

Financial Literacy Annual Report

July 2014



Consumer Financial
Protection Bureau

Message from Richard Cordray

Director of the CFPB



The Consumer Financial Protection Bureau was launched on July 21, 2011. It is the first federal government agency dedicated solely to consumer financial protection. The Dodd-Frank Wall Street Reform and Consumer Protection Act mandated that the Bureau develop and implement a strategy to improve the financial literacy of consumers and initiatives to educate and empower consumers to make better informed financial decisions. The Bureau is pleased to provide this report. The report describes the Bureau's financial literacy strategy and the activities it has undertaken or continued over the past year to enhance financial literacy and financial capability.

America is slowly recovering from the most serious financial crisis since the Great Depression. There were many causes of the crisis. But the problems experienced by many Americans were exacerbated by the complexity of the financial marketplace and the complexity of the decisions that consumers must make to manage their finances effectively.

The mission of the Consumer Financial Protection Bureau is to make markets for consumer financial products and services work for consumers by making rules more effective, by consistently and fairly enforcing those rules, and by empowering consumers to take more control over their economic lives. We view the pieces of this mission as interdependent; our supervision, enforcement, and rulemaking work go in tandem with our work to educate consumers and to help them build their financial capability. Consumers need both a safe, transparent marketplace and the financial capability to navigate that marketplace effectively to serve their own life goals.

We are aiming to ensure that features and prices are transparent, that products are devoid of predatory features, and that marketing is not deceptive or misleading. Even as we work to improve the consumer financial marketplace, we recognize that it will remain a complex, dynamic part of our economy. It is therefore fundamentally important that consumers be equipped to navigate the marketplace and the financial choices they face effectively to achieve their life goals. We need to help them make their money work for them, not the other way around. Empowering people to take more control over their economic lives is absolutely essential to our mission.

To achieve that end, we have made financial education a critical component of our work. We are committed to helping consumers increase their own capability to make sound financial choices. The Bureau's strategy to increase consumers' financial literacy and capability includes providing tools and information directly to the public to help them navigate the financial choices they face, collaborative education initiatives with stakeholders who can reach consumers where they are, and foundational research to identify, highlight, and ultimately work to spread effective approaches to financial education.

We are working to provide consumers with tools and information directly to develop practical skills and support sound financial decision making. These skills include being able to ask questions and to plan ahead. One way we are doing this is with our online tool, Ask CFPB. This tool provides answers to over 1,000 questions about financial products and services. It answers questions on topics including mortgages, credit cards, and how to fix an error in a credit report. This resource is found at consumerfinance.gov/askcfpb/. We are also focusing on helping consumers build the skills to plan ahead. For example, our Paying for College set of tools helps students and their families compare what their college costs will be down the road as they decide where to pursue a college education. Our Owning a Home set of tools will help consumers shop for a mortgage loan by helping them understand what mortgages are available to them and easily make mortgage comparisons. The Money Smart for Older Adults curriculum, developed with the Federal Deposit Insurance Corporation, includes resources to help people prevent financial exploitation and prepare financially for unexpected life events.

We are working with a broad range of partners to provide decision-making supports in moments when consumers are most receptive to receiving information and developing financial decision-making skills. This includes integrating financial capability into other programs and services where consumers may be seeking assistance. We are also tailoring our approaches to financial decision-making circumstances, challenges, and opportunities for specific populations,

including servicemembers and veterans, students and young adults, older Americans, and lower-income and other economically vulnerable Americans.

We all have a part to play in building a nation where every consumer is financially capable. We need to spark and sustain a national conversation about money and money management skills. That conversation needs to occur throughout our communities, including in our families and in schools, workplaces, and other local community institutions. Parents can and should talk to their children about money and how to make sound money choices. Schools must do more to teach key financial concepts and decision-making skills – and we as a society should support our schools and teachers when they work to do so. Public and private employers can invest in a financially fit workplace – with benefits to both employees and employers. Libraries, which are already a trusted source of information, can provide every person equal access to unbiased resources, and serve as a safe setting where people can obtain resources to enhance their control over their own financial lives.

The CFPB is uniquely positioned to help bridge the gap between people's actual financial capability and the complex financial decisions they have to make. As the American economy continues to recover, we want consumers to be able to look ahead with renewed hope and resilience. By working in coordination with all those who are dedicated to achieving these goals, we can enhance the financial capability of everyone in America. Money decisions should support the hopes, dreams, and life goals of individuals and families. It takes both a financially capable populace and a well-policed marketplace to achieve that end. This report shows the progress the Bureau has contributed toward that national goal in the past year. As we move forward, this important work will continue to benefit consumers, strengthen the economy, and foster a brighter future for our country.

Sincerely,

A handwritten signature in blue ink that reads "Richard Cordray". The signature is fluid and cursive, with "Richard" on top and "Cordray" below it, both starting with a capital letter.

Richard Cordray

Table of contents

Message from Richard Cordray	2
Table of contents.....	5
Executive summary.....	7
1. Introduction.....	14
1.1 Financial education mandate: educate and empower consumers to make better informed financial decisions	16
1.2 Special population offices and the Consumer Engagement Office	16
1.3 Financial education efforts across the Bureau	19
2. Financial literacy strategy.....	25
2.1 The need for financial literacy and capability	25
2.2 The Bureau's financial literacy strategy	27
2.3 Consultation with FLEC and alignment with the National Strategy	30
3. Financial education initiatives: developing financial capability	33
3.1 Bureau tools and resources	34
3.2 Collaborative initiatives.....	43
4. Research and innovation: identifying what works	65
4.1 Measuring financial well-being	67
4.2 Financial education evaluation project	68

4.3	Building financial capability through product design and program delivery	70
4.4	Innovation project	70
4.5	Rules of thumb project	72
4.6	Financial education market-sizing study	73
5.	Outreach: sharing information and forging relationships to reach consumers	74
5.1	Outreach for consumer financial education.....	75
5.2	Outreach for servicemembers	78
5.3	Outreach for students	80
5.4	Outreach for older Americans	81
5.5	Outreach for traditionally underserved consumers.....	84
6.	Conclusion	87
Appendix A:	88
CFPB financial education resources	88	

Executive summary

An essential part of the mission of the Consumer Financial Protection Bureau (CFPB or Bureau) is to empower consumers to take control over their financial lives. Despite the availability of a wide range of information about managing money and about financial products and services, many consumers still struggle to make the financial decisions that serve their life goals. The Bureau hears every day from people experiencing difficulty in their financial lives, who often express regret that they did not know more about the risks involved in particular financial decisions at the time they made those decisions.

The Dodd-Frank Wall Street Reform and Consumer Protection Act mandates that the Bureau work to improve the financial literacy of American consumers. The Bureau has developed a strategy and a broad range of initiatives to help consumers make informed financial decisions to meet their own life goals. Broadly, this strategy recognizes that financial literacy and financial capability require more than simply providing consumers with more information. Being able to manage one's financial life and make the financial decisions that will serve one's life goals requires a combination of knowledge, skills, and action. For that reason, the Bureau has pursued a strategy that focuses on identifying how, where, when, and through whom we can provide assistance to consumers for maximum benefit, and developing and implementing initiatives to carry out the approaches we identify.

The Bureau has developed a strategy and a broad range of initiatives to help consumers take control over their financial lives.

The Bureau's strategy to improve financial literacy has three dimensions. First, we are seeking to provide assistance to consumers at specific, important points in their financial lives. We seek to provide this assistance both directly from the Bureau and by working with others from whom consumers seek other types of services. Most recently, we launched a partnership with libraries across the country to assist them in becoming neighborhood centers of financial education. Second, we are moving forward on research to identify effective approaches to financial

education and to better define the metrics for success in financial education. Finally, we are engaged in significant ongoing outreach to a broad range of stakeholders who can assist us in reaching the public and fine-tuning our approaches.

The Bureau is targeting its direct-to-consumer educational tools and resources toward assisting consumers with the financial aspects of large life decisions, starting with going to college and moving on to buying a home and later retiring; and on smaller decisions that can have large life consequences, such as starting a habit of savings, managing debt, and passing along financial life skills to one's children. We also provide a robust tool to answer common consumer questions that arise as people make choices about their financial lives and about financial products and services.

The Bureau believes that evidence-based research is a necessary underpinning to improving the effectiveness of financial education initiatives. The Bureau has developed and implemented a financial education research program that focuses on (1) determining how to measure financial well-being and identifying the knowledge, skills, and habits associated with financially capable consumers, (2) evaluating the effectiveness of existing approaches to improving financial capability, and (3) developing and evaluating new approaches. The Bureau will use the results of this research to refine how it supports consumers' financial decisions. We will also share the results, as well as interim findings, with other government agencies, financial education practitioners, and other stakeholders. Others will be able to look to the Bureau's research findings to develop policies and programs that lead to better financial outcomes for American consumers.

Finally, in order to develop and hone approaches that are effective, the Bureau is engaging in a rich and ongoing dialogue with consumers and other stakeholders to share information, learn about promising practices, and identify opportunities for collaborations to assist consumers. Stakeholder organizations include financial education providers; federal, state, and local government agencies; and various other private and non-profit organizations. This outreach work both informs our strategy on an ongoing basis and enables us to forge meaningful and productive relationships with a network of organizations that are essential conduits to reach and assist the public.

The Bureau's financial education strategy focuses on identifying opportune moments to engage consumers about their financial decisions and providing information, tools, or other decision-making supports to help with those decisions. We are working to address financial decision-making issues that affect consumers generally, and also issues that affect specific populations –

servicemembers, students, older Americans, and consumers who have low incomes or are otherwise economically vulnerable. We strive to provide consumers with financial decision-making resources and skills that will serve them today and in the future.

Highlights of education initiatives

The CFPB, acting primarily through our Division of Consumer Education and Engagement, has undertaken a broad array of education initiatives this year, as well as continued or expanded upon prior initiatives. Here are some highlights of active initiatives between June 2013 and May 2014.

CFPB tools and information to assist consumers directly in making financial decisions:

- Ask CFPB (consumerfinance.gov/askcfpb/) is an interactive online tool that gives consumers real-time “when you need it” answers to more than 1,000 questions about financial products and services including credit cards, mortgages, student loans, bank accounts, credit reports, payday loans, and debt collection.
- Paying for College (consumerfinance.gov/paying-for-college/) is a set of online tools for students and families evaluating their higher education financing options – comparing college costs and financial aid, learning about college money and loan options, and assessing repayment options. This is the first in a planned series of initiatives designed to address major financial moments in people’s lives (our Owning a Home set of tools will be the next segment in this series).
- CFPB en Español (consumerfinance.gov/es/) provides Spanish-speaking consumers, who comprise the second largest language group in the U.S., a central point of access to the Bureau’s most-used consumer resources available in Spanish.

Initiatives through community institutions:

- Schools provide the opportunity to transform the financial lives of a generation of Americans by introducing key money and finance-related concepts early, and building on that foundation consistently through the K-12 school years. The Bureau has launched a youth financial education initiative to build on existing efforts to integrate financial education into K-12 curricula and undertake other approaches to improving youth financial capability. This work includes developing criteria, or a “rubric,” to help K-12 financial education decision makers and teachers select effective financial education

curriculum for use with their students. It also includes collaborating with the Federal Deposit Insurance Corporation (FDIC) to develop and promote youth financial education resources for parents and teachers and spread hands-on learning opportunities for young people; and developing tools to help communities include financial capability skills training in their youth summer employment programs.

- Employers, including the federal government, can play an important role in helping people avoid financial distress and in promoting long-term financial well-being. Employers can do this by implementing practices in the workplace that strengthen financial capability, including making it easier for employees to adopt positive saving and investing habits. The Bureau is developing information for employers about workplace financial education, which we will share with other federal agencies, as well as with state and local governments and private sector employers. The Bureau also launched a targeted workplace initiative focused on empowering public service organizations to help their employees tackle their student debt. As part of this initiative, the Bureau developed a toolkit, *Employer’s Guide to Assisting Employees with Student Loan Repayment*. Public service organizations can use the toolkit to help employees learn about their options and work toward qualifying for federal loan repayment benefits available for student debt, including Public Service Loan Forgiveness. The Bureau is asking public service employers take a pledge to help their employees in this effort. You can find the pledge at consumerfinance.gov/pledge/.
- Community organizations often serve as first responders in times of financial crisis for American families. Libraries are trusted institutions, and serve as a central neighborhood resource, particularly in times of financial stress. We are working with libraries and national organizations with community networks to identify useful resources and community partnerships that can help libraries develop financial education programming. This will also help librarians build the expertise to help consumers research their financial questions. Resources for libraries are available at consumerfinance.gov/library-resources/. The Bureau is also working with faith communities and other neighborhood organizations to inform them about CFPB resources that individuals and community groups may use.

