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Delaware CRA News

A Quarterly Publication of the Delaware Community Reinvestment Action Council, Inc.



Delaware CRA Council, Inc.
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- 2 Letter from Dom/DCRAC Volunteers
- 3 Credit Clinic Report
- 4 Housing Clinic Report
- 5 Tax Clinic Report
- 6 Financial Report
- 7 DCRAC Board
- 8 2010 Calendar

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Our 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.



Domenic Pedante & the Board
 Anthony Albence
 Charles Brittingham
 Carol Davis
 Austin Edison
 Albert Griffith
 Joan Fultz
 Susan Haberstroh
 Michelle Harris
 Nancy Lopez
 Gwen Miller Reilly
 Anthony B. Wright
 General Counsel
 Matthew Lee, Esq.
 Founder
 The Honorable
 James H. Sills, Jr.

Dear Friends:

We are proud to share our accomplishments with you. As you know, DCRAC has earned the right to display the Seal of Excellence for successfully completing the Standards for Excellence certification program sponsored by the Standards for Excellence Institute in 2007. DCRAC was the first Delaware non-profit to earn this certificate. This certification identifies DCRAC as an organization dedicated to the highest level of best practices within the non-profit sector assuring the public of its voluntary compliance with the highest standards of ethic and accountability.

We want you to know that 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. All our services are available in each County in the state of Delaware in English and Spanish.

We need your help. The needs of the community are growing. The demands on our services are exceeding our capacity to serve. With your help as a volunteer, we can meet those demands. Won't you call the appropriate clinic director and join our expanding family?

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Outreach

- 3,000 + attended
300 + events
- Radio hours: 116
- TV Hours: 128

Controversy Assistance

More than 300 Delawareans received one-on-one assistance

Pro Bono

Our volunteers logged more than 4,080 hours (equivalent to 2 full time staff)

We are pleased to provide members of the public who express an interest in our work with a meaningful opportunity to communicate with us. We make every effort to accommodate all modes of communication, including toll-free (1-877-825-0750), fax (302-654-5046), email (rashmi@dcrac.org), and web (www.dcrac.org). Copies of key DCRAC annual reports and audit reports are available in their entirety on our website at www.dcrac.org.

You have a right to inspect any of our documents that reside in the public domain. You do not have to provide us with a reason for inspection. Please direct your document request to Rashmi Rangan, Executive Director by mail (601 North Church Street, Wilmington, DE 19801), by fax at (302-654-5046), or by email at rashmi@dcrac.org. You can also review the documents at our office.

If you require us to copy and/or mail any public documents, we charge .15 cents per page and for postage based on the total mailing cost.

We are a 501 (c) (3) nonprofit organization. Donations to our organization are tax deductible to the fullest extent of the law.

If you choose to contact us regarding our policies or activities, please note that our Client Privacy and Grievance Procedures apply to your request as well. You can find them on our website www.dcrac.org .

The Staff

Diana Bernal
 Jenna Fenstermacher
 Carlos Herrera
 Jessica Mallamace
 Rony Peralta
 Rashmi Rangan
 Lori Spagnolo

The Volunteers

Jim Angus, Esq.
 Karen Boots
 Carol Andrea Charry
 Shannon Dawson
 Nathan Iacovino
 Angela Lewes
 Chris Mears
 LeAnn Pedante
 Artika Rangan
 Ravi Rangan
 Taylor Ryan
 Tidiane Wann
 Brittney Younger

The Cats

HMDA & HOEPA
 EJ & PC



Combine Federal Campaign Number is 23609
 State Employees Charitable Campaign Number is 70099
 Please consider giving to us. Thanks.



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We held 4 Credit Lounges, were invited by HSBC, and partnered with Purses to Portfolio at events attended by more than 660 Delawareans.

We offered 4 Financial Fitness series where 25 students graduated.

Our 168 Money Matters! seminars were attended by 1,578 Delawareans.

- 268 Kent County families attended 34 seminars,
- 199 Sussex County families attended 18 seminars, and
- 1,116 New Castle families attended 116 seminars.

We were on the air for 38 hours talking about topics such as budgeting and credit management.

For three months, we focused on budgets and credit and aired 17 hours on television throughout the state.

Clients served:

- Helped with opening and managing checking account.
- Helped with job search, resume, interview coaching—client got the job.
- Helped with resources for a family starting a small business.
- Helped with disputing inaccuracies in the credit report.

- Bi-weekly meetings to help with budgeting and debt repayment plans.
- Helped victims of identity theft through the process of filing police report to disputing debts.

