

DCRAC's Plan for Consumer Finance Education

DCRAC's Credit Clinic is a Delaware Imperative

Delaware has no usury laws and consequently, consumers of financial products and services are charged any amount that the lender chooses. The average Delawarean has a credit score of only 684¹. Credit scores affect every part of someone's life-from getting a loan to buying insurance; making it important that Delawareans are provided the tools to obtain and maintain the best possible credit score.

In Delaware, electricity was deregulated in May 2005 bumping electric prices up by 59%! Median rent in Delaware during 2005 was \$793 per month, with 46,573 paying more than \$750 of their income for rent. Delaware, as is true for our nation, is approaching double digit unemployment rates. In Delaware employment is concentrated largely in the services and the retail sectors - positions that do not pay high wages. LMI families who depend on public transportation find their job opportunities very limited; those with jobs have the high cost of maintaining their cars and a price per gallon of gas getting close to \$3.00 per gallon. Price increases disproportionately impact LMI families. To combat the increases and to further financial stability among LMI families, we need to do all that is in our power to teach our community the basic budgeting skills essential to survive on a daily basis.

While others have focused on asset building capacity of Delawareans, DCRAC has focused on training families to explore their own finances to make smart money choices, learn about consumer protections, build a stronger credit rating, and become smarter borrowers. Financial education and information about the Landlord tenant education becomes very crucial as a growing number of cost burdened consumers of housing flood the market with impaired credits (as a result of losing their home among others) and reduced incomes (the local economy).

According to the Delaware State Housing Authority's Consolidated Plan, a few needs identified include:

- A full-time childcare worker, preschool teacher, or retail salesperson earning their occupation's median wage cannot afford the fair market rent for a 1- bedroom apartment anywhere in Delaware.
- Two of the top three industries projected to create the most new jobs in Delaware from 2004-2014 had 2006 average annual wages of less than \$26,000.

Of the estimated 6,758 homeless people in Delaware, barriers to housing include among others:

- Lack of income;
- Poor credit history;
- Literacy problems.

These same barriers impact the working poor, making it impossible for them to meet basic needs; a desperate and precarious family situation in which child health, school achievement, nutrition, and

¹ <http://www.money-zine.com/Financial-Planning/Debt-Consolidation/National-Average-Credit-Score/>

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family stability suffer greatly. At our seminars we recognize that over 80% of those who participate have never worked with a budget before. Much of their cost burdens could be attributed to the high cost of borrowing and fees from poor repayment habits (largely a result of ignorance about credit). Our seminar targets the extremely low income households and prepares them to become smart consumers of financial goods and services.

The low income community challenges

1. Over the next 40 years, the Hispanic population is projected to nearly triple. As a result, DCRAC's full-time Clinic Directors (Tax, Housing, and Credit) are fully bilingual in English and Spanish. In Delaware, at this point in time, other language needs are adequately met through our volunteer translators.
2. Taxpayers are subject to levy on their Social Security benefits with no filter in place to determine whether such levies will cause economic hardship. The Federal Payment Levy Program (FPLP) enables the IRS to continuously levy up to 15 percent of certain federal payments made to delinquent taxpayers. These levies most commonly attach to Social Security Administration payments. Of the more than two million FPLP levy payments the IRS received from taxpayers in 2008, more than 83 percent were from Social Security benefits. Over one-third of all FPLP cases subject to an ongoing FPLP levy would likely be classified as unable to pay based on current IRS allowable living expense guidelines.
3. Many taxpayers who are entitled to refunds and need them quickly do not receive them for weeks, driving them to refund anticipation loans.
 - a. Federal tax refunds are a significant source of funds for many individual taxpayers, particularly low income taxpayers.
 - b. Among taxpayers who received earned income tax credit (EITC) benefits and tax refunds in tax year 2006, the average refund amount was \$3,184, and the average adjusted gross income was \$15,763.45
 - c. **The average refund amounted to 20 percent of each taxpayer's adjusted gross income.**
 - d. Yet if a taxpayer does not have a bank account into which a refund may be electronically deposited, the taxpayer may have to wait weeks to receive the refund. Because low income taxpayers often want or need their refunds quickly, this delay drives many of them to pay significant transaction fees to obtain refund anticipation loans (RALs). With a RAL, the taxpayer typically receives a loan (secured by a tax refund) within one day after the preparer files the tax return with the IRS.

High Cost loans flood low-income communities Any one who has ever struggled with poverty knows how expensive it is to be poor. The low- and moderate-income minority community is targeted for high cost loans. As a result, their credit is impaired and their disposable income is expended in fees. Consequently, their financing choices are limited. Delaware is a banking state. We have fewer consumer protections and no usury laws. As such, our vulnerable are made more vulnerable.

- 60% of Rent-to-own customers have incomes below \$25,000 and 75% of the merchandise is eventually repossessed.

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- 70% of car title loan borrowers earn less than \$25,000 and 50% of the borrowers are low-wage workers who need their cars to commute to work.
- 1 in 3 earned income tax credit recipient obtains a Refund Anticipation Loan and over two-thirds have an adjusted gross income of about \$35,000. Not surprisingly, 1 in 7 RAL borrower is African American. RALs drained the refunds of 8.67 million American taxpayers in 2007, costing them \$833 million in loan fees, plus over \$68 million in other fees. About 1 in 15 tax returns involved a RAL.
- Payday lending industry earns over \$4 billion in fees annually. Just before Christmas each year, more than 10 million people take out a payday loan. Between 2000 and 2003, the number of outlets offering these loans more than doubled to 20,000. Advance America, a company that only started in 1997 had more than 2,000 stores in 2005.

A survey was conducted on behalf of the Metropolitan Urban League by the Credit Union National Association in February 2005 to determine the need for a low income credit union in Wilmington, DE.

- Of those surveyed, 75% had bank accounts. However, another finding worth noting is that a large proportion of residents classified as "unconventional financial services users" i.e. users of check-cashing outlets, payday lenders, etc. have check cards/ATM access.
- There is a disproportionately high level of "unconventional financial service users" among Wilmington's African-American population than among its White or Hispanic population.
- Half of Wilmington Survey respondents (consistent with US Census Bureau statistics for Wilmington), including 70% of unconventional financial services users, have household incomes under \$40,000!