Collaborations with other government agencies and other organizations to integrate financial education or capability strategies into existing service programs or consumer relationships:

- We developed a multi-media education campaign to inform and educate consumers who send money internationally about new consumer protections and disclosures under the Bureau’s remittance transfer rule, which went into effect on October 28, 2013. As part of the campaign, the CFPB developed a variety of print materials as well as radio and Internet components. For example, print materials included fact sheets and brochures for consumers in five languages used by many consumers who send money overseas from the United States—English, Spanish, French Creole, Chinese, and Tagalog. They also included posters and more detailed fact sheets and instructions for organizations that serve these consumers, such as community groups, immigrant organizations, consulates, other government agencies, and remittance providers. The materials are available for free for order or download at promotions.usa.gov/cfpbpubs.html. We also added several new questions and answers about remittance transfers and the new consumer protections to Ask CFPB at consumerfinance.gov/askcfpb/ and our Spanish language website, consumerfinance.gov/es/.
- Volunteer Income Tax Assistance (VITA) sites provide assistance to millions of low-income consumers each year in preparing their tax filings and applying for their Earned Income Tax Credit (EITC). This year the Bureau provided training and materials for volunteer tax preparers at approximately 100 VITA sites to use to encourage consumers to save a portion of their EITC refund at the time they learn the amount of their tax refund. The training and materials also address how to inform consumers about available savings options, such as direct deposit into an account and purchase of a Series I savings bond. The Bureau is also making materials available via download for organizations to encourage consumers to save a portion of their refunds. The materials are available at consumerfinance.gov/blog/getting-a-grip-on-income-tax-season/.
- We developed and field-tested a toolkit, *Your Money, Your Goals*, for use by frontline staff in social service organizations to assist the people they serve to strengthen their financial capability and personal money management skills. The field test involved conducting train-the-trainer webinars for 26 social service organizations located across the country. These organizations in turn provided training to 1,400 frontline social service staff on how to use the toolkit to incorporate financial capability information and tools into their work with their clients. We received input from users of the toolkit, finalized the text, and will release it nationally in summer 2014. We also are developing

customized versions for various types of organizations. More information is available at consumerfinance.gov/your-money-your-goals/.

- To enhance protection for older consumers and others who are financially vulnerable, we developed a set of four how-to guides for people who handle financial affairs for others. The guides are called *Managing Someone Else's Money*. We are making the guides available through a multitude of channels that are likely to reach people when they first take on these responsibilities, such as area agencies on aging, banks and credit unions that help people set up fiduciary bank accounts, and state courts that appoint individuals as guardians. The Department of Health and Human Services incorporated the guides into the National Plan to Address Alzheimer's Disease, an integrated national plan mandated by the National Alzheimer's Project Act, as an action step for educating fiduciaries about managing the finances of people with Alzheimer's disease.¹ Other federal agencies and stakeholder organizations are also making the guides available.
- Together with the FDIC, we continue to distribute a financial education curriculum, *Money Smart for Older Adults* (MSOA), as a module in the FDIC's Money Smart financial education program. MSOA provides information for older adults and their caregivers on preventing and responding to financial exploitation such as scams and identity theft, and resources on how to prepare financially for unexpected life events. MSOA is offered by community organizations around the country that interact with older adults, family members, or caregivers. The FDIC and CFPB are currently working on the Spanish version of this program. Participant guides are available for download at files.consumerfinance.gov/f/201306_cfpb_msoa-participant-guide.pdf and are available for order through promotions.usa.gov/cfpbpubs.html. Community organizations that wish to offer the course in their communities can order the instructor materials from the FDIC at fdic.gov/consumers/consumer/moneysmart/olderadult.html.
- The Bureau hosts an ongoing series of virtual Military Financial Educator Forums on consumer financial topics for service providers who deliver financial, educational, or legal counseling to servicemembers and their families worldwide. The Bureau is also

¹ See National Alzheimer's Project Act, Pub. L. No. 111-375, 124 Stat. 4100 (2011) (codified at 42 U.S.C. § 11225); U.S. Dep't of Health & Human Svcs, "National Plan to Address Alzheimer's Disease" (2013 Update), available at <http://aspe.hhs.gov/daltpc/napa/NatlPlan2013.pdf>.

making these forums available as on-demand video trainings on the Bureau’s website at consumerfinance.gov/servicemembers/on-demand-forums-and-tools/. These trainings currently include issues in debt collection and solutions for servicemembers with troubled mortgages. Over 500 service providers have accessed the trainings to date.

We have included a list of the Bureau’s current tools and other resources for consumers and for intermediaries who work with consumers, as well as reports related to financial capability and the consumer financial marketplace, in an Appendix to this report.

1. Introduction

The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) mandates that the Director of the Consumer Financial Protection Bureau (CFPB or Bureau) submit a report, no later than 24 months after the designated transfer date, and annually thereafter, on the Bureau's activities and strategy to improve the financial literacy of consumers to the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Financial Services of the House of Representatives.² The Bureau is pleased to submit this second of its annual reports on the Bureau's financial literacy work. The report covers the time period from June 2013 through May 2014.

Enhancing financial literacy is an integral part of the Bureau's consumer financial protection function.

The Bureau is the nation's first federal agency focused solely on consumer financial protection. Created by the Dodd-Frank Act, the Bureau's mission is to help consumer financial markets work for American consumers, responsible providers, and the economy as a whole,

- by making rules more effective;
- by consistently and fairly enforcing those rules; and
- by empowering consumers to take more control over their economic lives.

Enhancing financial literacy is an integral part of the Bureau's consumer financial protection function. This mandate is reflected in numerous provisions of the Dodd-Frank Act that charge the Bureau with researching, developing, promoting, and implementing financial literacy

² Consumer Financial Protection Act of 2010, Pub. L. No. 111-203, § 1013(d)(4), 124 Stat. 1955, 1971 (codified at 12 U.S.C. § 5493(d)(4)).

programs and activities. These include provisions directing the establishment of the Office of Financial Education (OFE), which is responsible for developing and implementing a strategy and a broad range of initiatives to provide individuals and families with opportunities to access information, education, tools, and services to make better informed financial decisions. The Dodd-Frank Act also mandated the creation of offices or functions addressing special consumer populations, as described further below.

The Bureau's financial literacy work is performed chiefly through our Division of Consumer Education and Engagement (CEE). This division includes the Office of Financial Education; the Consumer Engagement Office, which develops the Bureau's online relationship with consumers; and the four offices that address issues and needs, including financial education, of special populations. These are the Office for Servicemember Affairs, the Office for Students, the Office of Financial Protection for Older Americans, and the Office of Financial Empowerment, which addresses issues and needs of traditionally underserved consumers.

Each of these six offices plays a role in implementing the Bureau's strategy to provide financial education and enhance financial literacy and capability. Other parts of the Bureau also contribute to our financial education mission. For example, the Bureau's Office of Research is a partner in the research elements of the Bureau's financial education strategy. The Bureau's Office of Fair Lending and Equal Opportunity, and Office of Consumer Response, also provide education to the public. The Bureau's *Know Before You Owe* initiatives, as well as many other financial education initiatives, rely on cross-Bureau subject-matter expertise. The Offices of Community Affairs and Intergovernmental Affairs from the Division of External Affairs work with CEE offices to engage consumers, organizations, and state policymakers through outreach and webinars and other public events.

1.1 Financial education mandate: educate and empower consumers to make better informed financial decisions

The Bureau’s principal financial literacy mandate is set forth in § 1013(d)(1) of the Dodd-Frank Act. Section 1013(d)(1) mandated establishment of an Office of Financial Education to “be responsible for developing and implementing initiatives intended to educate and empower consumers to make better informed financial decisions.”³ Further, the statute directs OFE to “develop and implement a strategy to improve the financial literacy of consumers that includes measurable goals and objectives, in consultation with the Financial Literacy and Education Commission, consistent with the National Strategy for Financial Literacy, through activities including providing opportunities for consumers to access” various types of information, education, tools, and services.⁴ OFE is also responsible, with the Bureau’s Office of Research, for conducting research related to financial education and counseling.⁵

1.2 Special population offices and the Consumer Engagement Office

The Dodd-Frank Act also mandated creation of offices to develop financial education and policy initiatives to support the financial well-being of particular segments of the consumer population. These offices focus on servicemembers, students, older Americans, and “traditionally underserved” consumers.

³ 12 U.S.C. § 5493(d)(1).

⁴ 12 U.S.C. § 5493(d)(2).

⁵ 12 U.S.C. § 5493(d)(3)(B).

1.2.1 Servicemembers

The Dodd-Frank Act mandated the establishment of an Office of Servicemember Affairs (OSA) to “be responsible for developing and implementing initiatives for service members and their families,” including initiatives intended to “educate and empower service members and their families to make better informed decisions regarding consumer financial products and services.”⁶ The Office of Servicemember Affairs works to improve consumer financial protection for servicemembers, veterans, and their families in a number of ways. The Office partners with the Department of Defense and the Department of Veterans Affairs to provide opportunities for servicemembers, veterans, and their families to receive financial education relevant to their needs. The Office monitors complaints submitted by servicemembers, veterans, and their families. The Office coordinates consumer protection efforts among federal and state agencies related to consumer financial products and services offered to, or used by, military families.⁷

1.2.2 Students

The Dodd-Frank Act directed the Secretary of the Treasury, in consultation with the Bureau’s Director, to designate a Private Education Loan Ombudsman within the Bureau “to provide timely assistance to borrowers of private education loans.”⁸ The Private Education Loan Ombudsman position is held by the Assistant Director of the Office for Students. The Office for Students works to enhance the ability of students and younger consumers to make financial decisions, including monitoring complaints about private student loans, providing information and tools to help students understand the risks from student loans and other financial products, and identifying policy and marketplace issues with special impact on students and younger consumers.⁹

⁶ 12 U.S.C. § 5493(e)(1)(A).

⁷ 12 U.S.C. § 5493(e)(1).

⁸ 12 U.S.C. § 5535(a).

⁹ 12 U.S.C. § 5535(c).

1.2.3 Older Americans

The Dodd-Frank Act mandated establishment of an Office of Financial Protection for Older Americans (Office for Older Americans). The functions of the Office for Older Americans include “activities designed to facilitate the financial literacy of individuals who have attained the age of 62 years or more . . . on protection from unfair, deceptive, and abusive practices and on current and future financial choices, including through the dissemination of materials to seniors on such topics.”¹⁰ More specifically, the statute directs the Office for Older Americans to, among other things, (1) develop goals for financial literacy and counseling programs for seniors, including programs that “help seniors recognize warning signs of unfair, deceptive, or abusive practices” and “protect themselves from such practices,” and programs that “provide one-on-one financial counseling on issues including long-term savings and later-life economic security”; and (2) “conduct research to identify best practices and effective methods, tools, technology and strategies to educate and counsel seniors about personal finance management . . . ”¹¹ The statute also directs the Office for Older Americans to work with community organizations and other entities that educate and assist older consumers.

1.2.4 Traditionally underserved consumers

The Dodd-Frank Act mandated that the Bureau include a unit whose functions are to include providing “information, guidance, and technical assistance regarding the offering and provision of consumer financial products or services to traditionally underserved consumers and communities.”¹² “Traditionally underserved consumers” include un-banked and under-banked consumers.¹³ The Office of Financial Empowerment (Empowerment) directs its efforts toward strengthening financial consumer protection and enhancing the financial capability of low-income and other economically vulnerable consumers who comprise the traditionally underserved.

¹⁰ 12 U.S.C. § 5493(g)(1).

¹¹ 12 U.S.C. § 5493(g)(3)(A)(i)-(ii); 12 U.S.C. § 5493(g)(3)(D).

¹² 12 U.S.C. § 5493(b)(2).

¹³ See 12 U.S.C. § 5493(b)(1)(F).

1.2.5 Consumer Engagement Office

The Consumer Engagement Office (Consumer Engagement) develops digital resources, information, and tools to help consumers make better-informed financial decisions. Consumer Engagement works to create an interactive, informative relationship between the CFPB and consumers, and collaborates with offices and divisions across the Bureau on ways to effectively engage the public. Consumer Engagement approaches this mission with user-centered and data-driven approaches to public engagement.