Financial Fitness This 5 week 10-hour course is designed to help participants understand the concepts of budgets, credit, borrowing, and consumer protections. Participant **MUST** register and attend all 5 weeks. **Benefits:** Participants can take advantage of the Delawareans Save program AND the Artisans' Credit Builder program.

CLINIC DIRECTOR DIANA BERNAL X 101 (SPEAKS SPANISH)

Outreach

We will continue to partner with our existing partners to offer Money Matters!

- Libraries: Bear and Woodlawn
- Shelters: Connections, Hope House 1, 2, and 3; House of Joseph, Salvation Army, Martha's Carriage, Sojourners Place
- Colleges: Delaware Technical & Community College—all 4 campuses
- Partners: Delaware Financial Literacy Institute

In Kent and Sussex Counties we are exploring new relationships.

We will offer six series of Financial Fitness in New Castle (at our Wilmington Office) and six series in Sussex County (at our Georgetown Office). A few are in Spanish.

Controversy Assistance

Clinic Director Diana will be in our Georgetown office most Tuesdays. To consult with her regarding your budget or credit issues, we ask that you set up an appointment with her first.

We expect that you will value our time by keeping your appointment. In exchange, you can expect the most professional and courteous service from us.

To assist you with your budget, it is important for us to review your credit report AND review ALL your expenses. So, please be prepared to have your credit report ordered and explained to you. Be prepared for an honest assessment of your budget. Finally, if financial independence is your goal, be prepared to make sacrifices.

Pro bono

The Clinic thanks Team Bank of America for their volunteerism. It is their pledge to give us several hours of their time that enables us to concentrate on our clients at the individual level.

If you wish to volunteer (and we hope you do), there are many ways you can help us.

1. You can help at our Credit Lounges where we order credit reports and review them with participants.
2. You can teach one of our Money Matters! Classes on a regular basis.
3. You can mentor one of our 101 families on a monthly basis.
4. You can help with filing, data entry, and other back-office support.

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“The only reason that a great many American families do not own an elephant is that they have never been offered an elephant for a dollar down and easy weekly payments.”

Mad Magazine

We partnered with:

- The League of Women Voters of Sussex County on 2 forums on affordable housing.
- With Fair Housing Task Force to host 3 fair housing events.
- With IRS and NCRC to provide training on:
 - Housing and Taxes
 - Fair Lending/Fair Housing
- With the state of Delaware on 8 servicer events.

Through these outreaches we helped 400 families in Delaware.

We were on the air 10 hours on the topics of fair housing and foreclosure prevention. These were also the topic on our television programs which aired 27 hours in Delaware.

In partnership with Interfaith Housing we presented at 6 workshops attended by about 100 existing or prospective homeowners.

Our 2 Mortgage Matters! held in New Castle County were attended by over 152 families. We retained 42 families as our clients and referred the others to housing counselors in Delaware.

Families that joined us came from Pennsylvania (7), New Jersey (2), Maryland (1), and Delaware. For many families (21) we did not get their information so we were not able to follow up.

Of the 42 families that became our clients, 23 families saw relief in form of loan modification.

Delaware families came from:

- 1 each from: Camden, Delaware City, Georgetown, Hartley, Laurel, Lincoln, Newport, Rehoboth, and Selbyville.
- 2 each from: Clayton, Felton, Hockessin, Lewes, Milton, Millsboro, and Townsend.
- 4 each from: Claymont and Middletown
- Others:
 - Bear 5
 - Dover 7
 - New Castle 16
 - Newark 11
 - Smyrna 8
 - Wilmington 50

CLINIC DIRECTOR CARLOS HERRERA X 103 (SPEAKS SPANISH)

<p>Outreach We will continue to partner with our existing partners to offer Mortgage Matters! and Fair Housing Events.</p>	<p>Controversy Assistance Clinic Director Carlos will be in our Georgetown office most Thursdays. To consult with him regarding your housing issue, we ask that you set up an appointment first.</p>	<p>Homeowners must be prepared for an honest assessment of their ability to stay homeowners. Income & expenses must support the ability to pay a mortgage.</p>
<p>Pro bono The Clinic thanks Nathan Iacovino for helping with research and drafting hardship letters. He has also helped at our Mortgage Matters!</p> <p>If you wish to volunteer (and we hope you do), there are many ways you can help us.</p> <ol style="list-style-type: none"> 1. You can help at our Mortgage Matters! 2. You can pledge to provide free assistance to one homeowner a year 3. You can help us with preparing for our events in areas such as making copies or bagging information for participants 4. You can help with filing, data entry, and other back-office support 	<p>Mortgage Matters! Volunteers We need your help at the registration table, as a greeter, or to manage the flow of food. We also need volunteers who provide one on one assistance to the homeowner before they meet their lender.</p> <ul style="list-style-type: none"> • Review budget • Help fill out forms • Answer questions about: DEMAP, Mediation Program, Making Home Affordable Mortgage Program (HAMP), Making Home Affordable Refinance Program (HARP). <p>To learn about these programs, visit www.dcrac.org/housing_clinic; www.makinghomeaffordable.gov; and www.deforeclosurehelp.org.</p>	