We have a two-tiered financial services system in America, one featuring conventional products distributed by banks and savings institutions primarily for middle- and upper-income, disproportionately white suburban markets and the other featuring high-priced, often predatory products, offered by such "fringe bankers" as check-cashers, payday lenders, pawnshops, and others, targeted at low-income and predominantly minority communities concentrated in central cities (Leonhardt 1997; Caskey 1994, 2002; Hudson 1996; Karger 2005). We believe that for many Delawareans, information could be the catalyst that saves their future while misinformation could add to a growing number of families in shelters or on the streets.

Discrimination is alive and well. Even though we do not have access to the number and nature of complaints that are ever filed related to consumer lending discrimination, we know that such discrimination is rampant in the housing market. According to HDS 2000, in rental markets, white favored treatment over African Americans is still 21.6% and over Hispanics it is 25.7% and in the homeownership market white home buyers are consistently favored over African American home buyers in 17% of tests and over Hispanics they are favored 19.7%². This, despite the fact that have a

² http://www.urban.org/UploadedPDF/410821_Phase1_Report.pdf pages iii to v.

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federal agency focused on ending housing discrimination for 41 years! Even today, we are still debating the virtues of creating a federal Consumer Financial Protection Agency.

The impacts of redlining continue in 2009. Less favorable terms have been the only ones available in the neighborhoods in which the minority borrowers reside, or in which the dwellings they plan to purchase are located³. Often also, the limited lending options available in such neighborhoods have been offered by lenders who operate only in such areas⁴. Because some banks or savings and loan institutions in cities will not make loans in minority neighborhoods, minority borrowers cannot benefit from competitive loan offerings available in the larger market.⁵

According to focus groups in New Castle,⁶ Kent,⁷ and Sussex,⁸ **a major impediment to desegregation is access to credit and credit practices.** The growth of alternate lenders in Wilmington, suggests that lower income communities are financially limited in their choices when they pay a high cost for credit⁹.

Discrimination in lending continues. A central historical cause of racial inequality in housing has been government and private redlining of neighborhoods that left individuals living in minority neighborhoods without access to mainstream mortgage lending. No other recent economic crisis illustrates better the saying "when America catches a cold, African Americans and Latinos get pneumonia" than the subprime mortgage meltdown¹⁰.

1. The presence or absence of sustained residential and commercial investment by banks and other financial institutions in low-income and minority neighborhoods is the most important factor in maintaining neighborhood vitality¹¹.

³ Fair Housing Planning Guide, Volume I, Chapter 5 Section 3 at 135

⁴ Id.

⁵ Id.

⁶ <http://dspace.udel.edu:8080/dspace/bitstream/19716/231/6/Evidence+of+Housing+Discrimination.pdf> page 51.

⁷ <http://dspace.udel.edu:8080/dspace/bitstream/19716/231/6/Evidence+of+Housing+Discrimination.pdf> page 52.

⁸ <http://dspace.udel.edu:8080/dspace/bitstream/19716/231/6/Evidence+of+Housing+Discrimination.pdf> page 53.

⁹

	1999	2000	2001	2002	2003	2004	2005
Growth of alternate lenders							
Licensed Lenders	282	354	316	332	369	411	463
Motor Vehicle Sales Finance	99	97	96	83	76	83	78
Mortgage Loan Brokers	76	118	135	149	162	227	263
Transportation of Money and Valuables	4	4	4	4	4	4	4
Cashing of Checks, Drafts, and Money Orders	15	12	9	23	31	36	42
Sale of Checks and Transmission of Money	19	18	25	25	25	33	40
Pre-need Funeral Contracts	43	43	44	44	44	44	25
Business and Industrial Development	0	1	1	1	1	1	1
Totals	538	647	630	661	712	839	916

¹⁰ <http://www.civilrights.org/publications/reports/fairhousing/foreclosure-crisis.html>

¹¹ Fair Housing Planning Guide, Volume I, Chapter 5 Section 3, p. 124.

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2. Lending policies and requirements related to credit history, current credit rating, employment history, and general character of applicants permit lenders to use a great deal of discretion and in the process deny loans even though the prospective borrower would have been an acceptable risk¹².
3. An NCRC study finds that as the composition of a neighborhood becomes more concentrated with African American residents, sub prime lending in mortgages and refinances rises and as the neighborhood becomes more elderly, subprime refinance lending rises—this is true even after holding income, credit worthiness and housing market factors constant¹³.

¹² Id. At 135.

¹³ http://www.omm.com/omm_distribution/newsletters/client_alert_financial_services/pdf/ncrediscrimstudy.pdf pp. 7-9.

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DCRAC's Response--Credit Clinic

In 1995, we launched our Money Matters! Seminars. Our TV and Radio programs help us reach our audience through a different delivery channel. We utilize every medium available to us to reach out and inform and educate our community on smart money choices. In our 15 years of teaching Money Matters! (six of those years with a staff of one), we have served over 10,000 Delawareans. Our one to two hour-long seminars focus on budgeting and building and repairing credit. Where possible, we refer families to Delawareans Save (an IDA program) and Credit builder programs--both require families to attend an 8 to 10-hour session on financial fitness. Our 10-week long sessions include developing working budgets, reviewing credit reports, developing a credit repair plan of action, educating about homeownership opportunities, and referring them to appropriate sources such as IDA and Credit Builder programs. Since 1995, DCRAC's Money Matters! have given Delawareans basic budgeting skills needed to survive in an environment where the cost of living has increased while incomes have not. Our numerous services include:

- Budget and credit consultations (by appointment)
- Seminars on: budgeting, building and repairing credit, homeownership, learning about programs like Delawareans Save and the Credit Builder program, etc., consumer protection, and smart money moves
- Hour-long television programs on local cable
- Point and Click e-learning center
- Financial Fitness: A 5-week, 10-hour curriculum encompasses more in-depth understanding on money matters
- Radio on www.wrbg1079fm.com

DCRAC's competitive advantage

Our Money Matters! has a long tradition of reaching out to the low income community, soliciting their feedback, and responding to their suggestions. When surveying our constituents, overspending and lack of financial knowledge have tied annually for first place in response to why people get in money troubles. Through open-ended survey questions, we identified that a vast majority of our students want individualized help with their budgets. In response, we provide budget consultations. Other service providers of financial education reach to those who have self screened themselves with a desire to learn or who know that they want to become homeowners. We fill the gap by serving those who do not know that they need to learn about managing money or can even dream about homeownership. Our unique niche fills an essential gap.