1.3 Financial education efforts across the Bureau

This report principally covers the financial education work performed by the Bureau through the Division of Consumer Education and Engagement. Financial education is also an important component of the consumer protection work of Bureau offices within other divisions, such as the work described below.¹⁴

1.3.1 Office of Consumer Response

The Office of Consumer Response (Consumer Response), which is part of the Bureau's Operations Division, hears directly from consumers about the challenges they face in the marketplace, brings their concerns to the attention of companies, and assists in addressing their complaints.¹⁵ Consumer Response is supported by experts throughout the Bureau who provide subject matter expertise. For example, the Offices of Servicemember Affairs and Students help to monitor and address complaints.

¹⁴ This work is also discussed in other reports to Congress. See, e.g., Consumer Response Annual Report (March 2014), available at files.consumerfinance.gov/f/201403_cfpb_consumer-response-annual-report-complaints.pdf; Fair Lending Report of the Consumer Financial Protection Bureau (April 2014), available at files.consumerfinance.gov/f/201404_cfpb_report_fair-lending.pdf; Report of the Consumer Financial Protection Bureau Pursuant to Section 1017(e)(4) of the Dodd-Frank Act (Dec. 30, 2013) available at files.consumerfinance.gov/f/201312_cfpb_report_section-1017e4-appropriations.pdf.

¹⁵ See 12 U.S.C. § 5493(b)(3); see also 12 U.S.C. § 5511(c)(2).

Information about consumer complaints is available to the public through the Consumer Complaint Database. The database is available on the CFPB’s website at consumerfinance.gov/complaintdatabase/ and serves as an additional informational tool to inform consumer decision making around financial products and services. Consumers can submit complaints at consumerfinance.gov/complaint/ or by calling 855-411-CFPB (2372).¹⁶

1.3.2 Office of Fair Lending and Equal Opportunity

The Dodd-Frank Act charges the Office of Fair Lending and Equal Opportunity, which is part of the Division of Supervision, Enforcement, and Fair Lending, with “providing oversight and enforcement of Federal laws intended to ensure the fair, equitable, and nondiscriminatory access to credit for both individuals and communities that are enforced by the Bureau.”¹⁷ Among other things, the statute directs the Office of Fair Lending to work with “private industry, fair lending, civil rights, consumer and community groups on the promotion of fair lending compliance and education.”¹⁸ The Office of Fair Lending works to promote awareness of fair lending and access to credit issues, and help consumers protect themselves from credit discrimination. We do this through public dialogue such as speeches, presentations, and webinars; and through educational resources including blogs and Ask CFPB questions and answers for consumers.

1.3.3 Cross-Bureau initiatives

KNOW BEFORE YOU OWE INITIATIVES

The Bureau seeks to make the costs, risks, and benefits of financial products and services easier for consumers to understand through a series of initiatives collectively known as *Know Before You Owe*. The goal of these projects is to help consumers make better informed choices about these products and services for themselves and their families. Since its inception, the Bureau has

¹⁶ Complaints can also be submitted by mail to Consumer Financial Protection Bureau, P.O. Box 4503, Iowa City, Iowa 52244, or by fax to 855-237-2392.

¹⁷ 12 U.S.C. § 5493(c)(2)(A).

¹⁸ 12 U.S.C. § 5493(c)(2)(C).

developed prototype disclosure forms for mortgages, credit cards, and student loans. In each case, the Bureau invited the public to tell us what kinds of disclosures may work best and why. These projects have used interdisciplinary expertise that spans the Bureau – including Regulations attorneys, product experts, Community Affairs staff, and technology and engagement specialists.

The Bureau’s *Know Before You Owe* mortgages project centered on combining the four key federal mortgage disclosures – the initial Truth in Lending Act disclosure, the Good Faith Estimate, the final Truth in Lending Act disclosure, and the HUD-1 Settlement Statement – into two easier-to-use forms (one for the application stage and one for the closing of the loan). The Dodd-Frank Act directed the Bureau to issue rules and model disclosures that would integrate the disclosures that consumers receive in connection with applying for and closing on a mortgage loan under the Truth in Lending Act (TILA) (Regulation Z) and the Real Estate Settlement Procedures Act (RESPA) (Regulation X).¹⁹ The Bureau developed the *Know Before You Owe* mortgages project to implement this directive.

In this project, the Bureau conducted extensive consumer and industry research, analysis of public comment, and public outreach for more than a year. After issuing a proposed rule, the Bureau conducted a large-scale quantitative study of its proposed integrated disclosures with approximately 850 consumers. The study results indicated that the Bureau’s integrated disclosures had on average statistically significant better performance than the current disclosures under TILA and RESPA. In December 2013, the Bureau published a rule with new, integrated disclosures.²⁰ The TILA-RESPA rule also provides a detailed explanation of how the forms should be filled out and used. The two mortgage disclosure forms developed under this process – the Loan Estimate and Closing Disclosure – will be effective for use as of August 1, 2015.

The Bureau is continuing its mortgage disclosure work by working to improve the mortgage closing process. The Bureau is examining the potential role that technology might play in helping consumers become more informed and empowered at the closing table.

¹⁹ See 12 U.S.C. § 5532(f).

²⁰ Integrated Mortgage Disclosures Under the Real Estate Settlement Procedures Act (Regulation X) and the Truth In Lending Act (Regulation Z), 78 Fed. Reg. 79730 (Dec. 31, 2013).

In the *Know Before You Owe* credit cards project, the Bureau developed a prototype credit card agreement aimed at making the prices and terms easier for consumers to understand.²¹ The Bureau's Office for Students, working with other Bureau experts and the U.S. Department of Education, created the *Know Before You Owe* student loans project, which is discussed later in this report.

CREDIT SCORE INITIATIVE

In order to reach their financial goals, consumers need a baseline understanding of their current financial position, including how financial services companies may assess their present credit standing. In 2014, several credit card companies began making credit scores and related educational information available to their customers at no charge on their monthly statements or through online access. The Bureau has identified this as an industry best practice and is making efforts to encourage other credit card companies to follow suit.²² Specifically, the Bureau is encouraging companies to make available to their customers the same credit scores the companies rely on in managing their customers' credit portfolios, along with educational information to help the consumers who receive these scores to better understand them.²³ The Bureau is encouraging companies to do this freely and regularly through existing channels, such as including credit scores with other on-line account information and on monthly statements.

Although credit scores provide just a part of the picture of a consumer's finances, they can raise awareness of credit issues and prompt consumers to review their credit standing. If scores are lower than expected or if they change over time, more consumers may take the initiative to request their credit report at www.annualcreditreport.com. This may encourage more consumers to address concerns, dispute errors or fraud-related entries, and improve negative

²¹ See consumerfinance.gov/credit-cards/knowbeforeyouowe/.

²² See consumerfinance.gov/newsroom/cfpb-calls-on-top-credit-card-companies-to-make-credit-scores-available-to-consumers/.

²³ Pursuant to the Dodd-Frank Act, the Bureau examined the credit scores consumers purchase and those creditors normally use to make credit decisions. The Bureau determined that credit scores available for purchase by consumers may vary from the scores used by a lender, and identified ways these differences can disadvantage consumers. See CFPB, *Analysis of Differences between Consumer- and Creditor-Purchased Credit Scores* (September 2012), available at files.consumerfinance.gov/f/201209_Analysis_Differences_Consumer_Credit.pdf; Consumer Financial Protection Act of 2010, Pub. L. No. 111-203, § 1078, 124 Stat. 1955, 2076.

aspects of their credit usage. In addition, monitoring and managing their credit standing may help consumers to be more aware of the need to avoid delinquency or default.

The Bureau estimates that fewer than one in five Americans currently checks his or her credit report in any given year.²⁴ Without a regular review of their credit report, consumers may not discover errors in the data affecting their credit score, which may increase the price or limit the availability of credit to them. They may not even discover identity theft until it interferes with their ability to get credit. The Bureau believes these efforts to bring credit scores to the attention of consumers conveniently and on a regular basis will benefit both providers and consumers by making people more aware of information that affects the price they pay for credit and more capable of protecting themselves.

FIND A HOUSING COUNSELOR TOOL

The Dodd-Frank Act requires that lenders provide consumers who are applying for mortgage loans with a list of homeownership counseling organizations.²⁵ Under the Bureau’s rule implementing this requirement, lenders are required to give mortgage applicants a written list of ten homeownership counseling organizations in the applicant’s geographic area, within three business days of receiving the consumer’s application.²⁶ When lenders refer consumers to a housing counselor, they are sending consumers to a place where they can receive financial education in the form of one-on-one counseling about borrowing to finance a home or handling a problem paying on a home loan.

The Bureau’s Technology & Innovation office and Office of Regulations collaborated to develop a tool that lenders and others can use to generate a list of ten housing counseling agencies in the consumer’s geographic area that are approved by the U.S. Department of Housing and Urban Development (HUD). The tool can be found at consumerfinance.gov/find-a-housing-counselor/. In order to comply with the rule, lenders can use either the Bureau’s tool or data made available

²⁴ See *Key Dimensions and Processes in the U.S. Credit Reporting System* (December 2012) at 27, available at files.consumerfinance.gov/f/201212_cfpb_credit-reporting-white-paper.pdf; U.S. Census Bureau, State and County QuickFacts, available at <http://quickfacts.census.gov/qfd/states/00000.html>.

²⁵ See 12 U.S.C. § 2604(c)).

²⁶ 12 C.F.R. § 1024.20(a).

by the Bureau or HUD to generate a list of counselors.²⁷ The Bureau published open source code so lenders, as well as their vendors and developers, can design applications that incorporate HUD's housing counselor data.

RULES IMPLEMENTATION

Offices across the Bureau collaborate on consumer education campaigns for new rules affecting the ways that consumers interact with the financial marketplace. These have included campaigns related to the roll-out of new mortgage rules in January 2014, and the new remittance transfer rule that became effective in October 2013. We discuss these campaigns further in Section 3.1.4, below.

²⁷ See generally Homeownership Counseling Organizations Lists Interpretive Rule, 78 Fed. Reg. 68343 (Nov. 14, 2013).

2. Financial literacy strategy

Managing one's finances presents a complex set of challenges in today's financial marketplace. Financial products are numerous and complex, requiring individuals to make choices from an array of options. In addition, there are substantial costs to attaining many significant life goals, such as owning a home or sending children to college. Further, consumers are increasingly responsible for saving for and managing the funds for their retirement. In this context, not having the skills to make sound financial decisions can have severe consequences for Americans' abilities to reach their life goals.

2.1 The need for financial literacy and capability

Recent studies provide evidence of specific ways that U.S. consumers could use help in developing effective habits and skills around money management and personal finances. According to results of the 2012 National Financial Capability Study, a majority of American adults say they have not formed a savings cushion to protect them from unanticipated financial emergencies or to provide for predictable life events such as their children's college education or their own retirement.²⁸ Many Americans also say they did not comparison shop before obtaining financial products such as a credit card. Similarly, many American adults who believe they are adept at dealing with day-to-day financial matters use credit cards in costly ways, such as paying

²⁸ FINRA Investor Education Foundation, *Financial Capability in the United States: Report of Findings from the 2012 National Capability Study* (May 2013) at 13, 15, available at http://usfinancialcapability.org/downloads/NFCS_2012_Report_Natl_Findings.pdf.

only the minimum payment each billing cycle, making late payments, thereby triggering late fees, or using the cards for cash advances and other costly non-bank borrowing methods.²⁹

Financial education experts say that providing consumers with information is only part of the solution. Being able to manage one's financial life and make the financial decisions that will serve one's life goals require a combination of knowledge, skills, and action. Together, these abilities are known as "financial literacy" or "financial capability."³⁰ Consumers need to be able to analyze the costs, risks, and consequences of particular financial services, products, and decisions. They need to be able to make effective choices and recover from poor ones, and to know where to go for help. They need to be able to take other actions to improve present and long-term financial well-being in an evolving financial landscape. Financial education experts also consistently suggest that more research is needed to further determine what financial education approaches are most effective in developing financial capability, and to further identify meaningful ways to measure financial knowledge, behavior, and well-being.³¹

²⁹ FINRA Investor Education Foundation, *Financial Capability in the United States: Report of Findings from the 2012 National Capability Study* (May 2013) at 21, 22, available at http://usfinancialcapability.org/downloads/NFCS_2012_Report_Natl_Findings.pdf.