“A strong economy causes an increase in the demand for housing; the increased demand for housing drives real-estate prices and rentals through the roof. And then affordable housing becomes completely inaccessible.” William Baldwin

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During this period we conducted 40 outreach activities attended by about 2,000 Delawareans for whom English is a second language.

We were on the air for 38 hours talking about taxes. For three months, we focused on taxes and aired 17 hours on television throughout the state.

We closed 33 cases during this period having resolved the taxpayer's IRS controversy. We took in 82 new cases and worked on 3 open cases from prior fiscal year.

For many taxpayers we also helped with state tax issues.

Our 85 cases involved more than 400 tax years, more than 100 taxpayers (Married Filing Jointly are counted as 2) and dispute of more than \$1,000,000.00 (underlying tax liability, interest, and penalties).

We saw many issues:

- 32 Levies (mostly on SSDI)
- 15 liens
- 1 payment
- 8 Collection Due Process
- 1 Collection Appeals Process
- 2 Offers in Compromises
- 9 Installment Agreements
- 13 were placed in Currently not Collectible
- 16 Earned Income Tax Credit Examinations

- 8 Correspondence exams
- 7 non-EITC field exams
- 3 Audit reconsideration
- 7 Automated Substitute For Return
- 17 Automated Under Reporter
- We amended 11 returns
- 5 non CDP Appeals
- 3 Tax Court cases
- 3 Innocent Spouse
- 1 Injured Spouse
- 3 Employment Tax
- 3 Trust Fund Recovery
- 1 Cancellation of Debt
- 10 Identity Theft issues
- 35 Individual Taxpayer Identification Numbers
- 19 Non filers

CLINIC DIRECTOR RONY PERALTA X 102 (SPEAKS SPANISH)

Outreach

We will continue to partner with our existing partners to offer Tax Forums.

We will continue to host 2 small business forums in partnership with the IRS SB/SE Division.

We will continue our partnership with HBA, Voices without Borders, La Exitosa, La Esperanza, and LACC to serve the Spanish speaking taxpayers of Delaware.

We will continue to promote free tax preparation services offered by Nehemiah Gateway CDC, AARP VITA sites, and other VITAs.

Controversy Assistance

Clinic Director Rony & Clinic Attorney Jim Angus will be in our Georgetown office most Mondays. To consult with either of them regarding your tax matter, we ask that you set up an appointment first. We expect that you will value our time by keeping your appointment. In exchange, you can expect the most professional and courteous service from us.

To assist you with your issue, it is important for us to

- review ALL correspondence to and from the IRS
- your prior filed tax returns
- review your budget

Pro bono

The Clinic thanks Jim Angus and Shannon Dawson for their volunteerism. It is their pledge to give us several hours of their time that enables us to serve so many taxpayers annually. If you wish to volunteer, there are many ways you can help us.

1. Presenter at our Tax Forums where we answer questions.
2. Pledge to provide free controversy assistance to one taxpayer annually.
3. Provide free accounting assistance to one self-employed small business annually.
4. Help with filing, data entry, and other back-office support.

"I would like to take this opportunity to personally thank DCRAC for the tremendous help and assistance they have provided to me. In my time of need they worked above and beyond any organization I have ever known to provide me with unmatched service. Rony Peralta made me feel extremely comfortable, while at the same time maintaining the highest level of professionalism. DCRAC is indeed one of the finest organizations I have ever had the pleasure to come across. I HIGHLY recommend them to those in need of their service." A Tax Clinic Client

"I am thankful for the taxes I pay because it means that I am employed."

