

FINANCIAL CAPABILITY

FINANCIAL CAPABILITY SERVICES

Strategy Description

Low and moderate income families in San Francisco need increased financial capability services, such as high quality one-on-one financial coaching, and access to safe, affordable financial products and services that enable them to save, borrow, grow and protect their assets.

Organizations that apply under this program area will provide financial capability services for residents. They will work with clients on strategies including:

- The creation and implementation of financial action plans (including financial assessment, review of credit score, and creation of a budget);
- Accessing responsible, lower interest lending and credit-building products;
- Establishing and maintaining a regular savings habit, increasing total savings, and building emergency savings reserves;
- Decreasing debt and signing up for income-driven repayment plans for student debt to lower payment burden;
- Opening or transitioning to safe and affordable banking accounts (such as Bank On San Francisco accounts), and helping resolve barriers to banking access;
- Establishing a credit score, or improving an existing credit score;
- Integrating financial services to improve housing stability (including on-time rent payment, positive housing transition, and reporting of rent to credit bureaus); and
- Successfully referring and ensuring take-up of appropriate services that remove financial barriers and increase financial stability of residents, including legal services, public benefits, and free tax assistance.

MOHCD will place an increased emphasis on projects that provide ongoing one-on-one coaching services (including an initial screening and assessment, with several follow up sessions scheduled), and to programs that can demonstrate effectiveness in producing long-term improvements for clients in helping them financially stabilize and improve their financial health.

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Strategy Description (continued)

We also strongly encourage integration of financial capability services at community-based organizations and housing sites, where they can effectively reach high-need populations, build on trusted relationships with other providers, and be effectively integrated with other services offered to amplify their impact on residents. One goal of integration is to provide services that are accessible to residents in low-income neighborhoods, in neighborhoods with banking deserts, and for populations with the highest rates of economic disparities, throughout San Francisco.

Smart Money Coaching

Applicants providing one-on-one financial coaching services are also encouraged to join Smart Money Coaching (SMC), a program of the Office of the Treasurer and Tax Collector's Office of Financial Empowerment (OFE). SMC is a high quality, one-on-one financial coaching service integrated into public housing, social service delivery, workforce development and in low-income communities with inequitable financial access and opportunities. Joining SMC provides organizations with many benefits, including the following:

- **Service Alignment.** Be an integral service provider of a city-wide program to develop consistency and high quality financial coaching services for all individuals living, working or receiving services in San Francisco.
- **Strategy.** Receive strategic support to develop and expand SMC services, develop your annual contract workplan and goals, and consistently achieve or surpass those goals.
- **Training.** Receive training on the SMC model and continued education for coaches.
- **Evaluation.** Receive support tracking coaching metrics each month, reassessing strategies to meet goals, analyzing and evaluating impact, and collecting client stories.

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Strategy Description (continued)

Smart Money Coaching (continued)

- Funding. Receive national recognition for your work as a city-wide financial coaching program, including opportunities to secure additional government and philanthropic funding to expand your SMC services.
- Network. Be a part of a learning community of Smart Money Coaching providers and an expanding community of SMC referral partners that connect residents to SMC at your site(s).
- Marketing. Receive marketing templates and support to effectively outreach to promote services and recruit clients.

The following are the requirements of a SMC service provider:

- Partnership. Organizations must sign an MOU with OFE to be a SMC service provider.
- Certification of Financial Coaches. All coaches must be certified as financial counselors through the National Association of Certified Credit Counselors (NACCC). Certification costs \$1350 per staff and takes 160 hours to complete. These costs can be included as part of the proposed budget. Staff also participate in continued education through OFE of at least 8 hours per year.
- Data. Utilize a SMC data system to schedule appointments, collect demographic and financial data, and track outcomes (in addition to any standard reporting through MOHCD's Grants Management System).
- Reporting and Consultation. Monthly reporting of activities and outcomes to both OFE and MOHCD, including monthly meetings with OFE to discuss attendance and outcomes data, learn about emerging best practices, and receive support to identify and solve operational and strategic challenges.

Applicants providing one-on-one financial coaching are not required to become SMC

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providers in order to receive an MOHCD grant through this RFP. However, a commitment to participate in SMC is highly encouraged.

In your proposal:

- Please indicate in your proposal narrative if you plan to become a SMC provider, and how you will meet the requirements described above. If your agency does not plan to join SMC, please include a brief explanation for that decision.

Key Metrics

Here are some suggested outcomes to include in your proposal:

Outcome Metric
of financial action plans created
of residents who access responsible, lower interest lending products
of residents who increase their savings by 1+ week of income
of residents who decrease their debt by at least 10%
of residents who open or transition to a safe and affordable bank account
of residents who increase their credit score by 35+ points

Feel free to expand on these, or offer other measures of success in your proposal.

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Applicant Qualifications

- Applicants must have demonstrated expertise and experience in providing these specialized services, as well as in effectively improving the financial capability of low and moderate income families (or other groups that the applicant can demonstrate have high needs based on relevant indicators); and
- Staff providing services must be accredited to provide these services, including accreditations from institutions such as HUD and the National Association of Certified Credit Counselors. Accreditation should match services being offered.