³⁰ See, e.g., Financial Literacy & Education Commission, *Promoting Financial Success in the United States: National Strategy for Financial Literacy* 2011 at 8 n.4 (defining financial capability), available at [http://www.treasury.gov/resource-center/financial-education/Documents/NationalStrategyBook_12310%20\(2\).pdf](http://www.treasury.gov/resource-center/financial-education/Documents/NationalStrategyBook_12310%20(2).pdf); Organisation for Economic Co-operation and Development, International Network on Financial Education, *Measuring Financial Literacy: Questionnaire and Guidance Notes for Conducting an Internationally Comparable Survey of Financial Literacy* (2011) at 3, available at <http://www.oecd.org/finance/financial-education/49319977.pdf>.

³¹ See, e.g., CFPB, *Feedback from the Financial Education Field* (May 13, 2013) at 11, available at files.consumerfinance.gov/f/201305_cfpb_OFE-request-for-information-report.pdf; U.S. Government Accountability Office, GAO-11-614, *Financial Literacy: A Federal Certification Process for Providers Would Pose Challenges* (June 28, 2011) at Highlights, available at <http://www.gao.gov/assets/330/320203.pdf>.

2.2 The Bureau's financial literacy strategy

The Bureau has developed a strategy to improve consumers' financial capability and help consumers make informed financial decisions.³² Broadly, this strategy recognizes that financial literacy and financial capability require more than simply providing consumers with more information. Being able to manage one's financial life and make the financial decisions that will serve one's life goals requires a combination of knowledge, skills, and action. For that reason, the Bureau has pursued a strategy that focuses on identifying how, where, when, and through whom we can provide assistance to consumers for maximum benefit, and developing and implementing initiatives to carry out the approaches we identify.

The strategy has three key aspects: education initiatives, research and innovation, and outreach to key stakeholders who can help to reach the public.

2.2.1 Education initiatives to reach consumers in opportune moments

The Bureau seeks opportunities to engage consumers at those moments when they are most receptive to learning about financial decisions. To this end, the Bureau has developed education initiatives to engage with consumers in a broad array of times and places. We do this through CFPB tools and resources that we make available to consumers directly on the Bureau's website and elsewhere, and through collaborations with other government agencies, community institutions, and others who can reach consumers at opportune moments. This work includes building financial capability training into the provision of other services consumers may seek.

The Bureau is targeting its direct-to-consumer educational tools and resources toward assisting consumers with the financial aspects of large life decisions, such as going to college, buying a home,

We provide tools and resources directly and also build financial capability training into the provision of other services that consumers may seek.

³² This financial literacy strategy is reflected in Goal 2 of the Bureau's strategic plan, which is to empower consumers to live better financial lives. See *CFPB Strategic Plan FY 2013 – FY 2017* at 16-23, available at consumerfinance.gov/strategic-plan/#goal2.

and later retiring; and on smaller decisions that can have significant life consequences, such as starting to build an emergency savings cushion, managing debt, and passing on financial knowledge and skills in the family by talking to children about money. We also provide a robust tool to answer common consumer questions that arise as people make choices about their financial lives and about financial products and services.

We also seek to support financial decisions today in a manner that will develop and sustain skills for decisions tomorrow. For example, students applying to college can use the Financial Aid Shopping Sheet and the Paying for College web tools to help them compare financial aid offers from different colleges as they decide where to pursue a college education. At the same time, using these tools for the college comparison may help develop comparison-shopping skills they can apply to other major purchases.

In this work, the Bureau focuses on ways to effectively reach consumers broadly and inclusively. We have developed targeted efforts to reach consumers with limited-English proficiency and people with disabilities. We undertake efforts that are tailored to the needs of specific populations such as servicemembers, students, older Americans, and low-income and other economically vulnerable consumers. We focus on ways to reach consumers in their communities, such as through schools, workplaces, and libraries.

Section 3 of the report discusses these financial education initiatives.

2.2.2 Evidence-based research and innovation to identify what works

In order to improve consumers' capability to make financial decisions to reach their own life goals, the Bureau seeks to further expand the base of knowledge about what works to achieve positive financial outcomes. This knowledge will be useful for the Bureau as well as other providers of financial education. To this end, the Bureau is conducting evidence-based research to build on current knowledge of what approaches to financial education are effective and how to measure effectiveness.

Our research program is focused on (1) determining how to measure financial well-being and identifying the knowledge, skills, and habits associated with financially capable consumers, (2) evaluating the effectiveness of existing approaches to improving financial decision making and outcomes, and (3) developing and evaluating new and innovative approaches to helping consumers make financial decisions. This work also examines the current state of consumer

knowledge and decision making, financial education practice, and sources of information. The Bureau will use the results of this research to inform its financial education work, and will also share the results with other government agencies, financial education practitioners, and other stakeholders. In this way, the Bureau’s research findings can also support development of effective policies and programs by others involved in financial education.

Section 4 of the report discusses our financial education research and innovation work.

2.2.3 Outreach to share information and develop approaches and collaborations to reach consumers

The Bureau continues to engage in broad and varied outreach with consumers and organizations that serve consumers in order to build relationships, share information and promising practices, and ultimately to reach a larger portion of the public with effective financial education resources. The Bureau engages in dialogue with consumers to understand their needs and to make the Bureau known as a trusted resource for reliable information and tools. The Bureau also uses outreach to build a stakeholder network for sharing best practices and information, and to develop relationships with organizations that can reach consumers. These organizations include financial education providers; federal, state, and local government agencies; and various other private and non-profit organizations. This ongoing dialogue informs our financial education strategy and initiatives, and connects us to the network through which we can reach consumers with meaningful assistance and information.

Section 5 of the report discusses the Bureau’s financial education outreach activities.

2.2.4 Measurable performance goals

The Bureau incorporates measurable performance goals and objectives into its financial education work. For example, the Bureau tracks metrics on usage of online resources, such as the number of unique visits and views to areas of the Bureau’s website that provide consumer tools, information, and assistance. When we offer new resources or materials through existing programs hosted by community providers or others, we build in a measure of the number of persons served through the programs. The Bureau is evaluating additional ways to assess the impact of its financial education efforts. The Bureau’s financial well-being project, discussed later in the report, will identify what knowledge and other factors affect financial well-being and how to measure these factors. We will use the knowledge yielded by this research to promote

enhanced financial education and financial capability work by others, and further hone and target our own financial education work.

2.3 Consultation with FLEC and alignment with the National Strategy

The Bureau’s strategy to improve the financial literacy of consumers has been informed by its consultations with the Financial Literacy and Education Commission (FLEC or Commission). Congress established the Commission in 2003 with the mandate to improve the financial literacy and education of Americans, and to coordinate financial education efforts in the federal government through, among other things, development of a national strategy to promote financial literacy and education.³³ The Commission currently comprises 21 federal agencies and the White House Domestic Policy Council. It is chaired by the Secretary of the Treasury and the Bureau’s Director serves as Vice-Chair.³⁴

In addition to the Director’s role as Vice-Chair, the Bureau is an active member of the Commission’s Leadership Committee and other committees.³⁵ In these capacities and in its own work, the Bureau is actively engaged in furthering the National Strategy for Financial Literacy (National Strategy) and FLEC’s current “Starting Early for Financial Success” strategic focus. The Starting Early strategic focus is intended to serve as a vehicle for achieving coordination of resources and activities among Commission member agencies, as well as with other levels of government and the private and non-profit sectors.³⁶ A number of the Bureau’s activities are aligned with this initiative, including its children and youth initiatives, Foundations workplace

³³ See Financial Literacy and Education Improvement Act, Pub. L. No. 108-159, Tit. V, § 513, 117 Stat. 2003 (2003) (codified at 20 U.S.C. §§ 9701-9709).

³⁴ 20 U.S.C. § 9702(c)(1); see <http://www.treasury.gov/resource-center/financial-education/Pages/commission-index.aspx> (last visited May 7, 2014).

³⁵ The other committees are the Children and Youth Committee, Post-Secondary Education Committee, Early Career Committee, and Research and Evaluation Committee.

³⁶ See Financial Literacy & Education Commission, Minutes of Public Meeting (Oct. 18, 2012), available at <http://www.treasury.gov/resource-center/financial-education/Documents/Minutes%2010%2018%2012.pdf>.

initiative, and Paying for College tools, discussed below. In addition, the Bureau’s financial education research initiatives are consistent with the Commission’s research priorities.³⁷ The Bureau also played an active role in organizing the Commission’s field hearing on Youth and Post-Secondary Financial Education and participating in the Commission’s field hearing on Financial Capability in the Workplace.³⁸ These field hearings are discussed further below.

The National Strategy identifies four goals to help move the nation toward the vision of sustained financial well-being for all individuals and families in the United States.³⁹ The Bureau’s strategy aligns with each of these goals. The first goal of the National Strategy is to “increase awareness of and access to financial education.” The Bureau’s strategy likewise seeks to provide individuals and families with access to reliable, clear, timely, relevant, and effective financial information and educational resources disseminated through many different channels, such as schools, employers, libraries, financial education providers, social workers, and others who provide services to consumers.

The second goal of the National Strategy is to “determine and integrate core financial competencies.” Core competencies are basic topic areas in financial management: earning, spending, saving and investing, borrowing, and protecting against risk. The Bureau’s strategy includes providing tools and informational resources that will help consumers to develop and enhance their own knowledge and skills in these basic areas of managing their personal finances.

³⁷ Financial Literacy & Education Commission, Research Priorities Applied to the 2013-2014 Strategic Focus, “Starting Early for Financial Success” (May 2013), available at <http://www.treasury.gov/resource-center/financial-education/Documents/Starting%20Early%20Research%20Priorities%20May%202013.pdf>; Financial Literacy & Education Commission, Research and Evaluation Working Group, 2012 Research Priorities and Research Questions, available at <http://www.treasury.gov/resource-center/financial-education/Documents/2012%20Research%20Priorities%20-%20May%2012.pdf>. Financial Education staff serve on the Commission’s Research and Evaluation Working Group, which has developed these research priorities to coordinate research efforts among the FLEC agencies. The Bureau’s financial education research work is discussed below.

³⁸ See CFPB, Live From Madison, Wisconsin!, available at consumerfinance.gov/blog/live-from-madison-wisconsin/; CFPB, Live From Atlanta!, available at consumerfinance.gov/blog/live-from-atlanta/.

³⁹ See Financial Literacy & Education Commission, Promoting Financial Success in the United States: National Strategy for Financial Literacy 2011, at 8-12, available at [http://www.treasury.gov/resource-center/financial-education/Documents/NationalStrategyBook_12310%20\(2\).pdf](http://www.treasury.gov/resource-center/financial-education/Documents/NationalStrategyBook_12310%20(2).pdf).

The third goal of the National Strategy is to “improve financial education infrastructure.” The Bureau’s strategy relies on developing a broad range of collaborations with other governmental, private, and non-profit organizations to reach consumers. These collaborations create or build on existing infrastructure for delivering financial education to diverse constituencies and sharing information. For example, the toolkit *Your Money, Your Goals* will help staff in social service programs assist people they serve to develop skills in personal financial tasks.

Goal four of the National Strategy is to “identify, enhance, and share effective practices.” The Bureau seeks to use evidence-based approaches in its financial education initiatives. The Bureau is conducting rigorous research and evaluation of financial literacy and education strategies and metrics, and will share its learning widely as it becomes available.

These elements of the National Strategy are reflected more specifically in the Bureau’s financial education, research, and outreach initiatives described below.

3. Financial education initiatives: developing financial capability

The Bureau has developed a broad range of education initiatives to implement its financial literacy strategy to serve all people in America. These initiatives are designed to provide consumers with actionable financial information and tools at specific important moments in their financial lives, and opportunities to develop the skills to navigate the financial marketplace and manage their financial lives effectively. The Bureau is approaching this task in two ways. First, the Bureau is engaging consumers directly through interactive tools, social media, a CFPB digital library of consumer information, and CFPB print publications. Second, the Bureau is reaching consumers through various collaborative initiatives that leverage existing public, private, and non-profit networks and efforts.

The Bureau's financial education initiatives are designed to provide consumers with opportunities to access a broad range of financial information, tools, services, and other resources to support financial capability. These include providing opportunities to access information or activities to assist with understanding and managing credit and their individual credit records; evaluating credit products such as mortgages, credit cards, or student loans; preparing for education expenses and other major purchases; reducing debt and improving the consumer's financial situation; developing long-term savings strategies; saving at the time of

income tax filing; and providing opportunities to access savings, borrowing, and other financial services.⁴⁰

3.1 Bureau tools and resources

The Bureau has developed extensive resources to provide consumers directly with impartial information about the financial marketplace and tools for financial decision making. Highlights of these initiatives are described below.