- Based on our 20 years of work in this community, we have an ability to reach and the trust of low-income households. Our statistics bear out the fact that our training do reach our target audience -- something that other non-profits may not be able to do.
- We also partner to serve other vulnerable communities. For example: We have partnered with 20 homeless shelters statewide where we spend one hour each month to explain basic budgets and how to save toward the next phase in life--tenancy. At transitional housing, where residents

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stay for 6 months or more, we offer a 10 hour course. During this time, we establish and work with their budgets, review their credit reports, assist them with opening bank accounts and managing them. The 2007 Point in Time Homeless Needs Assessment has many reasons for the homelessness that may be financial in nature -- i.e. inability to afford housing and related expenses, domestic violence situations, health issues as well as addiction issues.

- We are also invited to speak to elementary, middle, and high schools as well as college students on a regular basis and have partnered with three of our community colleges (Del. Tech all four campuses, Sussex Tech, Delaware State University, and Goldey Beacom) to serve adults statewide; a few are moving from welfare to work.
- We offer our own Seminars promoted through the Money School.
- We partner with others to offer this information and education.

We reach the low income community

With this population as a focus, the Point in Time Homeless needs assessment created on January 26, 2007, indicated that there were approximately 1,083 individuals sheltered in emergency or transitional housing at that time. The survey indicated that the average monthly income was \$766 with 32% reporting no income; 4% (\$1 to \$500); \$29% (\$501 to \$1,000); 11% over \$1,000; and 24% income unavailable. Income sources include Social Security, TANF, pension, child support or employment. Based on this information, the population served is very low-income and needs very basic budgeting help and credit understanding to rebuild their credit. Many in emergency and transitional housing situations are receiving other life skill and job support training, in conjunction with the financial education, in order to "graduate" an individual into self-sufficiency.

Profile of our one-on-one Clients

- Former client who moved to Michigan called for questions about transferring money from one bank to another, e-banking, and various savings accounts at a few Michigan Banks.
- A caller had questions about her credit report which does not show her car payment. When her dad co-signed for her, she used a different last name. Explained that it should not make any difference except that it is possible the lender does not report so double check with the lender.
- A payday loan client from 3 years ago is being taken to JP Court. We referred her to DVLS, LSC, and CLASI. No one could help her. She went on her own and represented herself. She lost the case and called me back. At which time, after reviewing her file, we referred her to an attorney.
- A caller wanted to know if a collector can attach wages. We explained that only through a court order, could the collector do so. CCS has recommended that he file bankruptcy. But he has only one credit card and owes only \$3,000. So, we urged him to call the YWCA, attend a financial fitness course, and figure out a way to negotiate with the collector.
- A caller wanted to know what she could do about her abusive ex (divorced 10 years ago) and gave the collectors her unlisted telephone number and the collectors are harassing her. We explained her FDCPA rights. Also suggested she review her credit report to make sure no one was using her credit information.

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- A few clients walk-in and we try and help them with getting their credit reports from annualcreditreport.com and if for some reason we cannot get the reports, We help them fill the form and send the attachments so they can get their credit reports.
- A caller had his car repossessed after notice was served on his 8-year old daughter. He wants to reopen his case. We referred him to LSC and DVLS.
- A client was denied his VA benefits and we helped him fill out his paperwork.
- An elderly client has a medical need to return his tags, drop his auto insurance, and try and get his car returned to the seller. We helped him.
- A caller was concerned about the triple protection offer from her lender because she could have become a victim of ID Theft (lender lost data). After researching on line, we explained that the lender did indeed lose data and as a result offered this triple protection ONLY for 3 years.
- A client in Sussex was brought into this country from England under false pretenses. Her deceased husband and his family left her and her sons homeless. We connected her to then Senator Biden's office in Georgetown.
- A Kent County client who had her SSDI approved and then was taken to JP Court. We walked her through the process so she could represent herself.
- A Sussex County client had an unemployment insurance issue. Rather than accommodating, she was released because of her disability.
- An attorney who was arbitrating a Healthcare procedure loan from Cap One wanted to be educated about Delaware's consumer protection law relative to this particular type of loan.
- A landlord is attaching the tenant's mother's wages. The tenant's mother is not on the lease, nor has she cosigned for the tenant.
- A low income caller from a homeless shelter wanted information about affordable tenancy. She specifically said that her goal is to become a homeowner. She is interested in Section 8 Home ownership program. Gave her a listing of affordable housing from Housing in a Hurry, then explained the New Castle County program and gave her Rizzo's telephone number. We also gave her telephone numbers of our housing counseling agencies. Finally, we explained to her about Financial Fitness, IDA and Credit Builder programs.
- A tenant from southern Delaware lives in section 8 housing and wants to move to another section 8 community.
- A television viewer needed a copy of landlord-tenant code. She had questions about rent control (none in Delaware). Emailed her the code.
- Case worker called to find out what are the rights of tenants who live in foreclosed homes.
- A homeowner who is going through a nasty divorce will be saddled with debt on a home that will go to her ex. She needed some help with her finances and affordable rental options for herself.
- An elderly couple got their home built and at closing, the son was required to sign as cosigner. Now the son wants his name off the mortgage and the deed. We explained to them about simple and qualified assignments of mortgages.
- Project Rightful owner clients--have money at the court--explained how to get it.

