



London Breed, Mayor

Department of Human Services
Department of Aging and Adult Services

Trent Rhorer, Executive Director

MEMORANDUM

TO: HUMAN SERVICES COMMISSION

THROUGH: TRENT RHORER, EXECUTIVE DIRECTOR

FROM: NOELLE SIMMONS, DEPUTY DIRECTOR
JOHN TSUTAKAWA, DIRECTOR OF CONTRACTS *J 91*

DATE: JUNE 21, 2019

SUBJECT: **NEW GRANT: CONSUMER CREDIT COUNSELING SERVICE OF SAN FRANCISCO dba BALANCE (NON-PROFIT) TO PROVIDE SMART MONEY FINANCIAL COACHING FOR WELFARE TO WORK PARTICIPANTS**

GRANT TERM:	<u>Current</u>	<u>Contingency</u>	<u>Total</u>		
	7/1/19- 6/30/23				
GRANT AMOUNT:	\$900,000	\$90,000	\$990,000		
ANNUAL AMOUNT:	FY 19/20 \$225,000	FY20/21 \$225,000	FY21/22 \$225,000	FY22/23 \$225,000	
Funding Source	<u>County</u>	<u>State</u>	<u>Federal</u>	<u>Contingency</u>	<u>Total</u>
FUNDING:	\$900,000			\$90,000	\$990,000
PERCENTAGE:	100%				100%

The Department of Human Services (DHS) requests authorization to enter into a new grant with Consumer Credit Counseling Service of San Francisco dba BALANCE for the period of July 1, 2019 to June 30, 2023, in an amount not to exceed \$900,000 plus a 10% contingency for a total amount not to exceed \$990,000. The purpose of the grant is to provide Smart Money Coaching Services, one-on-one financial coaching to residents of San Francisco who receive CalWORKs, PAES, CalFresh, or Medi-Cal and are in an employment activity or path.

Background

In 2015, The San Francisco Office of Financial Empowerment (SF OFE), in partnership with the Mayor's Office of Housing and Community Development (MOHCD) conducted the San Francisco Financial Counseling Integration Pilot (the "Pilot"). Through the Pilot, the SF OFE sought to integrate proven financial empowerment approaches into social service delivery streams in partnership with a range of city agencies, including the Human Services Agency, the Office of Economic and Workforce Development, the Mayor's Office of Housing and Community Development, the San Francisco Housing Authority, Hope SF and other relevant City departments or partner organizations.

The Grantee, Consumer Credit Counseling Service of San Francisco dba BALANCE, primarily serves low-income individuals in SF and has been doing so since its inception in 1969. Their financial coaching approach allows the client to determine an action plan based on individual priorities and goals.

Services to be Provided

The Grantee will provide Smart Coaching Services to residents of San Francisco who receive CalWORKs, PAES, CalFresh, or Medi-Cal and are in an employment activity or path. Services include, but are not limited to, the following:

- A. Facilitate Smart Money Coaching workshops to support movement towards self-sufficiency, financial literacy/empowerment. Examples of topics include budgets, credit, and banking.
- B. Grantee staff supervises participants at the workshops. Participant sign-in sheets shall be maintained for each workshop to document attendance.
- C. Grantee will provide 2 FTE financial coaches to each serve HSA clients 5 days/week. Financial coaches should be bilingual in English-Spanish and English-Cantonese to meet the language needs of HSA clients.
- D. Participants will receive individual financial counseling and coaching services, including needs assessment and triage for financial crisis
- E. Grantee will assist participants in creation and completion of a comprehensive household budget.
- F. Participants with an established credit score will be coached on how to understand and improve their score. Participants without an established credit score will be coached on how to build positive credit history and establish a credit score.
- G. Attend monthly meetings with HSA to report on outcomes and updates to the program.

Grantee will serve 500 total clients (including new and returning clients) annually through a total of 1,040 one-one-one counseling sessions, including initial and follow-up sessions.

Grantee services are provided at 170 Otis St., 1800 Oakdale St., and 3120 Mission Street, San Francisco. For more specific information regarding services, refer to Appendix A (attached).