3.1.1 Ask CFPB

In March 2012, the Bureau launched Ask CFPB, an interactive online tool that gives consumers real-time “when you need it” answers to more than 1,000 questions about financial products and services, including credit cards, mortgages, student loans, bank accounts, credit reports, payday loans, and debt collection. Ask CFPB is available at consumerfinance.gov/askcfpb/. The Bureau has gradually added product categories to Ask CFPB as it has developed questions and answers based on consumer inquiries or to support the handling of complaints in those areas. We also augment the questions and answers on an ongoing basis. Consumers can navigate Ask CFPB by typing in their own search words or choosing a financial product category. Consumers can narrow a search to specific topics, such as “credit report” or “debit card” from any search page. Consumers can also access information about financial issues applicable to specific populations, such as servicemembers, students, older Americans, or parents.

Ask CFPB gives consumers answers to more than 1,000 questions about financial products and services.

The vast majority of consumers access Ask CFPB from Internet search engines. The major search engines rank Ask CFPB high among the array of consumer financial advice available online, which is an indicator of its utility to consumers. For example, Google lists Ask CFPB as the first answer when a consumer searches for “Where can I get my credit score.” This is also important because when consumers make such inquiries through search engines, it is quite

⁴⁰ See 12 U.S.C. § 5493(d)(2).

common for them to be directed also to websites offering self-interested content that is designed to sell them some product or service. Answers to common questions are also available in Spanish on CFPB en Español at consumerfinance.gov/es/obtener-respuestas/.

3.1.2 Consumer Experience Program

The Bureau's Consumer Experience Program provides actionable online tools and information to help consumers navigate the large financial decisions in their lives. The first two modules in the program focus on paying for college and owning a home.

Paying for College

Paying for College is a set of online tools targeted to students and families evaluating their options when financing a higher education. The tools address the entire lifecycle of financing college, from comparing college costs and financial aid offers, to shopping for a loan, through assessing options to repay student loan debt after graduation. The Bureau first launched the Paying for College tools in 2012, and continues to offer them and make improvements as we learn from user experience. The Paying for College tools are available at consumerfinance.gov/paying-for-college/.

Paying for College is a set of online tools targeted to students and families evaluating their options when financing a higher education.

STUDENT FINANCIAL GUIDES

Choosing a Loan is an interactive tool designed to help students and families understand their options for financing the costs of college. This tool allows consumers to see the future costs and risks of different financing options, in order to enable them to make informed choices. For example, private student loans may not offer the same consumer protections as federal loans and are generally more expensive for borrowers. The tool includes expert advice on the different types of student loans and a plain-language explanation of the terms, conditions, costs, and fees associated with these different products. This feature also includes a printable one-page action guide that students and families can use when evaluating financing options.

Managing Your College Money is an interactive guide for college students and prospective college students to help inform what may be their first major choices in the financial services marketplace. Users can learn about financial aid disbursement options and bank accounts, and

the costs and risks associated with these products. College students and prospective college students can use Manage Your College Money to help them get settled financially even before they get to campus.

COMPARE FINANCIAL AID

The financial aid offer letters that prospective students receive from schools can be confusing. In particular, the descriptions of the different types of financial aid that are available can vary widely. Compare Financial Aid allows users to make apples-to-apples comparisons among financial aid offers from different colleges and universities. Users can take the financial aid offer letters provided by their schools and build a personalized visualization of the costs down the road of particular college choices—including an estimate of the monthly payment upon graduation that would be required to pay back the combined types of financial aid. This tool relies on data from the U.S. Department of Education to fill in information that may not be included in the applicant's financial aid offer letter, giving users a more complete picture of their options. It also includes a feature designed to assist servicemembers, veterans, and their families in accessing information about military educational benefits to which they may be entitled.

In April 2012, the Bureau released a prototype of Compare Financial Aid and asked the public to provide feedback. We received input from students and parents across the country, as well as high school guidance counselors, financial aid administrators, and other experts. We integrated their feedback into subsequent iterations of Compare Financial Aid, releasing the latest version in April 2014.

REPAY STUDENT DEBT

Millions of borrowers are currently repaying federal and private student loans. Many borrowers are eligible for a wide range of alternative repayment plans and other consumer protections, but they may not understand their options. Repay Student Debt guides users through a series of questions and provides a set of recommendations tailored to their answers. Borrowers can learn more about repayment options that may lower their monthly payment or provide short-term relief if they run into trouble. Borrowers in default can learn about options that might hold the key to repairing their credit, going back to school, or bringing their loans back into good standing. The Bureau launched a prototype of this tool in October 2011. Based on user feedback, in July 2012, we launched a separate tool for borrowers in default and facing debt collection. In

December 2012, the Bureau launched the full-featured version of Repay Student Debt designed to assist all borrowers in repayment.

Owning a Home

Owning a Home is a set of tools to help consumers make better decisions when shopping for a mortgage loan. The tools aim to create a culture of shopping in the mortgage market by helping consumers understand what types of mortgages are available to them, easily make mortgage comparisons, and get organized to successfully navigate the mortgage shopping process. The tools will support the Bureau's *Know Before You Owe* effort to make mortgage costs clearer and easier to understand.

The Owning a Home tools are currently in development and are slated to begin their launch later in 2014 at consumerfinance.gov/owning-a-home/.

3.1.3 CFPB en Español

According to Census data, 37 million people in the U.S. primarily speak Spanish at home.⁴¹ Recognizing the need for Spanish language digital resources, the Bureau launched CFPB en Español, a Bureau website that provides Spanish-speaking consumers a central point of access to the Bureau's most-used consumer resources available in Spanish. The website has four major components: Ask CFPB content in Spanish; a consumer complaints page that highlights the complaint process and the phone number consumers can call to submit a complaint in Spanish; an About Us page that features a Spanish-language video and introductory content about how the CFPB works to protect consumers; and an Hogar (Home) page that offers details on our latest protections for consumers in search of a mortgage and those who already own a home. The website was created using responsive design, meaning it is optimized for use on both mobile devices and computers

CFPB en Español provides Spanish-speaking consumers a central point of access to the Bureau's most-used consumer resources available in Spanish.

⁴¹ U.S. Census Bureau, *Language Spoken at Home by Ability to Speak English for the Population 5 Years and Over*, http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_10_1YR_B16001&prodType=table (last visited May 7, 2014).

in order to better serve all consumers. Officially launched in May 2013, the website is available at consumerfinance.gov/es/.

3.1.4 Bureau rules implementation

One way that the Bureau works to empower consumers to take more control over their economic lives is by helping to make the marketplace more transparent. We do this, in part, by educating consumers about the protections that are available to them. Accordingly, the Bureau has undertaken consumer education campaigns in connection with certain new rules affecting the ways that consumers interact with the financial marketplace.

Remittance transfer rule

We work to make the marketplace more transparent by educating consumers about the protections available to them.

Researchers estimate that consumers transfer tens of billions of dollars from the United States to recipients in foreign countries each year.⁴² The Dodd-Frank Act expanded the scope of the Electronic Fund Transfer Act to provide protections for senders of remittance transfers.⁴³ The CFPB's remittance transfer rule implementing these new protections went into effect in October 2013.⁴⁴ The Bureau developed a multimedia education campaign to inform and educate consumers who send money internationally. The campaign focused in particular on the new consumer protections, including disclosure requirements, error resolution, and cancellation rights under the rule.

⁴² See CFPB, *Report on remittance transfers* (July 20, 2011) at 5, available at files.consumerfinance.gov/f/2011/07/Report_20110720_RemittanceTransfers.pdf. As noted in the report, estimates vary from \$12 billion to more than \$50 billion annually. The differences in the estimates are due to differences in the types of transfers measured and a lack of clear data. *Id.*

⁴³ See Consumer Financial Protection Act of 2010, Pub. L. No. 111-203, § 1073, 124 Stat. 1955, 2060 (codified at 15 U.S.C. § 1693o-1) (adding Section 919 of the Electronic Fund Transfer Act).

⁴⁴ See Remittance Transfer Rule, 77 Fed. Reg. 6193 (Feb. 7, 2012) (codified at 12 C.F.R. part 1005), amended by 77 Fed. Reg. 40459 (July, 10, 2012), 77 Fed. Reg. 50243 (Aug. 20, 2012), 78 Fed. Reg. 6025 (Jan. 29, 2013), 78 Fed. Reg. 30661 (May 22, 2013) & 78 Fed. Reg. 49365 (Aug. 14, 2013).

The Bureau developed a variety of components for the campaign based on what we learned from stakeholders and existing research. The print materials included fact sheets and brochures for consumers in five languages determined to be used by many consumers who send money overseas from the United States, based on trends in remittance destinations and U.S. Census information—English, Spanish, French Creole, Chinese, and Tagalog.⁴⁵ The print materials also included posters and more detailed fact sheets and instructions for organizations that serve consumers that explain how to discuss the rule and its protections with consumers. These materials were provided to community groups, other government agencies, trade associations, remittance providers, and others. They are also available for free for order or download at promotions.usa.gov/cfpbpubs.html. The Bureau also developed several new questions and answers about remittance transfers and the new protections for Ask CFPB at consumerfinance.gov/askcfpb/ and its Spanish language website, consumerfinance.gov/es/. We discuss the outreach aspect of the campaign further in Section 5.1, below.

Mortgage rules

Various Bureau rules went into effect over the past year that provide new rights and protections to homeowners and to consumers shopping for a home mortgage. The Bureau developed educational resources to help mortgage consumers, and those who interact with consumers on their home loans, understand the new rules and protections.

MORTGAGES RESOURCES

The Bureau developed a new web resource for consumers, consumerfinance.gov/mortgage/. The web page contains easy-to-read guides to the mortgage rules for homeowners and for

⁴⁵ See The World Bank, Migration and Remittances Factbook 2011, available at <http://data.worldbank.org/data-catalog/migration-and-remittances>; Congressional Budget Office, Migrants' Remittances and Related Economic Flows (Feb. 2011), available at http://www.cbo.gov/sites/default/files/cbofiles/ftpdocs/120xx/doc12053/02-24-remittances_chartbook.pdf; U.S. Census Bureau, *Language Spoken at Home by Ability to Speak English for the Population 5 Years and Over*, http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_10_1YR_B16001&prodType=table (last visited May 7, 2014).

homebuyers, links to find a housing counselor, and links to how to submit a complaint to the Bureau.

TRAINING FOR HOUSING COUNSELORS

The Bureau developed a detailed guide for housing counselors who help borrowers who are having trouble paying their mortgage. The guide, *Help for Struggling Borrowers*, is a step-by-step guide through the mortgage servicing rules, and is available at files.consumerfinance.gov/f/201402_cfpb_mortgages_help-for-struggling-borrowers.pdf.⁴⁶

The Bureau is also conducting webinars and in-person trainings for housing counselors and other intermediaries throughout the country. As of May 1, 2014, the Bureau had offered 27 webinars and in-person training events, reaching well over 3,000 housing counselors and other intermediaries—and through them, the many homeowners that they serve. The guide and training sessions cover the loss mitigation application process, foreclosure timing requirements, permissible charges and fees, the process for resolving servicer errors, the process for requesting information from a servicer, and requests for payoff statements.

CONSUMER INFORMATION PUBLICATIONS

Pursuant to the Dodd-Frank Act, the Bureau assumed responsibility for three informational publications that lenders are required to deliver to consumers when they apply for a mortgage loan or home equity line of credit.⁴⁷ These publications are *Shopping for your home loan: settlement cost booklet* (Settlement Cost); *Consumer handbook on adjustable-rate mortgages* (CHARM); and *What you should know about home equity lines of credit* (HELOC). In January 2014, the Bureau published the booklets with initial technical and conforming updates in conjunction with the January 2014 effective dates for many provisions of the Bureau's rules

⁴⁶See Mortgage Servicing Rules under the Truth in Lending Act (Regulation Z), 78 Fed. Reg. 10901 (Feb. 14, 2013) (codified at 12 C.F.R. 1026); Mortgage Servicing Rules under the Real Estate Settlement Procedures Act (Regulation X), 78 Fed. Reg. 10695 (Feb. 14, 2013) (codified at 12 C.F.R. 1024).

⁴⁷ See 12 U.S.C. § 2604 & 12 C.F.R. § 1024.6 (Settlement Cost); 12 C.F.R. § 1026.19(b)(1) (CHARM); 12 C.F.R. § 1026.40(e) (HELOC). The Settlement Cost booklet was formerly published by the U.S. Department of Housing and Urban Development, and the CHARM and HELOC publications were formerly published by the Board of Governors of the Federal Reserve System.

regulating practices in mortgage origination and servicing.⁴⁸ Further updates of the booklets are planned in the future. The booklets are available for download on the Bureau's website at consumerfinance.gov/learnmore/, and for order through the U.S. Government Printing Office bookstore at <http://bookstore.gpo.gov/agency/224>.