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Education & Outreach (A summary)

Seminars	DCRAC 2008			
	Total	FHIP	LITC	MM
18 to 42	438	332	92	14
42 to 62	176	137	21	18
no info	2020	1015	358	647
over 62	5	1		4
Under 18	4	4		
Kent	287	135	152	
New Castle	1883	949	252	682
Sussex	473	405	67	1
Female	1004	714	219	71
Male	781	553	164	64
no info.	858	222	88	548
high income	19	13	5	1
Low income	1390	1066	236	88
middle income	147	89	25	33
no info.	1087	321	205	561
Asian	9	4	5	
Black	590	480	70	40
Latino	235	54	176	5
No Info	1348	622	140	586
Other	18	14	3	1
White	443	315	77	51
	2643	1489	471	683

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STRATEGIES: Outreach Clinic

Indirect Outreach is offered to at least 2,000 Delawareans annually through toll free number, presence on the web¹⁴, weekly two-hour radio program, monthly one-hour Spanish radio, weekly television programs, quarterly newsletters, and media coverage of consumer finance issues¹⁵. Our **television** program is aired live in New Castle County. Often we have guests in which case we spend some time preparing with our guests prior to the live broadcast. Once the show airs, we get dubs and federal express them to Sussex and Kent for airing in each County. In both Counties, we now air each week from 8 pm to 9 pm. On April 1, 2006, we launched a weekly and monthly presence on the **radio** that airs out of Millsboro (Sussex). This radio program is heard on the web. Our **newsletters** are published each quarter. Our circulation currently stands at 10,000. When our newsletters arrive, staff and volunteers tediously label each newsletter, gather these labeled newsletters and take them to Quigley Boulevard Post Office for bulk mailing. Newsletters are also posted on the web. Inherent in effective outreach is the task of maintaining our contacts data base. As strong community partners, we are invited to **outreach events** conducted by our partners. This requires us to make copies of pertinent materials, travel to the location, and be stationed at tables to answer questions. Our diverse partnerships enable us to reach a broader audience in Delaware.

Direct outreach helps us reach another 2,000 Delawareans through our Financial Fitness Courses (5 week 10 hours), Money Matters! Seminars, Credit Lounges, Coffee and Conversations, etc.

COMMUNICATIONS PLAN

Our objective is to streamline the delivery of services in such a manner that we reach our target community and serve them more effectively and efficiently. We believe we can increase our level of services without a major investment in staffing by using our volunteers more effectively than we have in the past. A very central plan to meeting our goals and objectives is effective communications. Our communications goals include:

- Involve volunteers so that we can accomplish more with less.
- Involve a deeper commitment from our partners so they become ambassadors of our services into their constituency
- Increase the understanding of the nature and quality of our services among all our stakeholders
- Build a strong internal communications platform that reduces duplication and redundancies.
- Build a strong external communications platform that allows us to reach all our stakeholders so that they recognize, understand, and promote our services.

Equally critical to achieving our objective is coordination of resources. The resources we need to execute effectively on our goals are:

- Other non-profits that provide similar services
- Churches, Libraries, and Community centers which are ideally suited for hosting our events

¹⁴ www.dcrac.org

¹⁵ The World is watching your credit score, The News Journal, May 8, 2006

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- Volunteers from a broader community of experts including bank executives, retired senior executives, Certified Public Accountants, Certified Financial Planners, attorneys, high school students, other involved individuals, etc.
- Media partners—particularly the non-traditional media such as corner stores, civic associations, block parties, etc.

For each of our three Clinics, other outreach includes:

- On WRBG, host 18 Saturdays for 36 hours of information dissemination for each of our 3 Clinics.
- On the Spanish radio at Latin Beat, La Sabrosa, La Exitosa, and Digital 900.
- On DCRAC TV show where 4 shows are dedicated to each of our three Clinics and aired for 4 hours in New Castle, 16 hours in Kent, and 17 hours in Sussex to reach over 2000 Delawareans each hour of our presence on TV.
- Other TV outreach is garnered through ABC, Telemundo, and the newsmakers program.
- In print, we reach over 10,000 Delawareans each quarter through our newsletters, articles in the News Journal, Hockessin Community News, Hoy (Spanish), and El Tiempo (Spanish).

PRODUCING THE WRITTEN MATERIAL

Written material produced at DCRAC: Advertising, Materials, Handbooks, Newsletters, Press releases, Comments, articles for other publications, internal documents, etc.

Advertising

1. All our advertising is in English and Spanish.
2. All our advertising includes: We provide ALL our services AT NO COST without regard to race, color, national origin, religion, sex, familial status, disability, age, creed, source of income, marital status, or sexual orientation.
3. All translations in Spanish are reviewed by Andrea Charry—volunteer.
4. All our outreach publications are designed by Chris Mears—volunteer.
5. All our publications are edited by Artika Rangan—volunteer.
6. If the Advertising is related to Housing Clinic, get approval from HUD before final release.

Newsletter

1. Maintain and update Contacts data base
2. Follow Advertising protocol above.
3. Go through the final check up before release to HUD for approval (for the April newsletter).
4. Coordinate volunteers to label the newsletters
5. Convert into a pdf file and update on the web

Press Releases

1. Get quotes from partners.
2. Ask our partners for a brief write-up about their organizations.
3. Go through the final check up before release to HUD for approval.
4. About DCRAC: The Delaware Community Reinvestment Action Council is a tax exempt, charitable nonprofit whose mission is to ensure equitable treatment and equal access to credit and capital for the underserved populations and communities throughout Delaware through advocacy, education, legislation, and outreach. Founded in 1987, DCRAC was awarded the Standards for Excellence Seal of Excellence in 2007 after completing a rigorous voluntary review that is a visible symbol of the most well managed, responsibly governed organizations.

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Other writings

1. Be guided by professionalism
2. Maintain confidentiality of clients
3. Complete final check up before releasing material externally
4. Utilize DCRAC board members who provide support with communications (Nancy Lopez, Anthony Albence, and Michelle Harris).

Final Checkups before releasing written materials to the public

1. Is your material interesting? Is it an appropriate length?
2. Does it avoid unexplained acronyms, initials, and/or nicknames?
3. Is your document free of jargon? Does it avoid inappropriate language?
4. Does your material provide sufficient contextual information?
5. Does it make your organization's mission apparent?
6. Is everything up to date? Does it avoid partisan language/comments?
7. Did you check for potential copyright violations?
8. Did you obtain signed release form or photos, if required?
9. Did you make sure all information is from reputable sources?
10. Did you credit contributors, if appropriate?
11. Did you include date of publication?
12. If you are copyrighted material, did you get permission to reproduce the material if your organization does not own the copyright?
13. Spell check/grammar check?
14. Check your facts?
15. Read copy out loud to check for clarity?
16. Have someone else proof read?
17. Have material reviewed/approved by relevant outside experts, peer reviewers, and/or advisory committees?