Selection

Grantee was selected through Request for Proposals #809, which was competitively bid in February 2019.

Funding

The funding is provided by County General Fund.

ATTACHMENTS

Appendix A – Services to be Provided

Appendix B – Program Budget

	A	B	C	D	E	F
1	Appendix B, Page 1					
2	Document Date 6/19/19					
3	HUMAN SERVICES AGENCY BUDGET SUMMARY					
4	BY PROGRAM					
5	Name			Term		
6	Consumer Credit Counseling Service of San Francisco dba BALANCE			7/1/19 - 6/30/20		
7	(Check One) New <input checked="" type="checkbox"/> Renewal <input type="checkbox"/> Modification <input type="checkbox"/>					
8	If modification, Effective Date of Mod.		No. of Mod.			
9	Program: Smart Money Coaching for WTW					
10	Budget Reference Page No.(s)					
11	Program Term	7/1/19 - 6/30/20	7/1/20 - 6/30/21	7/1/21 - 6/30/22	7/1/22 - 6/30/23	Total
12	Expenditures					
13	Salaries & Benefits	\$191,871	\$191,871	\$191,871	\$191,871	767,484
14	Operating Expense	\$3,781	\$3,781	\$3,781	\$3,782	\$15,125
15	Subtotal	\$195,652	\$195,652	\$195,652	\$195,653	\$782,609
16	Indirect Percentage (%)	15%	15%	15%	15%	
17	Indirect Cost (Line 16 X Line 15)	\$29,348	\$29,348	\$29,348	\$29,348	\$117,391
18	Capital Expenditure					
19	Total Expenditures	\$225,000	\$225,000	\$225,000	\$225,000	\$900,000
20	HSA Revenues					
21	General Fund	\$225,000	\$225,000	\$225,000	\$225,000	\$900,000
22						
23						
24						
25						
26						
27						
28						
29	TOTAL HSA REVENUES	\$225,000	\$225,000	\$225,000	\$225,000	\$900,000
30	Other Revenues					
31						
32						
33						
34						
35						
36	Total Revenues	\$0				\$0
37	Full Time Equivalent (FTE)					
39	Prepared by:		Telephone No.:		Date	
40	HSA-CO Review Signature: _____					
41	HSA #1					

Appendix A
Smart Money Coaching
Services to be provided by
Consumer Credit Counseling Service of San Francisco dba BALANCE
July 1, 2019 – June 30, 2023

I. Purpose

The purpose of the grant is to offer free and confidential one-on-one financial coaching to residents of San Francisco who are CalWORKs, CAAP/PAES, CalFresh/ABAWD, or TAY participants and are in an employment activity or path. Smart Money Coaching is a financial coaching program managed by the San Francisco Office of Financial Empowerment (SF-OFE). HSA is collaborating with SF-OFE to offer Smart Money Coaching to the target population. The program's services include assessing financial situations, identifying financial needs, creating action plans to resolve financial issues if they exist, and/or developing strategies to meet an individual's financial goals. SF-OFE will collaborate with HSA on program strategy and contract management as well as oversight and technical support.

II. Definitions

ABAWD Able-Bodied Adults Without Dependents, i.e., CalFresh recipients age 18 to 49 who are able to work and do not share a household with a minor child.

CAAP County Adult Assistance Program

CalWORKs California Work Opportunity and Responsibility to Kids, welfare-to-work program for families receiving Temporary Aid to Needy Families (TANF) cash aid.

CARBON Contracts Administration, Reporting and Billing Online System.

Employment Specialist CalWORKs and PAES staff who ensures the participants meets the Employment Plan requirements.

FICA Federal Insurance Contribution Act

FICO Credit Score developed by the company FICO

Financial Coach An individual certified to provide financial coaching by a financial accreditation organization. Acceptable certifying agencies include but are not limited to the Association for Financial Counseling and Planning Education (AFCPE) and the National Association of Certified Credit Counselors (NACC).

Financial Coaching For the purpose of this grant agreement, a certified financial coach will work with a client enrolled in the Smart Money Coaching Program to assess their current financial situation and identify their personal financial goals. Subsequently, the coach will develop a customized action plan for the client and provide support along the way to achieve their goals and improve their financial stability.