3.1.5 Publications

The Bureau has created a range of publications for consumers that provide straightforward information about money management and other financial issues. These publications include brochures about checking your credit report, avoiding checking account fees, tax-time saving, how to avoid foreclosure, what to do if you cannot pay your credit card bills, and other topics. The Bureau makes many of these resources available in both English and Spanish, and provides them for download or bulk ordering at promotions.usa.gov/cfpbpubs.html. Between June 2013 and May 2014, the Bureau distributed over 680,000 copies of its publications and over 57,000 were downloaded. The most popular resources ordered during that period were *Money Smart for Older Adults – Participant Resource Guide*, *Managing Someone Else’s Money*, *Check Your Credit Report*, *How to Submit a Complaint*, *My New Money Goal* worksheet, and *Your Disaster Checklist*. A list of current publications is provided in the Appendix at the end of this report.

Publications: Issues affecting older Americans

REVERSE MORTGAGE GUIDE

In 2012, the Office for Older Americans developed a plain language guide to reverse mortgages for consumers, with input from subject matter experts in the Bureau's Research, Markets and Regulations Division. The Bureau updated the guide in 2014 and makes the updated version available on the CFPB website at files.consumerfinance.gov/f/201206_cfpb_Reverse_Mortgage_Guidance.pdf. The guide is also available through other federal agencies, non-profit organizations, and housing counselors throughout the country. The guide highlights key

⁴⁸ See Notice of Availability of Certain Revised Consumer Information Publications, 79 Fed. Reg. 1836 (Jan. 10, 2014).

decision points to help potential reverse mortgage borrowers assess the financial ramifications of securing a reverse mortgage.

SENIOR DESIGNATIONS REPORT AND GUIDE

The Office for Older Americans released a consumer guide in November 2013 to help older consumers understand the wide variety of designations used by financial advisers to signify expertise in senior financial issues and verify senior designation and certification titles. The guide is available on the Bureau website at files.consumerfinance.gov/f/201311_cfpb_flyer_senior-financial-advisors.pdf and through other federal agencies, non-profit organizations, and consumer organizations nationwide. The guide was developed following the Bureau's report to Congress and the U.S. Securities and Exchange Commission in April 2013, which described the risk of consumer confusion surrounding these designations. The report included recommendations to help older consumers verify credentials, improve the consistency of standards for acquiring the credentials, improve the consistency of standards for conduct of designees, and reduce consumer confusion.⁴⁹

MANAGING SOMEONE ELSE'S MONEY GUIDES

The Office for Older Americans produced four *Managing Someone Else's Money* guides to assist people who are managing money or property for a family member or friend who is unable to pay bills or make financial decisions. The *Managing Someone Else's Money* guides are aimed at lay people who are responsible for managing someone else's money. This includes agents under powers of attorney, court-appointed guardians and conservators, trustees, and government benefit fiduciaries (Social Security representative payees and Veterans Administration fiduciaries). The guides explain the duties and responsibilities of people acting in each of these fiduciary roles; how to watch out for scams and financial exploitation and what to do if a family member or friend is a victim; and where to go for help. A future phase of this initiative will include the release of state-specific guides for six states (Arizona, Florida, Georgia, Illinois, Oregon, and Virginia), a replication manual for other states, and Spanish versions of the guides.

⁴⁹ CFPB, *Senior Designations for Financial Advisers: Reducing Consumer Confusion and Risks* (April 18, 2013), available at files.consumerfinance.gov/f/201304_CFPB_OlderAmericans_Report.pdf.

The guides are available for download from the Bureau’s website and can be ordered individually or in bulk at no charge at promotions.usa.gov/cfpbpubs.html.

A number of other federal agencies, including the Social Security Administration, Department of Veterans Affairs, Department of Health and Human Services, Federal Trade Commission, and the U.S. Postal Inspection Service, have posted the guides or links to the guides on their websites, written blog posts, or included information in e-newsletters.⁵⁰ AARP’s Caregiving Resource Center has also discussed the guides.⁵¹ From the release of the guides in October 2013 through May 2014, the Bureau distributed approximately 25,000 hard copies of each guide.

PROTECTING RESIDENTS FROM FINANCIAL EXPLOITATION: A MANUAL FOR ASSISTED LIVING AND NURSING FACILITIES

The Office for Older Americans produced a guide to help operators of nursing facilities and assisted-living residences protect the people in their care from financial exploitation through prevention and early intervention. The manual is designed for administrators, business office staff, social service personnel, and staff members involved in the admissions process for the facility. The publication provides facility personnel with information to help them identify warning signs of exploitation and a model protocol for intervening to prevent significant losses to victims. The guide is available at files.consumerfinance.gov/f/201406_cfpb_guide_protecting-residents-from-financial-exploitation.pdf.

3.2 Collaborative initiatives

In order to reach consumers, the Bureau is developing collaborations with a broad range of partners that include, among others, other federal agencies; state and local governments; private and non-profit organizations; and schools, workplaces, and community organizations. These

⁵⁰ See, e.g., <http://www.socialsecurity.gov/payee/financial.htm> (last visited June 18, 2014); <http://www.consumer.ftc.gov/blog/managing-someone-elses-money> (last visited June 18, 2014); <https://postalinspectors.uspis.gov/pressroom/pubs.aspx> (last visited June 18, 2014).

⁵¹ See <http://www.aarp.org/home-family/caregiving/info-2014/caregiving-managing-loved-ones-money.html> (last visited May 14, 2014).

collaborative initiatives take many forms. In general, the Bureau seeks to design financial education initiatives in a manner that leverages and complements effective federal and other efforts already underway, including building financial capability skills education into the provision of other services.⁵²

3.2.1 Youth financial education

In April 2013, the Bureau launched an initiative to build the financial capability of youth and thus help to ensure that every young person in America can gain the knowledge and skills to build a healthy financial future. To launch the initiative last year, the Office of Financial Education hosted a national conference of financial education experts, teachers, and non-profit and government leaders from local, state, and federal levels involved in kindergarten through 12th grade (K-12) financial education.⁵³ The Bureau also issued a white paper recommending the following strategies to improve personal financial capability of youth:

The Bureau launched an initiative to help ensure that every young person can gain the knowledge and skills to build a healthy financial future.

- Introduce key financial education concepts early and continue to build on that foundation consistently throughout the K-12 school years;
- Include personal financial management questions in standardized tests;
- Provide opportunities throughout the K-12 years to practice money management through innovative, hands-on learning opportunities;
- Create consistent opportunities and incentives for teachers to take financial education training with the express intention of teaching financial management to their students; and

⁵² Many of these collaborations involve the Bureau's fellow member agencies in the Financial Literacy and Education Commission.

⁵³ CFPB, Investing in Our Future: Conference Summary: National Conference on Youth Financial Education & Capability hosted by CFPB on April 30, 2013, available at files.consumerfinance.gov/f/201312_cfpb_summary_youth-financial-capability-conference.pdf.

- Encourage parents and guardians to discuss money management topics at home and provide them with the tools necessary to have money conversations with their children.⁵⁴

K-12 curriculum research

A growing number of state policymakers are recognizing the importance of teaching financial education to youth by requiring that personal finance be taught as part of K-12 education.⁵⁵ Educators who must teach financial education are faced with a wide range of curriculum providers and resources. However, little exists in the way of guidelines to assist educators in selecting the most promising or appropriate financial education curricula. To help fill this gap, the Bureau is developing criteria, or a “rubric,” to help financial education decision makers and teachers make such selections. In order to do this, the Bureau has reviewed existing research and is developing an overview of K-12 financial education curriculum assessment standards based on current best practices. Through this work, we hope to be able to help educators choose from among curricula that are accurate, unbiased, demonstrably effective, and designed to help students develop a range of financial knowledge, skills, and capabilities.

FDIC collaboration to develop youth financial capability

The Bureau is collaborating with the Federal Deposit Insurance Corporation (FDIC) on an initiative to empower American youth to make better financial decisions to achieve their own goals throughout the stages of their lives. The collaboration focuses on improving youth financial capability by developing and promoting financial education resources for youth, parents and caregivers of youth, and teachers. The collaboration will build on the FDIC’s Money Smart financial education program to address youth from preschool through age 20, and will also develop resources for parents and teachers. The collaboration will use the CFPB’s expertise

⁵⁴ See CFPB, Transforming the Financial Lives of a Generation of Young Americans: Policy Recommendations for Advancing K-12 Financial Education (April 2013), available at files.consumerfinance.gov/f/201304_cfpb_OFE-Policy-White-Paper-Final.pdf. The approach of introducing key financial concepts early and continuing to build on that foundation throughout the K-12 years aligns with the Financial Literacy and Education Commission’s 2013-2014 strategic focus on “Starting Early for Financial Success.” See Section 2.3, above.

⁵⁵ See, e.g., Council on Economic Education, Survey of the States (2014) at 9, available at <http://www.councilforeconed.org/wp/wp-content/uploads/2014/02/2014-Survey-of-the-States.pdf>.

in working directly with consumers to build skills in financial decision making. In particular, the CFPB and FDIC will:

- Develop and provide teachers with resources to integrate financial education concepts in K-12 lesson plans with confidence. Teachers can use these resources in their lesson plans to improve the financial decision-making skills of K-12 students in schools across the country.
- Promote public awareness about the important role parents and caregivers play in teaching children about good financial decisions. We will develop and provide resources to help empower parents and caregivers to discuss financial topics with children, including hands-on learning opportunities, discussion guides, and other age-appropriate financial education materials. Parents and caregivers are in a powerful position to introduce and to reinforce development of financial decision-making skills for young people.
- Identify opportunities to use hands-on learning approaches for the home and classroom. Experiential learning has been shown to be an effective technique for making abstract concepts into practical lessons that are easier to remember and apply when facing a financial decision.

Parent education tools

In April 2013, the Offices of Financial Education and Consumer Engagement initiated work to engage parents and guardians in the financial education of their children by encouraging discussion of money management topics at home and providing tools for parents to have money conversations with their children. We developed a set of Ask CFPB questions and answers especially for parents, which is available by going to consumerfinance.gov/askcfpb/ and clicking on the “Especially for” link for Parents. In August 2013, we hosted the second in a series of chats on these topics on Twitter.

Parents and caregivers are in a powerful position to introduce and reinforce development of financial decision-making skills for young people.

The Twitter chat was a collaboration with the Jump\$tart Coalition for Personal Financial Literacy, a non-profit coalition of organizations that share an interest in advancing financial literacy among students in pre-kindergarten through college, and Kids.gov, a U.S. government Internet resource for kids and their parents. During the one-hour chat with educators, parents,

financial education bloggers, and other Twitter users, participants saw messages about how to talk with kids about money, shared questions their kids were asking, and saw links to the questions and answers on Ask CFPB to inform their conversations.

Youth summer employment programs

Youth summer employment programs in local communities offer a unique opportunity to reach young people with financial capability education. Youth who may be entering the workforce for the first time can build habits that may last throughout their working lives. In November 2013, the Office of Financial Empowerment, along with federal agency partners from the Financial Literacy and Education Commission, convened a roundtable of national and local leaders to discuss current efforts to help youth build financial capability through employment programs. The successful programs represented at the roundtable included three important components: integrating financial education into existing youth employment programs, partnering with employers, and collaborating with financial institutions to improve access to financial services such as transaction accounts. The discussion also revealed many programs that recognize the need to help youth develop financial skills may not have the time, expertise, or resources to do so.

Building on these key takeaways, Empowerment developed tools to help communities that want to include financial capability skills in their youth summer employment programs. The Bureau is collaborating with several communities to pilot these new tools in summer 2014.

President's Advisory Council on Financial Capability for Young Americans

The Bureau's Director is serving as a member of the President's Advisory Council on Financial Capability for Young Americans (Council), which was established by President Barack Obama in June 2013.⁵⁶ The Council will advise the President and the Secretary of the Treasury on how to promote and enhance financial capability among young Americans and the American people generally. The Council will also identify ways to build the financial capability of young people at an early stage in schools, families, communities, and the workplace, as well as through the use of

⁵⁶ See Exec. Order No. 13646, Establishing the President's Advisory Council on Financial Capability for Young Americans, 78 Fed. Reg. 39159 (June 28, 2013).

technology. Through this collaboration with the broad range of leaders within the Council, the Bureau expects to contribute to additional opportunities to promote youth financial capability. The first meeting of the Council was held on March 10, 2014.