OUTREACH PLAN

1. Internally, post the information in the shared calendar and email Rony (rony@dcrac.org) so it is included in the newsletter. Use the Money School form and deadline to submit this information.
2. Externally, we rely on timely press releases, flyers that are emailed to strategic partners (ex. A housing event must go to housing partners), other mailing lists.
3. Maintain and update media contact.
4. In developing flyers, make sure that the reader knows that we will accommodate their accessibility requests. All flyers must be translated in Spanish. Flyers should list x 300 for English and 301 for Spanish.
5. Be sure to contact Interpreters (sign language) and make them aware of the upcoming event.
6. Strategic Partners: Delaware Money School (for all events); Loretta Parkhill at DSHA (for housing events); Clinic Directors for outreach to Latino community; DCRAC Board and staff; website; newsletters; etc.

Without the right mechanism to inform the community about available resources, the rights of the protected classes are in jeopardy because they do not know where to turn. Our outreach efforts are highly acclaimed and federal funders such as IRS and HUD have invited us to train organizations funded by them. Our television program (since 1999) was launched because we understood that many Delawareans have tuned themselves out of regular print media, or cannot read or write. We have used every medium available to us. We publish newsletters (since 1995); maintain a web presence (since 1999) and a radio presence (since 2006). In strong partnerships with those

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that provide direct services, we deliver education directly to thousands of Delawareans (seminars, symposia, conferences, etc.).

- a. Our three Clinics promote ALL our events. Our television and radio programs are perhaps the most effective outreach mechanism we have. They reach a large audience of over 100,000 subscribers statewide. Our events are also promoted in our newsletters, and internally through our board of directors and volunteers.
- b. We use free advertising in print (press releases in media in each County and Delaware Money School with quarterly circulation of 20,000), radio (Public Service Announcements in each County), and television (6ABC).
- c. To reach the immigrant community, we work with the League of Women Voters' New Citizens Project.
- d. To reach the low income community, our Credit Clinic works with Shelters in the state of Delaware.
- e. To reach a new audience, we invest in strategic partnerships. We have partnered with community colleges as well as community centers and churches in each County.
- f. To reach and connect with an audience that would not traditionally come to a housing event, forum, or seminar we staff tables at events hosted by our partners in each County.
- g. We invite our partners to speak at fair housing/fair lending events, our television and radio programs, request them to write editorials and op-ed columns, and engage in a strategic outreach to our community.
- h. We develop fair housing messages that speak to our diverse audiences. We continue to use other non-traditional outreach activities such as: flyer drops, door-to-door informational delivery, strategic placement of our materials, Public Service Announcements, call-in to radio talk shows.
- i. We continue to build strategic partnerships with churches, governments, non-profits, realtors, lenders, insurers, schools, colleges, civic associations, community centers, etc.
- j. We will invest our limited resources in identifying a few key volunteer spokespersons who engage in delivering our message to broad audiences.

EVENT PLANNING

Pre-Planning

1. Plan dates at least 4 months in advance.
2. Find locations for these dates and confirm their availability.
3. Check with partners to assure there are no other events planned for these dates.
4. Sign any contracts for the locations.
5. Develop a theme, identify speakers, presenters, partners
6. Get speakers, presenters, partners on board
7. Produce written material—in English and Spanish
8. Launch outreach plan
9. Place special emphasis on key partners
10. Manage volunteers using the established guidelines.
11. Begin registration and be mindful to ask for accommodations
12. Contact and contract with agencies that will provide requested accommodations
13. At least one week before the event re-confirm all details
14. Research and compile all material and if relevant, have the funder review the material.

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On the Day of event

1. Food
2. Plates, napkins, cups, water, soda, chips, flatware, ice, anything else?
3. Materials
4. Printer, projector, paper, cartridge, MiFi, laptop, all cables
5. Site ready?
6. Materials ready?
7. Sign ins and surveys?
8. Volunteers
9. Registration list
10. Anything else?

After the event is over

1. Survey volunteers
2. Survey participants
3. Search for and compile any media coverage
4. Restock all material
5. De-brief with staff and volunteers
6. Produce a written report—see next page

EVENT REPORT	Instructions	
Location of event	Type	
Date of event	Type	
Partners attending	Names	
Publicity/promotional material	Scan and include	
Attendees	Count	
Sign in	Scan and include	
Format	Check	
Lecture		
Panel		
Interactive		
Presenter info	Names	
Languages presented	English and ?	
Topics discussed	Type	
Material handed out	Scan and include	
Participants asked questions?	Yes or no	
101 appointments made?	Yes or no	
Fees charged?	Yes or no	
Taxes discussed	Yes or no	
Housing discussed	Yes or no	
Credit discussed	Yes or no	
Additional comments		

DCRAC's Plan for Consumer Finance Education

Strategies: Controversy Clinic

- **Client Assistance with fair lending violations** Throughout our history we have served our clients who believe they are victims of lending discrimination by helping them file complaints, work with them through the process, and remain committed to their case until their disputes are resolved.
- **Client Assistance through loan modifications** The Credit Clinic serves 200 Delawareans establish and maintain budgets and negotiate their debt repayment plans with their lenders.
- Our goal is to provide direct assistance to 100 Delawareans and refer another 100 Delawareans to a housing counselor or volunteer legal services.

CASE MANAGEMENT PLAN

1. Client information is confidential.
2. Do not throw client papers in trash—shred the document.
3. All calls/emails or other contact with us must be returned within 3 business days.
4. When client seeks a meeting, counselor should schedule that meeting within 5 business days.
5. Inform the client about our expectations of them and their expectations of us—Pledge.
6. Take the time to let client know that they have a right to file a complaint against us if they believe we discriminated in any way.
7. Be diligent in gathering all the needed information within 2 meetings.
8. Keep client informed—maintain client contact at least twice a month until the file is closed.
9. When a file is closed, send a thank you letter, survey, and return all client papers to the client.
10. In the closing letter, highlight critical information such as date of rate reset AND financial fitness information so they can rebuild their credit.