Grantee Consumer Credit Counseling Service of San Francisco dba BALANCE

HSA, also Department	Human Services Agency, City and County of San Francisco
HSA PST	Public Service Trainee program. Paid internships in City and County of San Francisco departments
Launchpad	A client database tracking system used by HSA
OFE/SF-OFE	San Francisco Office of Financial Empowerment, City and County of San Francisco Office of the Treasurer and Tax Collector
PAES	Personal Assisted Employment Services, an HSA program that provides a cash stipend and employment services to low-income San Franciscans with no children.
SOGI	Sexual Orientation and Gender Identity. A City ordinance requiring grantees to collect data concerning SOGI information on clients they serve.
TAY	Transitional Age Youth between the ages of 18- 24
Unsubsidized Employment	Regular employment in the for-profit or non-profit sector that is not transitional and not subsidized.
WTW	Welfare-to-Work
WDD	Workforce Development Division, a DHS program that provides employment services to economically disadvantaged adults and youth across a variety of programs and funding streams.
ZixCorp	An Email Encryption and Email Data Loss Prevention system used by HSA

III. Target Population

Residents of San Francisco who are CalWORKs, CAAP/PAES, CalFresh/ABAWD, or TAY participants and are in an employment activity or path.

IV. Description of Services

Grantee shall provide the following services during the term of this grant:

- A.** Recruit, hire and supervise the financial coaches certified by a financial accreditation organization to provide services through the Smart Money Program.
- B.** Ensure that each financial coach receives the initial required training from the Grantee and passes a final exam that enables them to provide financial coaching through the Smart Money Coaching program. The Grantee will provide continuing education to financial coaches as needed to maintain quality service and meet the needs of the target population.
- C.** Provide 2 FTE financial coaches to each serve HSA clients through workshops and one-on-one financial coaching sessions 5 days/week. Financial coaches should be bilingual in English-Spanish and English-Cantonese to meet the language needs of HSA clients.

- D. Work with clients in one-on-one Smart Money Coaching sessions; conduct full client intake, needs assessment and triage for financial crisis; determine the nature of their financial situation and their credit and banking history, help them set goals, and establish a plan of action with each client focused in four primary areas: banking, savings, debt and credit.
- E. Screen clients in one-on-one financial coaching for and connect them to appropriate financial products (e.g. safe and affordable checking and savings accounts, credit building products, affordable loans).
- F. Through Grantee's connections to the community, refer potential CalWORKs clients to HSA to be screened for CalWORKs eligibility.
- G. Schedule follow-up appointments with one-on-one coaching clients to ensure strong client retention, which is critical to outcome achievement.
- H. Educate front-line HSA staff on the value and scheduling of one-on-one Smart Money Coaching sessions.
- I. Facilitate Smart Money Coaching workshops to support movement towards self-sufficiency and financial capability, with the goal of engaging clients in one-on-one financial coaching.
- J. Maintain participant sign-in sheets for each workshop to document attendance. Attendance sheets shall be maintained for a minimum of three years.
- K. Work with SF-OFE as needed to develop and execute strategies to ensure that the program meets the service and outcome objectives of this grant.
- L. Collect data and provide a monthly report to SF-OFE and HSA
- M. Attend quarterly meetings with HSA and SF-OFE to report on outcomes and objectives, discuss client engagement and troubleshoot any issues that arise.

V. Location and Time of Services

Grantee services are provided 170 Otis St., 1800 Oakdale St., and 3120 Mission Street, San Francisco.

VI. Service Objectives

- A. A minimum of 50 intensive, hour-long workshops will be conducted annually for HSA participants.
- B. Enroll 350 new/first-time clients through one-on-one Smart Money Coaching.
- C. Serve 500 total clients (including new and returning clients) this year through one-on-one Smart Money Coaching.
- D. Complete 1040 one-on-one counseling sessions, including initial and follow-up sessions.
- E. Complete 690 follow-up counseling sessions.
- F. Maintain an overall appointment show rate of at least 60%.