FLEC youth financial education field hearing

In September 2013, the Bureau organized a field hearing on youth and post-secondary financial education on behalf of the Financial Literacy and Education Commission.⁵⁷ The field hearing was held at the University of Wisconsin's Madison campus. Attendees included financial education practitioners, researchers, policy influencers, university staff, students, and other members of the public. The hearing gave the Commission the opportunity to share its work with the public and to learn about other important work occurring in communities across the country. Participants identified promising practices, critical challenges, and opportunities to promote financial capability of children and youth. The field hearing included two discussion panels: Building Youth Financial Capability through Experiential Learning; and Preparing Students for Financial Independence in Postsecondary Education.

3.2.2 Workplace financial education

The workplace is where many people earn their income and make critical decisions about how to allocate their wages to current needs, savings, investing for retirement, and other important life goals. Research suggests that employers can play a key role in implementing practices in the workplace that strengthen the financial capability of employees in order to meet their own life goals.⁵⁸

Office of Personnel Management strategy

The Thrift Savings Plan Open Elections Act of 2004 (TSP Open Elections Act) requires the Office of Personnel Management (OPM) to develop and implement a retirement financial

⁵⁷ See CFPB, Live From Madison, Wisconsin!, available at consumerfinance.gov/blog/live-from-madison-wisconsin/.

⁵⁸ See Kelly D. Edmiston, Mary C. Gillet-Fisher & Molly McGrath, Weighing the Effects of Financial Education in the Workplace, The Federal Reserve Bank of Kansas City, Community Affairs Department RWP 09-01 (Oct. 2009), available at <http://www.kansascityfed.org/publicat/cap/carwpo9-01.pdf>.

literacy and education strategy for federal employees. The statute directs that the strategy “educate Federal employees on the need for retirement savings and investment; and . . . provide information related to how Federal employees can receive additional information on how to plan for retirement and calculate what their retirement investment should be in order to meet their retirement goals.”⁵⁹ OPM’s strategy calls for federal agencies to develop and submit to OPM a retirement financial education plan based on the educational model in the strategy, and an annual report describing their activities.⁶⁰ The Bureau has submitted its 2014 financial education plan to OPM.

Using the expertise developed through its own workplace financial education plan, which is discussed further below, and its role as a member of FLEC, the Bureau has worked to support OPM’s efforts. The Bureau encouraged its fellow FLEC member agencies to submit financial education plans by June 30, 2014, and provided assistance, along with other FLEC agencies that had plans, to FLEC agencies that did not have them. This included providing a sample plan and other resources. As of May 31, 2014, 19 of the 20 FLEC agencies required to submit 2014 financial education plans had done so.

Foundations: building a model financially fit workplace

The Bureau has developed a workplace financial education program to address OPM guidance under the TSP Open Elections Act, discussed above, and increase employee access to retirement- and federal benefits-related information.⁶¹ More broadly, the program seeks to address key life events and decision points in employees’ financial lives. The program also aligns with the Financial Literacy and Education Commission’s Starting Early for Financial Success strategic focus, which includes an Early Career and Retirement component. This component is aimed at helping Americans plan and act for long-term financial well-being early in their careers by promoting financial education and capability in the workplace. The Bureau’s program

⁵⁹ Pub. L. No. 108-469, § 2(c), 118 Stat. 3892 (2004) (5 U.S.C. § 8350 note).

⁶⁰ See Office of Personnel Management, Benefits Administration Letter 11-104, Agency Retirement Financial Education Plans (Mar. 25, 2011).

⁶¹ See Thrift Savings Plan Open Elections Act of 2004, Pub. L. No. 108-469, § 2(c), 118 Stat. 3892 (5 U.S.C. § 8350 note); Office of Personnel Management, Benefits Administration Letter 11-104, Agency Retirement Financial Education Plans (Mar. 25, 2011).

augments tools such as automatic enrollment in retirement plans with training and information sessions for employees and free financial planning assistance.

Public service employers and student debt

In August 2013, the Bureau launched a workplace initiative focused on empowering public service organizations to help their employees tackle their student debt. This initiative is discussed in Section 3.2.7, below.

FLEC workplace financial education field hearing

In order to focus further attention on the role that workplace financial education can play, in February 2014 the Bureau participated in a FLEC field hearing in Atlanta, Georgia on Financial Capability in the Workplace.⁶² At the hearing, Director Cordray spoke about why the workplace is an ideal place for financial education and why it can be good business for employers to help relieve employees' financial stress.⁶³ Dr. Katherine Sauer of the University of Colorado provided three reasons why employers should consider financial education at work:

(1) employees may come to work with their minds on their personal financial situation ("presenteeism"); (2) as employees move from job to job, it can get harder for them to manage the rising number of retirement accounts and decisions they face; and (3) growing numbers of employees need help juggling the financial stress of caring for children and aging parents at the same time.⁶⁴

A key takeaway from the discussion was the value employers reap when employees understand how their benefits enhance their overall financial well-being. Employers at the field hearing also stressed the importance of offering flexible programs that target the needs of specific employee groups and incorporate immediate action steps employees can take. Finally, employers see

⁶² See CFPB, Live From Atlanta!, consumerfinance.gov/blog/live-from-atlanta/.

⁶³ See CFPB, Prepared Remarks of CFPB Director Richard Cordray at the Financial Literacy and Education Commission Meeting, consumerfinance.gov/newsroom/prepared-remarks-of-cfpb-director-richard-cordray-at-the-financial-literacy-and-education-commission-meeting/.

⁶⁴ See CFPB, Delivering Financial Education at Work Makes Sense, consumerfinance.gov/blog/delivering-financial-education-at-work-makes-sense/.

financial education and financial wellness programs as a way to help employees who are near retirement plan the next stage of their lives.

3.2.3 Community financial education

Community financial education project: Libraries

In July 2013, the Office of Financial Education initiated a community financial education project to promote access to reliable, unbiased financial education and resources through public libraries across the country. Libraries served 297.6 million Americans, or 96 percent of the U.S. population, in 2010.⁶⁵ Further, research indicates that libraries are highly trusted as a source of information, and serve consumers effectively in times of economic stress.⁶⁶ These factors, along with library presence in local communities across the country, make them natural partners for financial education.

In order to develop the project, the Bureau identified a diverse group of partner libraries that could help us learn about library capabilities and constraints, as well as the types of programs that would be attractive and realistic for libraries to implement. With input from government agencies, foundations, and trade associations that work with libraries, we identified initial partner libraries based on a combination of factors. These factors included the diversity of the areas and patrons they serve, experience in working with others in their communities, and expressed interest in participating. We selected some libraries that have been innovative in providing financial education programs, and some that had not yet offered financial education programs. We also chose libraries that would represent a range of geographic locations and types of communities. The initial partner libraries are the Brooklyn Public Library, New York; Columbus Metropolitan Library, Ohio; Florence County Library System, South Carolina; Fresno County Public Library, California; Georgetown County Library, South Carolina; Menominee

The Bureau is working to help public libraries become community hubs for financial education.

⁶⁵ See Institute for Museum and Library Services, *Public Libraries in the United States Survey: Fiscal Year 2010* (January 2013) at 7, available at <http://www.imls.gov/assets/1/AssetManager/PLS2010.pdf>.

⁶⁶ See, e.g., Pew Research Center, *How Americans Value Public Libraries in Their Communities* (2013) at 18-19, 23 available at http://libraries.pewinternet.org/files/legacy-pdf/PIP_Libraries%20in%20communities.pdf.

Tribal College, Wisconsin; Orange County Library System, Florida; Pelham Public Library, Alabama; and San Francisco Public Library, California.

The Bureau is also partnering with federal agencies and national organizations that have relationships with libraries and local communities, such as the American Library Association, the FINRA Investor Education Foundation, the U.S. Department of Agriculture National Institute of Food and Agriculture, the Institute of Museum and Library Services, the Federal Reserve Bank of Chicago, and the FDIC. We will work together with the libraries to help them develop partnerships in their communities and build on existing programs, resources, and infrastructure to reach consumers in their neighborhoods. Resources for libraries are available at consumerfinance.gov/library-resources/.

Faith-based communities

Faith-based organizations play a unique and trusted role in their communities. The Office of Financial Education, in coordination with the Office of Community Affairs in the Division of External Affairs, held a series of webinars in 2013 with leaders of faith-based organizations to introduce participants to the CFPB's financial education tools and resources. In 2014, OFE has continued this work with faith-based organizations through presentations and roundtables to share the Bureau's resources and to learn from the organizations what financial challenges and concerns are being expressed by those they serve.

3.2.4 Guidelines for libraries and community organizations to select financial education resources

During its first three years of operation, the Office of Financial Education has heard from numerous financial education stakeholders – including its library project partners – that they are not looking for additional financial education materials or programs. What they say they need most is guidance in choosing among the available materials and programs. To address this need, OFE is working to develop content guidelines in various contexts. For example, we are working with a number of organizations to develop guidelines that libraries and other community organizations may choose to use to select financial education content. In particular, the Office is advising the Reference and User Services Association of the American Library Association in developing guidelines to help reference librarians choose financial education information to recommend to library patrons.

3.2.5 Tax-time savings: collaboration with Volunteer Income Tax Assistance sites

The Offices of Financial Education and Financial Empowerment collaborated for the third year, in consultation with the Internal Revenue Service, to encourage Earned Income Tax Credit (EITC) eligible recipients to save some portion of their EITC refunds as a seed to grow savings. The EITC is a refundable tax credit, and for many low-to-moderate income families represents the largest lump sum of money they will receive all year. The initiative uses the free tax preparation services offered to low- and moderate-income taxpayers through Volunteer Income Tax Assistance (VITA) sites to reach EITC-eligible individuals and families.

In 2013 the Offices partnered with three VITA sites to pilot the CFPB's *Ready? Set, Save!* campaign. This initiative was aimed at encouraging EITC-eligible taxpayers to pre-commit to saving a portion of their refund at the time their taxes are being prepared and they first learn the amount of their EITC credit and expected tax refund. Listening sessions with VITA site coordinators and tax preparers from the 2013 pilot revealed common barriers they encountered to discussing savings with clients, which informed the development of 2014 program materials.

In 2014 the Offices piloted an expanded *Ready? Set, Save!* campaign in 13 communities around the country, which included approximately 100 VITA sites. The Bureau provided training and materials to approximately 2,000 tax preparer volunteers who served approximately 75,000 low- and moderate-income taxpayers. Each VITA site received worksheets, checklists, and posters to encourage taxpayers to consider savings. The training was designed to better equip volunteers to have a conversation about saving with taxpayers at the time they learn the amount of their refund and to inform them about various savings options available, including direct deposit into an account and purchase of a Series I savings bond.

The Offices are also making materials broadly available via download to encourage consumers to save a portion of their refunds.⁶⁷ This initiative fulfills a statutory mandate for the Office of

⁶⁷ See CFPB, Getting a Grip on Income Tax Season, consumerfinance.gov/blog/getting-a-grip-on-income-tax-season/.

Financial Education, to provide consumers with wealth-building strategies and access to financial services during the preparation process to claim the EITC.⁶⁸

3.2.6 Collaborative initiatives for servicemembers

Judge Advocate General's Corps training

The Office of Servicemember Affairs' education efforts have included providing subject-matter expertise to the military legal community. Bureau staff have provided instruction on several occasions at The Judge Advocate General's Legal Center and School located in Charlottesville, Virginia. For example, in April 2014, the Office of Servicemember Affairs teamed up with the Offices of Supervision and Enforcement to provide instruction about consumer risk in the payday loan marketplace as part of a legal assistance training course. These efforts help advance OSA's educational reach by leveraging the extensive consumer law mission of the Judge Advocate General's Corps (JAG), and ensuring that JAG legal assistance attorneys have up-to-date information on federal laws and policies affecting servicemembers in the consumer marketplace.

On-demand training for service providers

In 2013, OSA began hosting an ongoing series of virtual Military Financial Educator Forums on consumer financial topics for service providers who deliver financial, educational, or legal counseling to servicemembers and their families worldwide. The goal of these forums is to supply incremental and easily digestible information to those who provide services to servicemembers and their families on current consumer financial topics.

Content highlights from the video forums are also relayed through social media channels to reach

We provide on-demand video training for service providers who assist servicemembers and their families worldwide with financial issues.

⁶⁸ See 12 U.S.C. § 5493(d)(2)(F).

those serving the U.S. military across the globe. External social media partnerships with the Department of Defense and the Military Family Learning Network are used to amplify the message delivered by the video trainings to servicemembers stationed overseas.