Pledge:

I, the counselor, pledge to

1. Treat you with the utmost respect and listen to you.
2. Keep you informed about your case, all available alternatives, and other resource that may help you.
3. Maintain confidentiality of your information, sharing it only for purposes of resolving your issue.
4. Leave messages that do not violate our confidentiality pledge to you.
5. Contact you in advance if I am unable to make my appointment due to circumstances beyond my control.
6. Respond to your request for information or your telephone call promptly.
7. Return all your documents to you when we close our files.
8. Work diligently toward resolution of your issue or helping you achieve your short-term financial goals.
9. Ask for relevant information because it is needed to achieve your goals.
10. Establish realistic goals and objectives today so that we may achieve them together.

I, the client, pledge to

1. Treat you with utmost respect, listen to you, do my homework, and be patient.
2. Recognize that you work with many other clients and therefore, I will limit my contact with you to the extent that is reasonable.
3. Contact you in advance if I am unable to keep my appointment due to circumstances beyond my control.
4. Respond to your request for information or your telephone call promptly.
5. Keep you updated on any changed circumstances (address change, job gain/loss, etc.).
6. Work diligently toward resolving my issue or achieving my short-term financial goals.
7. Provide you with the relevant information because it is needed to achieve my goals.
8. Establish realistic goals and objectives today so that we may achieve them together.

DCRAC's Plan for Consumer Finance Education

If you believe we discriminated against you, please note that you may file a complaint with: **Low Income Tax Clinic Program:** Director, Office of Equal Opportunity Program, Department of the Treasury, 1500 Pennsylvania Avenue, NW, Metropolitan Square--Room 6068, Washington, DC 20220 **Fair Housing Initiative Program:** Office of Fair Housing and Equal Opportunity, Department of Housing and Urban Development, Room 5204, 451 Seventh St. S, Washington, DC 20410-2000

Intake Form

PLEASE PRINT

How were you referred to us? _____ If previous client, Counselor's Name: _____

Name: _____
First M.I. Last

Social Security # _____ Date of Birth _____ Race Ethnicity (Hispanic/Non-Hispanic) _____

Address: _____

Street Address _____ City _____ State _____ Zip _____

Home Phone: _____ Cell Phone: _____

Employer: _____ Annual Income: Gross \$ _____

Marital Status: Married Separated Unmarried (single, divorced, widowed) # of People in Household? _____

Other Income? * Please identify source and amount. _____

Name: _____
First M.I. Last

Social Security # _____ Date of Birth _____ Race Ethnicity (Hispanic/Non-Hispanic) _____

Address: _____

Street Address _____ City _____ State _____ Zip _____

Home Phone: _____ Cell Phone: _____

Employer: _____ Annual Income: Gross \$ _____

Other Income?* Please identify source and amount. _____

Work Phone: _____ Email Address: _____

Marital Status: Married Separated Unmarried (single, divorced, widowed) _____

Other Income? Please identify source and amount. _____

Credit Report is attached: Yes _____ No _____ www.annualcreditreport.com

Have You Contacted Your Lender? Yes _____ No _____ If Yes, Last Contact Date: _____

Monthly Payments: _____ Amount left: _____ Interest Rate: _____

Monthly Payments: _____ Amount left: _____ Interest Rate: _____

Monthly Payments: _____ Amount left: _____ Interest Rate: _____

Monthly Payments: _____ Amount left: _____ Interest Rate: _____

Monthly Payments: _____ Amount left: _____ Interest Rate: _____

Monthly Payments: _____ Amount left: _____ Interest Rate: _____

Monthly Payments: _____ Amount left: _____ Interest Rate: _____

Monthly Payments: _____ Amount left: _____ Interest Rate: _____

Monthly Payments: _____ Amount left: _____ Interest Rate: _____

Have You Filed Bankruptcy? _____ When? _____

Have You Ever Worked with Another Agency to Remedy Your Mortgage Default? _____

If Yes, Agency's Name: _____ Counselor: _____ Payments to Agency (if any): \$ _____

DCRAC's Plan for Consumer Finance Education

Intake Form

Monthly Income: Borrower:		Monthly Income: Co-Borrower	
Wages (<i>before taxes</i>)	\$ _____	Wages (<i>before taxes</i>)	\$ _____
Unemployment Income	\$ _____	Unemployment Income	\$ _____
Child Support/Alimony*	\$ _____	Child Support/Alimony*	\$ _____
SSI/SSDI	\$ _____	SSI/SSDI	\$ _____
Retirement/Pension	\$ _____	Retirement/Pension	\$ _____
Rents received	\$ _____	Rents received	\$ _____
Other	\$ _____	Other	\$ _____
Gross Monthly Income:	\$ _____	Gross Monthly Income:	\$ _____
Net Monthly Income**:	\$ _____	Net Monthly Income**:	\$ _____

**Gross income, less Federal/State/Local taxes, FICA, 401K deductions, etc.

Besides income sources, please circle additional resources available to pay towards defaulted mortgage:
 401(k), 403(b), CDs, IRAs, Money Market, Family/Friends, Other Amount available: \$ _____

	Monthly	Annual	Total
Total Mortgage Payment			
(Principal & Int., Property Taxes, H/O Insurances, H/O Ass'n Dues)	\$ _____	\$ _____	
If not escrowed, Property Taxes	\$ _____	\$ _____	
If not escrowed, H/O Insurance	\$ _____	\$ _____	
If not escrowed, Homeowner Associations Dues -	\$ _____	\$ _____	
Auto Expenses (gas, maintenance, etc.)	\$ _____	\$ _____	
Auto Insurance:	\$ _____	\$ _____	
Credit Cards	\$ _____	\$ _____	
Child Care, Alimony, Child Support:	\$ _____	\$ _____	
Food (Groceries, Eating Out, Snacks):	\$ _____	\$ _____	
Utilities (gas, electric, water, sewer, and garbage)	\$ _____	\$ _____	
Communications (cell phone, telephone, internet)	\$ _____	\$ _____	
Miscellaneous Spending Money:	\$ _____	\$ _____	
Auto Loans: Year _____ Make & Model _____	\$ _____	\$ _____	\$ _____
Auto Loans: Year _____ Make & Model _____	\$ _____	\$ _____	\$ _____
Installment Loans:	\$ _____	\$ _____	\$ _____
Medical Expenses:	\$ _____	\$ _____	\$ _____
Student Loans:	\$ _____	\$ _____	\$ _____
Home Equity Loans, outstanding balances	\$ _____	\$ _____	\$ _____
Other	\$ _____	\$ _____	
TOTAL MONTHLY EXPENSES:	\$ _____		
MONTHLY SURPLUS/SHORTFALL			
(Total Monthly Income minus Total Monthly Expenses)	\$ _____		

DCRAC's Plan for Consumer Finance Education

Strategies: Pro Bono Panel

Our goal is to recruit, train, utilize and recognize at least 10 volunteers in our Credit Clinic.