VII. Outcome Objectives

- A. A total of 180 positive results will be achieved this year by clients served by one-on-one Smart Money Coaching this year. Countable results include:
 - a. Client without a bank account opens a savings or checking account.
 - b. Client with a bank account transitions to a safe, affordable bank account.
 - c. Client increase savings by at least 2% of net income.
 - d. Client decreases debt by at least 10%.
 - e. Client establishes a credit score.
 - f. Client with an established credit score increased their score by at least 35 points.

- B. 40% of clients served through one-on-one Smart Money Coaching this year will have achieved at least one of the above results.

To count as a result, the achievement must be verified by coaches through the uploading of documented proof such as financial statements showing the increase in savings or decrease in debt, credit report showing the establishment or increase in credit score and statement showing the opening or transitioning to a safe, affordable bank account.

- C. At least 75% of workshop participants will self-report that the program helped them increase their understanding of their financial needs and/or confidence towards meeting their financial goals.
D. 30% percentage of workshop participants will attend a one-on-one Smart Money Coaching session.

VIII. Reporting Requirements

A. Monthly Reports

1. Grantee will provide a monthly report of activities, referencing the tasks as described in Section VII & VIII- Service and Outcome Objectives in a formatted spreadsheet provided by HSA. Grantee will enter the monthly metrics into the Contracts Management System known as Contract Administration, Reporting, & Billing Online (CARBON) by the 10th of the following month.
2. The monthly report should include any issues or concern or recommendations. If grantee is not progressing towards goals as expected, the monthly report should include specific action steps being taken to address performance and meet project goals. The grantee should also report out on how time was spent during the month when not in financial coaching sessions, including outreach and engagement activities.
3. Supporting documentation for the numbers presented in the reports must be maintained by the Grantee and must be submitted in the Launchpad data system.
4. Written communication that contains client confidential information shall be transmitted through a secured method approved by HSA or by using ZixCorp.

B. Grantee will provide an **annual** report summarizing the contract activities, referencing the tasks as described in Section VII & VIII- Service and Outcome Objectives. This report will also include accomplishments and challenges encountered by the Grantee. Grantee will enter the annual metrics in the CARBON database by the 10th of the month following the end of the program year.

C. Grantee will enter the annual SOGI aggregate data in the CARBON database by the 10th of the month following the end of the program year.

D. Grantee will develop and deliver ad hoc reports as requested by HSA.

E. Grantee will submit a copy of monthly and annual report to OFE by the 10th of the following month.

F. For assistance with reporting requirements or submission of reports, contact

1. Andy Beetley-Hagler, Community Service Monitor, E306
Workforce Development Division
(415) 557-5278
andy.beetley@sfgov.org
2. David Flores Jr., MPA, Principal Administrative Analyst, GB20
Office of Contract Management
(415) 557-5365
david.flores@sfgov.org

IX. Monitoring Activities

- A. Program Monitoring: Program monitoring will include review of documentation of client eligibility and reported client progress towards meeting service and outcome objectives, participant case files, training curricula, and program policies and procedures.
- B. Fiscal Compliance and Contract Monitoring: Fiscal monitoring will include review of the Grantee's organizational budget, the general ledger, quarterly balance sheet, cost allocation procedures and plan, State and Federal tax forms, audited financial statement, fiscal policy manual, supporting documentation for selected invoices, cash receipts and disbursement journals. The compliance monitoring will include review of Personnel Manual, Emergency Operations Plan, Compliance with American Disabilities Act, subcontracts, and MOUs, and the current board roster and selected board minutes for compliance with the Sunshine Ordinance.
- C. Smart Money Coaching Oversight: The San Francisco Office of Financial Empowerment (SF OFE) provides overall program oversight of Smart Money Coaching across the City. This role includes setting standards for performance metrics; city-wide financial coaching data analysis; ongoing professional development and training for financial coaches; and leveraging best practices from the Cities for Financial Empowerment Coalition of cities integrating financial coaching. OFE will be monitoring the activities and outcomes of the work, provide overall oversight of Balance's work across all funders and coaching locations including HSA, and work closely with HSA to help ensure success of the program.