Nancy Carmody

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Condensed Statement of Financial Position
As of June 30, 2009

Assets

Cash	\$	226,723
Receivables		5,000
Property & Equipment net		<u>43,987</u>
Total Assets	\$	<u>275,710</u>

Liabilities

Accounts payable	\$	796
Payroll liabilities		4,370
Long-term debt		<u>2,520</u>
Total Liabilities	\$	<u>7,686</u>

Equity

Opening Bal Equity	\$	10,000
Retained Earnings		210,018
Net Income		<u>48,006</u>
Total Equity	\$	<u>268,024</u>

TOTAL LIABILITIES & EQUITY	\$	275,710
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Community Development Sponsors

Bank of America
Citi

CRA Anniversary Sponsor

JPMorgan Chase

DCRAC Anniversary Sponsors

AARP
AGS Printing
Artisans' Bank
Barclays Bank
City of Wilmington
Discover Bank
GMAC Bank
PNC Bank
Rashmi & Ravi Rangan
Friends of DCRAC
Citizens Bank
Human Relations Commission
NCALL Research
New Castle County
Wachovia Bank

2008
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J U L Y - J U N E
2009

When the audit is completed, it will be posted on www.dcrac.org

Revenue	Amount	Thank You
Public Support	181,285	Housing & Urban Development \$79,000
Government Grants	145,600	Internal Revenue Service \$50,000
Investments	1,245	Bank of America \$50,000
Miscellaneous Income	9,120	Ally Bank \$25,000
Special Events Income	42,415	Citi Foundation \$15,000
Total Income	379,665	TD BankNorth \$15,000
Expenses	Amount	HSBC \$15,000
Building & Occupancy	52,830	Discover Bank \$10,000
Contract Services	6,833	ING Direct \$10,000
Operations	14,382	City of Wilmington \$10,000
Other types of expenses	21,600	Grant-in-Aid \$8,100
Payroll	195,477	New Castle County \$8,000
Programs	26,847	Ministry of Caring \$5,620
Travel & Training	13,591	Fannie Mae \$5,000
Total Expenses	331,663	Rashmi Rangan \$5,000
Net Income	48,006	Individuals \$4,240
		Federal Home Loan Bank Pittsburg \$2,000
		Sussex County Council \$500

“If you took our top fifteen decisions out, we’d have a pretty average record. It wasn’t hyperactivity, but a hell of a lot of patience. You stuck to your principles and when opportunities came along, you pounced on them with vigor.”
Charlie Munger

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Dom Pedante is a retired educator from the New Castle County Vo-tech School District. Currently, he is employed as the Education Director for MDavis Inc., an industrial/pharmaceutical construction company with headquarters in Wilmington. He has been an active member of the DCRAC Board of Directors since 2004. **Austin Edison** thought that the trip on his own through graduate school which convinced him that with sufficient drive, passion, persistence, etc. he could become who he wanted to be. Though he now realizes that the fourth dimension - personal relationships - is an even more powerful shaper of fortunes and futures. Today, he enjoys helping small businesses position themselves for strategic growth through SCORE. **Susan Haberstroh** is with the Department of Education and learned perseverance when she worked her way up to management in a family company while working in Boston, and attaining her Masters in Public Administration and then her Doctorate in Education Leadership. **Gwen Miller-Reilly** is a Registered Financial Gerontologist who has worked for the Division of Services for Aging and Adults with Physical Disabilities since January of 2002. First as the administrator of the DE. Money Management Program and since March of 2007 as administrator of the C.A.R.E. Delaware Program which supports Delaware’s family caregivers through outreach, education, respite and assistance with accessing services. **Bruce Wright** serves as Community Development Specialist at the First State Community Action Agency which works with individuals and communities to overcome challenges of unemployment, homelessness, substandard living conditions, and hunger. **Anthony J. Albence** is a lifelong resident of Wilmington, DE and went to St. Anthony of Padua Grade School and Salesianum School. He earned a BA from The Catholic University of America and an MA from the University of Delaware. He is currently pursuing an Election Administrator certification from Auburn University. Anthony’s career experiences include banking, the non-profit sector, as well as the public sector. Anthony currently serves as Administrative Director of the Department of Elections for New Castle County, a State of Delaware agency. **Albert Griffith, Jr.** has been the Chief Financial Officer for the Division of Services for Aging and Adults with Physical Disabilities for the past seven years and has been a public servant for the State of Delaware for thirty. A licensed public accountant since 1977 he owns Acco Income Tax and Accounting Service, a family owned and operated business in Claymont. **Nancy Lopez’** passion to provide information to improve the quality of life for others led her to create delawarehispanic.com in 2000. She serves as a member of the Governor’s Advisory Council on Hispanic Affairs and The Hispanic Business Association. She has provided support to organizations such as A. Phillip Randolph Institute, The US Hispanic Leadership Institute, and The Latin American Community Center. She is a Spanish interpreter for many Delaware organizations. She is also a Part-time reporter/producer for 1450AM WILM News Radio. **Joan Fultz** is director of Cornerstone West CDC since 1997 where she has overseen the acquisition, renovation, construction, and sale/rental of over 225 units. She is also a licensed Real Estate agent since 2002. **Michelle Harris** has been involved with DCRAC for almost a decade now. Michelle brings expertise in compliance with the IRS regulations. As a non-profit, this is a critical internal strength for DCRAC. **Carol Davis** is a Certified Business Development trainer/facilitator, and Operations Management professional with expertise in business plan development, recordkeeping, and cash flow & operations management. **Charles Brittingham** (camera shy—no photograph!) is president of Wilmington branch of the NAACP. NAACP remains a strong champion of social justice having fought long and hard to ensure that the voices of African Americans would be heard.