Recruit

- Be strategic: Reach clients, Financial Institutions with a culture of volunteerism, Strategic partners, law students, retired attorneys, etc.
- Develop written material on volunteer opportunity
- Develop Job Description
- Clearly outline expectations
- Highlight our Conflict of Interest Policy
- Many professionals need to know that our Professional Liability Insurance can cover their volunteerism through us. To receive coverage, volunteers need to be available for at least 250 hours a year and work our case management.

Train

- As you develop job description, develop training material
- For Housing, check out Knowledge Base
- For Housing, reach out to Human relations Commission, Housing & Urban Development, and National Community reinvestment Coalition.
- In addition to 101 training, develop training component into your recruitment efforts

Utilize

- Match volunteer desires with our needs.
- Engage our volunteers with surveys, telephone contact and seek out ways to make their volunteerism with us pleasurable.

Recognize

- Keep a list of volunteers.
- Make a contact with them at least 3 weeks before the Recognition event
- This is a team effort—all staff and board work on this.

Volunteer Feed Back

List the events and dates that you have done volunteer work.

Please list the assignments you have performed as a volunteer

Did you receive adequate notice of the time and place of the event? Yes No

Was there adequate parking at the event? Yes No

When you entered the event did you know whom to check in with? Yes No

Did you feel you were prepared to undertake the work asked of you? Yes No

If "No", what preparation would have been of assistance to you?

Were you content with the assignments given to you by our staff? Yes No

If "No", please explain

Were there assignments at the event that you would have liked to perform but were not asked?

If "Yes", please describe Yes No

Was there an assignment you most liked doing? Yes No

If "yes", please describe.

Was there an assignment you least liked doing? Yes No

If "Yes", please describe.

Do you have any suggestions for how we can improve your volunteer experience at future events?

Explain

DCRAC's Plan for Consumer Finance Education

Conflict of Interest Policy

As our organization works hard to protect the disadvantaged in our communities, those communities in which we live and work, there may be times when our work overlaps with our personal efforts and connections. During these times, we must assure that these interests do not conflict or compete with each other to the detriment of DCRAC. At all times we must maintain the objectivity and credibility of DCRAC. DCRAC expects all Board, volunteers, and staff to behave in a professional and ethical manner, to disclose real or perceived conflicts of interest, and to recuse themselves from discussions or decisions related to real or perceived conflicts of interest.

The intent of this policy is:

- To maintain credibility and confidence in the decisions of the Board, volunteers, and staff;
- To assure fairness and impartiality in decision-making;
- To disclose real or perceived conflicts of interest; and
- To act impartially and avoid the appearance of impropriety.

Any breach of these objectives could severely impact our strong reputation in the community and could endanger our tax exempt status. Examples of these conflicts of interest include: the ability to direct DCRAC funds to a specific individual or effort for personal gain; and the potential to use one's standing at DCRAC to receive favorable treatment from other individuals or organizations. All individuals representing DCRAC must sign the **Conflict of Interest and Confidentiality Statement** indicating that they have read and understood these policies at the time their affiliation with DCRAC commences and annually thereafter. The policy on conflict of interest and confidentiality will be reviewed and updated as needed on an annual basis. Should any conflict of interest arise, all individuals in service to DCRAC are obligated to adhere to the procedure outlined below:

Recusal Procedure

The individual in question is required to submit a **Disclosure Statement**.

The individual must absent themselves from any portion of a DCRAC meeting if they have or have had a close, active association with a program or institution that is being considered for official action by DCRAC.

Official action includes commenting on a regulation, legislation, bank merger, or entering into a financial relationship that exceeds \$1,500/year.

Close, active association includes, but is not limited to: current or past employment; current or past discussion or negotiation of employment; or an unpaid official relationship by the individual or the individual's close family Member (spouse and child).

If we have doubts as to whether certain actions constitute a conflict of interest, we may ask these questions:

- Does the person's action impede the ability of DCRAC to achieve its goals?
- Does the person's action impede DCRAC's ability to raise funds?
- Does the person's action harm DCRAC's reputation in the community?
- Is the person using DCRAC resources to benefit another person or organization related to that person?

Record of these recusals is to be filed with the Executive Director of the organization in the event that the issue pertains to either a staff or volunteer. Executive Director or Board Member recusals will be filed with the Chair Person of the Board, and in the event the recusal is submitted by the Chair Person it shall be filed with the Secretary of the Board. The names of individuals who have recused themselves during a meeting for conflicts of interest will be recorded.

Once a conflict of interest statement has been submitted, or a conflict of interest has otherwise come to the attention of the Executive Director or any Board Member, the procedure for Reviewing and Addressing Conflicts of Interest will be implemented:

DCRAC's Plan for Consumer Finance Education

Procedure for Reviewing and Addressing Conflicts of Interest

- Board should consider the matter immediately.
- The person involved in the conflict should not be present during discussions regarding the conflict.
- This person should clearly not be involved in the decision making process regarding the conflict.
- The person should be allowed to provide factual information pertaining to the proposed conflict.
- All discussions should be documented in writing.
- The issue should be deliberated with care and this deliberation should be documented.
- Most important in the deliberation process should be that the Board ensure that DCRAC is not harmed in any manner.
- An informed decision as to whether or not conflict exists will be determined.
- It shall be noted that the Board may, with full disclosure, determine that although a conflict of interest exists, the action is permissible.
- If it is determined that an actual conflict of interest existed, the conflict was not disclosed, or the relationship with DCRAC was exploited, we must follow the violations procedure for this policy:

Procedure for Violations of Conflict of Interest

The individual should be informed in writing regarding the basis for the Board's conclusion.

