wide efforts and coalitions
- Pennsylvania office is
  - Part of Governor's office
  - Housed by Department of Banking
  - Use Penn office
- Create a dedicated fund source
- Funds cover operating costs:
  - Staff
  - Website
  - Phone

**2. Establish broad based financial literacy marketing and outreach campaign**

- State provide seed money for a capital campaign to establish a financial education endowment
  - Private match
- Grassroots outreach spearheaded by DFI target WA states ABC for a trickle down effect<sup>1</sup>.
  - Marketing: Washington or County Saves
  - Slogan: ?

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<sup>1</sup> Funding will need to be allocated

- Financial “Fitness” or Financial “Refinement” as opposed to “literacy” or “education”
  - Campaign
  - Logo
- Proposed nonprofit to establish pilot programs to be ran by local ABCs targeting different audiences (all SECs, immigrant, inmates, tribal, etc.)
  - Ex: Working Benefits, Bank On Seattle King County, Bank On Cowlitz,
  - Create a collection of best practices
  - Measurement outcomes
  -
- Offer in an array of settings: whole families, individuals, different locations, etc
- Target organizations, businesses and other locations where low and moderate income individuals cluster
- Use 211 call system as portal for customer information and referral – Build on success of statewide EITC campaign experience
  - Will need money to provide 211 service
- Maximize free and guerilla marketing, churches/religious, social and employer groups
- Market local coalitions
- Offer crisis counseling
- Financial planning

### **3. Provide incentives for participation in financial education**

- State, private agencies to provide
- Employer support: B&O/property tax credit for business owners providing fin ed. to their employer. (Fin ed. must meet criteria).
- Financial Institutions would offer lower interest rate, savings bond, or other incentive. i.e. BECU home mortgage model, discount on closing costs.

- Consumer tax credit
- Tax incentive?
- Funded by private-public match? Gas cards? Employers support (train expert within each company)
- \$100 savings deposit for completion

#### **4. Create dedicated state funding source for financial education and related asset building activities – like individual development accounts that increase savings**

- Ensure public-private matches
  - Through contracts or CRAs
  - Dedicating funding for dedicated organizations
- Bring to scale to more closely meet the need
- Grantors/Funders receive incentive to broaden scope of who/what they will fund.
- Create standards to lesson commercialization of financial institutions training
- Measure outcomes and describe the results

#### **5. Mandate/strongly encourage that integration of financial literacy into existing services for targeted populations**

- List examples...Programs assisting homeless, veterans, offenders, ethnic groups, etc.
- Engage non-profits and public agencies
- WorkSource, WorkFirst,
- Part of WSHFC home ownership training; certified

#### **6. Create a database for cross training btw experts and educators/instructor**

- Use Wisconsin model: expert train instructor/educator and visa versa.
  - CRA credit for expert (CPA, financial planner, real estate agent, bankers, etc.)

- Certification for instructor (teacher, counselor, volunteer, etc.)

## **7. Create instructors' learning center/clearinghouse for classroom resources**

- Include Financial Education “Learning Ladder”
  - *See attachment 1- Consumer University:: Learning Ladder*
- Train the trainer sessions; train experts...
  - Content, teaching styles, etc.
- Explore certification of financial ed. – create standards and measures;
  - Explore funding support for Certified Financial Counselors or other certified achievement (standards based)
  - need incentives to use (like WSHFC down payment assistance/interest reduction incentives).
  - Goldendale PUD deposit back program
- Establish outcome measurement
  - Outcome-based or performance-based contract
- Evaluate/Audit participating agencies
  - Programs
  - Curriculum
  - Instructors
- Provide “experts” resource contact list
- Web-based training and resource option
  - Provide trainer exchange/ratings, Q/A, blogs options, etc.
  - Online Q/A forum for trainers and students – indexed
  - Calendar of events, training opportunities for both staff and customers
  - Explore existing web site and tools: Beehive, NYC CFE model, DFI
  - Employer assistance (COSTCO model)

## **8. WA STATE SINGLE DATABASE/WEBSITE (WA St. ABC)**

- **State-wide**
- **Partnership between DFI, FLPPP and ABCs**
- **Using One Economy, AICPA website model**
- **CTED has created a resource map identifying services in each region**
- **Directory of resources**
  - Education (on-the-spot or referral to agency)
  - Instructors
  - Agencies
  - Financial institutions
  - Experts
  - Calendar
- **Broken down by county**
- **Start up funding from \$ left over from conference**
- **Coalition to maintain site**
- **Marketing provided by DFI**

## **9. Establish a demonstration project through local asset building coalitions to bring financial fitness to scale in one community**

- **Employers participation**

## **10. Ensure competent lead organization to manage and continually update clearinghouse system**

- **Use asset building coalitions to maximize coordination and partnership at state and local levels**
- **Expand alternatives like Working Wheels to offer best deals for clients**

## **11. Mandate financial literacy as part of K-12 learning (implement FLPPP recommendations)**

- Incorporate into math section of WASL
  - How else can financial education be encouraged and incentivized
- Encourage connection to parents/families
- Train older students to teach younger students
  - Include this option under Volunteer work, as a graduation requirement
- Family Financial Fitness nights – pizza dinner, separate sessions for age groups