“Smart people instinctively understand the dangers of entrusting our future to self-serving leaders who use our institutions.. whether in the corporate or social sectors.. to advance their own interests.” Jim Collins

W W W · D E L A W A R E M O N E Y S C H O O L · C O M	<p>Quarter 1 (2010) Financial Fitness <u>In Georgetown</u> January 19 & March 16 <u>In Wilmington</u> January 23 & March 13 Tax Blitz March 18 and March 20 Credit Lounges January 23 and January 30</p>	<p>Quarter 3 (2010) Financial Fitness In Georgetown August 3 & September 28 In Wilmington July 10 & August 28th Mortgage Matters! August 11 and 12 Lenders/Serviceers, Homeowners, and Volunteers come together</p>	<p>October 5 Celebrate CRA 11:30 am to 1 pm Tickets: \$75 each \$25 tax deductible</p> <p>July 9 11:30 am to 4 pm Barbeque Wilmington office</p>	2 0 1 0 D A T E S
	<p>Quarter 2 (2010) Financial Fitness <u>In Georgetown</u> April 27 & June 22 <u>In Wilmington</u> May 8 Fair Housing April 20, 21, & 22 Credit Lounge May 1 Tax Clinic June 12</p>	<p>Quarter 4 (2010) Financial Fitness begins <u>In Wilmington</u> October 23 No series in Georgetown this quarter Credit Lounge October 23 Mortgage Matters! November 10 & 11 Tax Blitz December 16 and 18</p>	<p>December 2 11:30 am to 4 pm holiday reception in appreciation of our volunteers</p>	
	<p>General mail box 877-825-0750 or 302-654-5024 x 300 English X 301 Spanish</p>			
	<p>General mail box 877-825-0750 or 302-654-5024 x 300 English X 301 Spanish</p>			

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Lest we forget, predatory lenders, predatory products, predatory services (note: the American lingo in this crisis does not include predatory borrowers) caused the mortgage crisis we are facing today. The solution is not in bailing out too-big-to-fail institutions that created this financial engineering and meddling. The solution lies in helping the homeowner maintain the mortgage (which by the way needs less money than we have already thrown down on too-big-to-fail institutions). HARP and HAMP do not go far enough. Serviceers continue to deny mortgage modifications—citing greedy investors who continue to refuse to budge.

The failures were regulatory failures. Any regulator who says, “I did not see it coming,” needs to be downsized. Yet, we are planning on making the Federal Reserve—they had the power to stop predatory practices and chose to ignore these practices—a super regulator. We need a new, unfettered, adequately funded (with taxpayer dollars not fees paid by institutions), and powerful regulator who is not beholden to the financial giants. We support the creation of Consumer Financial Protection Agency with the power to shut down irresponsible institutions—long before they collapse and are bailed out with taxpayer funds.

Those who need an excuse to roll back the Community Reinvestment Act are using today’s crisis by making baseless arguments. CRA did not cause the mortgage melt-down. Only 6% of the predatory loans (how did they get away with CRA credit?) were attributed to CRA covered lending. 94% of the actors were outside the direct realm of CRA. As a result, rather than doing away with CRA should we not expand CRA to every financial institution? Including credit unions, insurance companies, and others?

If you agree, please become a member of NCRC (www.ncrc.org) and contact Rashmi at 877-825-0750 x 100.

DCRAC is in need of a volunteer grant writer.

**If you are retired now with a background in or with federal grants,
 Won't you consider donating your time to a good cause such as ours?**