The individual then is provided an opportunity to submit a disclosure statement and explain the alleged action. If it is determined that there was a failure to accurately disclose or any other violation of DCRAC's' conflict of interest policy, the Board must take appropriate corrective actions, which may include sanctions or discharge, based on the nature of harm or potential harm.

Conflict of Interest and Confidentiality Statement

DCRAC considers certain information to be confidential and/or proprietary. Such information should not be communicated without proper authorization. Confidential information can include: certain business information such as financial and marketing data, budget information, bid proposals, contract negotiations, and research and development ideas; personnel actions, such as promotions, demotions, terminations, personnel controversies, compensation, payroll data, performance appraisals, personal information of an embarrassing nature or that an employee specifically requested be kept confidential; information about program recipients or clients of a personal nature; certain legal advice, opinions, and documents. If you are not sure if the information you are handling is confidential, consult.

When discussing or transmitting confidential information, please follow these guidelines:

- Do not reveal any confidential information.
- Make sure that confidential information is properly marked and secured before transmittal.
- Ensure that the recipient of the confidential information has a legitimate need to know the information.
- Avoid displaying confidential data where it can be easily observed, including on your computer screen when you are not at your desk.
- Immediately inform the Executive Director of the loss of any confidential data.
- Limit reproduction and distribution of such information.
- Secure confidential documents in locked cabinets or containers when not in use.
- Make sure that you properly dispose of all confidential information.

Do not remove any confidential information from the organization's office without specific authorization to do so. Before you leave employment at DCRAC, return all confidential and sensitive information to the Executive Director.

DCRAC's Plan for Consumer Finance Education

Conflict of Interest and Confidentiality Statement

I have received and read the DCRAC Conflict of Interest and Confidentiality Policy. I understand that the intent of this policy is to disclose real or perceived conflicts of interest, to recuse myself from decisions and discussions related to real or perceived conflicts of interest, to act impartially and avoid the appearance of impropriety, and to protect the confidential nature of the decision-making process.

I will not participate in any decision-making capacity if I have or have had a close, active association with an institution being considered for official action by DCRAC. I will not participate in any decision for which I or the organization that I represent may benefit materially. Thus, I will absent myself from any portion of a DCRAC meeting during discussions or decisions in which I have a perceived conflict of interest.

In addition, I understand that materials furnished for review purposes and discussion during DCRAC meetings are considered privileged information and, consequently, are confidential. All elements of DCRAC's discussions are to be treated in a professional and confidential manner. Both ethical and legal considerations demand that the information acquired for a specific purpose not be used to achieve any other objective unless prior permission is obtained from DCRAC.

_____ Print Name _____ Date
 _____ Signature _____ DCRAC Position

Disclosure Statement

Please read the following questions:	No	Yes	Explanation
Has DCRAC contracted to purchase or lease goods, services, or property from you, or from any of your relatives or business associates			
Has DCRAC offered employment to you, or to any of your relatives or business associates, other than a person who was already employed by the organization?			
Have you, or have any of your relatives or business associates been provided with a gift, gratuity or favor, of a substantial nature, from a person or entity which does business, or seeks to do business, with DCRAC?			
Have you or any of your relatives or business associates been gratuitously provided use of the facilities, property, or services of DCRAC?			
Have you commented on a regulation, piece of legislation, or bank merger that you have a close, active association with outside of DCRAC?			
Have you, as a DCRAC representative, entered into a financial relationship that exceeds \$1,500/year with an entity that you have a close, active association with outside of DCRAC?			
Did you obtain preferential treatment by DCRAC for yourself, or for any of your relatives or business associates?			
Did you make use of confidential information, such as grant opportunities, obtained from DCRAC for your own benefit, or for the benefit of a relative, business associate, or other organization?			
Did you take advantage of an opportunity, or enable a relative; business associate or other organization to take advantage of an opportunity which you had reason to believe would be of interest to DCRAC?			

DCRAC's Plan for Consumer Finance Education

EXPENSE BUDGET

	Staff	Volunteer	Advertising	Travel staff	Travel volunteer	Venue	Food	Material	Printing	Mailing	Total	In-kind	Cash
Direct outreach													
Credit Lounges	1700	6800	200	250	500	400	400	1000	0	0	11250	7300	3950
Money Matters!	8500	10200	0	250	500	1000	600	7000	0	0	28050	10700	17350
Indirect outreach													
Toll free	1700	0	0	0	0	0	0	0	0	0	1700	0	1700
Website	1700	0	0	0	0	0	0	0	0	0	1700	0	1700
Newsletter	1700	850	0	0	0	0	0	0	2500	1000	6050	850	5200
Television	1700	850	0	0	250	4000	0	0	0	100	6900	1100	5800
Radio	1700	850	0	0	0	2000	0	0	0	0	4550	850	3700
Events	1700	1700	350	500	500	1000	0	500	0	0	6250	2200	4050
Controversy													
Controversy--101	6800	1700	0	1000	300	0	0	0	100	100	10000	2000	8000
Controversy-Referral	3400	1700	0	1000	300	0	0	0	100	50	6550	2000	4550
Controversy--Systemic	1700	1700	0	1000	300	0	0	0	100	0	4800	2000	2800
Pro Bono-													
Recruit	3400	1700	0	0	0	100	0	0	100	50	5350	1700	3650
Train	3400	1700	0	0	500	100	500	500	0	50	6750	2200	4550
Utilize	850	1700	0	0	1000	100	500	500	0	50	4700	2700	2000
Recognize	1700	1700	0	0	500	200	1000	100	100	100	5400	2200	3200
Admin													
Travel & Training	0	0	0	10000	0	0	0	0	0	0	10000	0	10000
Overheads	0	0	0	0	0	0	0	0	0	0	30000	0	30000
TOTAL	41650	33150	550	14000	4650	8900	3000	9600	3000	1500	150000	37800	112200

Revenue Sources

Individual donors, JPM Chase, HSBC, Discover, TD Bank, ING, Wachovia, and exploring a federal source of funds.