In January 2014, OSA began making the forums available as on-demand video trainings on the Bureau website at consumerfinance.gov/servicemembers/on-demand-forums-and-tools/. Over 500 service providers have accessed these virtual training tools since their debut. To date these trainings include issues in debt collection and solutions for servicemembers with troubled mortgages.

3.2.7 Collaborative initiatives for students

Financial aid shopping sheet

Beginning in 2011, the Bureau partnered with the Department of Education to develop a “Financial Aid Shopping Sheet” to help students and their parents make informed decisions about how to finance postsecondary educational expenses.⁶⁹ Financial aid offers from colleges and universities often fail to make basic information clear, such as how much of a particular aid offer is made up of loans that need to be paid back and how much comes from grants that do not. The Higher Education Opportunity Act required the Secretary of Education to develop a model financial aid offer format to help students and their parents make informed decisions about how to finance postsecondary educational expenses.⁷⁰ The shared mission to improve the shopping process for potential student borrowers made the CFPB and the Department of Education natural partners in a *Know Before You Owe* project on student loans.

The Financial Aid Shopping Sheet is a standardized, easy-to-read form of financial aid award letter that colleges and universities can send to prospective students. The Shopping Sheet is designed to allow college applicants to better understand the debt implications of their college choice and compare the costs and financial aid offers of the schools to which they apply.

⁶⁹ The Financial Aid Shopping Sheet is available at http://collegecost.ed.gov/shopping_sheet.pdf (last visited May 7, 2014).

⁷⁰ See Pub. L. No. 110-315, § 484, 122 Stat. 3078, 3286 (2008) (codified at 20 U.S.C. § 1092 note).

The agencies released a prototype shopping sheet in October 2011. The Secretary of Education released the finalized Financial Aid Shopping Sheet in July 2012, and published an open letter to college and university presidents, calling for schools to voluntarily adopt the shopping sheet.

In April 2012, the President of the United States issued an Executive Order requiring colleges that accept Department of Defense Tuition Assistance Program funds to provide military students with an offer letter based on the principles developed for the Financial Aid Shopping Sheet, in order to provide better information to recipients of military and veteran education benefits.⁷¹ The Executive Order also encourages colleges that accept Post-9/11 G.I. Bill benefits to do the same.⁷² As of March 2014, 2,069 colleges and universities, with a combined enrollment of 8.8 million students, had voluntarily agreed to adopt the Financial Aid Shopping Sheet.

Public service employers and student debt

In August 2013, the Bureau launched a workplace initiative focused on empowering public service organizations to help their employees tackle their student debt. As part of this initiative, the Bureau developed a toolkit that these organizations can use to help employees learn about their options and qualify for federal loan repayment benefits. The toolkit contains action guides, frequently asked questions, and additional information on best practices when implementing a workplace initiative on student debt. The toolkit is available at files.consumerfinance.gov/f/201308_cfpb_public-service-toolkit.pdf. The Bureau also provides training to human resources professionals at public service organizations and offers technical support to organizations seeking to stand up this initiative.

Federal loan repayment benefits include a loan forgiveness program for employees of public service organizations.⁷³ The Bureau estimates that up to 25 percent of the U.S. workforce is employed in public service as defined by Congress and may be eligible for student loan

⁷¹ See Exec. Order No. 13607, Establishing Principles of Excellence for Educational Institutions Serving Service Members, Veterans, Spouses, and Other Family Members, 77 Fed. Reg. 25,861 (May 2, 2012).

⁷² *Id.*; see Post-9/11 Veterans Educational Assistance Act of 2008, Supplemental Appropriations Act, 2008, Pub. L. No. 110–252, tit. V, 122 Stat. 2357 (codified at 38 U.S.C. §§ 3301–3324) (known as the “Post-9/11 G.I. Bill”).

⁷³ See College Cost Reduction and Access Act, Pub. L. No. 110–84, tit. IV, 121 Stat. 800 (2007) (codified at 20 U.S.C. § 1087e(m)).

forgiveness programs.⁷⁴ These employees include teachers, librarians, firefighters, military personnel, law enforcement, first responders, nurses, and social workers. The Bureau's report analyzing many of the loan repayment benefits available for employees of public service organizations is available at consumerfinance.gov/reports/public-service-and-student-debt/.

The CFPB has invited public service employers to take a pledge to inform their employees of their options. The City of South Bend, Indiana and Richmond, Virginia Public Schools agreed to be the first public service organizations to take the pledge, and others have followed. For information about the pledge, go to consumerfinance.gov/pledge/.

3.2.8 Collaborative initiatives for older Americans

Elder Justice Coordinating Council

The Bureau serves as a member agency of the Elder Justice Coordinating Council. The Council was established by the Elder Justice Act of 2009 to coordinate activities related to elder abuse, neglect, and exploitation across relevant federal, state, local, and private agencies and entities.⁷⁵ The Council is chaired by the Secretary of Health and Human Services (HHS). The Bureau is one of 11 member agencies, in addition to HHS, that HHS has identified for membership based on administering programs related to abuse, neglect, or financial exploitation of older Americans. The Bureau, through its Office for Older Americans, is coordinating and building cooperative plans with its Council partners to address mistreatment of elders. Older Americans' staff members serve on the Elder Justice Interagency Working Group that staffs the Council. The Working Group has developed recommendations and proposed action steps for the Council based on white papers that were submitted by expert witnesses at the Council's inaugural meeting in October 2012. The Council continues to meet twice a year with active participation of the CFPB.

⁷⁴ See CFPB, *Public Service and Student Debt: Analysis of Existing Benefits and Options for Public Service Organizations* at 2 (Aug. 2013), available at consumerfinance.gov/reports/public-service-and-student-debt/.

⁷⁵ Pub. L. No. 111-148, § 6703, 124 Stat. 786 (2009) (codified at 42 U.S.C. § 1397k).

Interagency Guidance on Privacy Laws and Reporting Financial Abuse of Older Adults

In 2012, financial institution officials raised concerns about whether the privacy provisions of the Gramm-Leach-Bliley Act (GLBA) precluded financial institutions from reporting suspected elder financial abuse. The Office for Older Americans, working in coordination with the CFPB's Office for Supervision Policy, developed interagency guidance for financial institutions to clarify the applicability of privacy provisions of GLBA to their reporting of suspected financial exploitation of older adults. Eight federal regulatory agencies with authority to enforce the privacy provisions of GLBA released the guidance on September 24, 2013.⁷⁶ The goal of the guidance is to provide financial institutions more certainty about the legality of reporting suspected abuse. This clarity will facilitate financial institutions' timely reporting of suspected abuse so that law enforcement and Adult Protective Services officials can take appropriate protective action.

The Bureau has launched a nationwide outreach campaign to raise awareness about the guidance and about the importance of reporting suspected elder financial exploitation to appropriate local, state, and federal agencies. The outreach events have included calls with industry, Congressional staff, state agencies and regulators, community groups, and aging advocates; speeches to national organizations; webinars; and presentations to federal interagency groups such as working groups of the Financial Literacy and Education Commission and the Elder Justice Coordinating Council.

It appears that the interagency guidance is succeeding in raising awareness of the problem of elder financial exploitation and has influenced activity by financial institutions. For example, following the release of the guidance, the Senior\$afe training program for financial institutions in Maine was launched through a collaborative effort between financial institutions and

⁷⁶ See *Interagency Guidance on Privacy Laws and Reporting Financial Abuse of Older Adults* (Sept. 24, 2013), available at files.consumerfinance.gov/f/201309_cfpb_elder-abuse-guidance.pdf. The eight agencies are the Board of Governors of the Federal Reserve System, the Commodity Futures Trading Commission, the CFPB, the FDIC, the Federal Trade Commission, the National Credit Union Administration, the Office of the Comptroller of the Currency, and the Securities and Exchange Commission.

organizations including the Maine Department of Professional and Financial Regulation and the state's Office of Aging and Disability Services—Adult Protective Services.⁷⁷

Older American protection networks

The Office for Older Americans is assisting older American protection networks of state and local governments, elder justice advocates, law enforcement agencies, financial service providers, and other key stakeholders that are working to improve community response to elder financial exploitation. The primary goals of the networks are to increase prevention of, and improve collaboration and response to, elder financial exploitation. The Office for Older Americans staff has been monitoring and participating in network activities such as community education events, and public awareness campaigns and cross-training programs for stakeholders, first responders, advocates, and industry professionals.

To support this effort, Older Americans has launched a project with the Federal Research Division of the Library of Congress to study the activities undertaken by these networks, their outcomes, and best practices. The study will also inform the creation of a replication guide that communities can use to create a network or to enhance their existing one.

Money Smart for Older Adults

In June 2013, the CFPB and the FDIC released *Money Smart for Older Adults* (MSOA), an instructor-led curriculum for the FDIC's Money Smart program to provide older consumers and their caregivers with information on preventing and responding to elder financial exploitation.⁷⁸ Older Americans and the FDIC have also developed train-the-trainer materials and offer in-person training sessions for national non-profit organizations and others that express interest in becoming Money Smart Alliance partners. Alliance partners can make presentations to community groups on recognizing and preventing elder financial exploitation. The materials

⁷⁷ See Senior\$afe brochure, available at http://www.mainebankers.com/images/stories/MECB/2014/Senior_Safe_Brochure_final_photos.pdf (last visited May 7, 2014).

⁷⁸ Money Smart is a financial education curriculum designed to help low- and moderate-income individuals enhance their financial skills. See FDIC, *Money Smart – A Financial Education Program*, <http://www.fdic.gov/consumers/consumer/moneysmart/index.html> (last visited May 7, 2014).

include a PowerPoint, Instructor Guide, and Participant Resource Guide. The Participant Resource Guide presents information about different types of fraud, scams, and exploitation that target older persons and provides tips and warning signs on how to prevent losses and report cases. The Participant Resource Guide is available for download at files.consumerfinance.gov/f/201306_cfpb_msoa-participant-guide.pdf or for order at promotions.usa.gov/cfpbpubs.html. Instructor materials are available from the FDIC at fdic.gov/consumers/consumer/moneysmart/olderadult.html.

Since the release of the curriculum in June 2013, over 6,000 instructor modules have been downloaded from the FDIC's website; more than 1,500 presenters in 18 states have been trained by the CFPB; and more than 70,000 Participant Resource Guides have been distributed by the CFPB through intermediaries. To increase the reach of this program, the CFPB and FDIC are working on updating the MSOA content and translating the Participant Resource Guide into Spanish.

3.2.9 Collaborative initiatives for low-income and other economically vulnerable consumers

The Office of Financial Empowerment is working to integrate financial empowerment strategies into existing public-sector and non-profit programs that assist low-income and other economically vulnerable people who are among the traditionally underserved.

Financial empowerment toolkit and training

The Office of Financial Empowerment has developed and field tested *Your Money, Your Goals: A financial empowerment toolkit for social services programs*. The toolkit provides tools that social service staff can use to incorporate financial capability information and tools into their work with clients and to make referrals to specialized providers. The toolkit includes information that staff can share with clients on topics such as emergency savings; understanding, correcting, and building credit history; managing debt; cash flow budgeting; and identifying financial products to use to pursue various financial and life goals. The toolkit also includes worksheets and other tools individuals can use to strengthen their personal money management skills. For example, the toolkit includes tools to help grow

Staff in social service organizations can use *Your Money, Your Goals* to help the people they serve to grow their skills in personal money management.

skills in financial tasks such as ordering a credit report or understanding and managing debt.

The Bureau field tested the toolkit in fall 2013 by conducting train-the-trainer webinars for 26 social service organizations located across the country. These organizations in turn provided training to 1,400 frontline social service staff from their own and other organizations on how to use the toolkit in their work. The Bureau then gathered feedback that included the extent to which the staff had used the toolkit with their clients and whether the training increased the confidence of the staff in their knowledge of the topics and their ability to help their clients manage their finances.

After receiving input from field-test users of the toolkit, we finalized the text and will release it nationally in summer 2014. More information is available at consumerfinance.gov/your-money-your-goals/. We plan to conduct webinar trainings that will be available for sign-up through the CFPB website, as well as in-person and webinar trainings within national organizations to equip them to train their own staff. The Bureau is also developing customized versions of the toolkit to address particular populations or financial capability needs. For example, we developed an abbreviated toolkit focused on credit reporting and debt collection for use by law school-based legal clinics that work with consumers on these issues.

Foster youth credit reports

The Child and Family Services Improvement and Innovation Act requires that each child age 16 and older in foster care receive annually a free copy of any consumer credit report pertaining to the child until the child is discharged from foster care, and receive assistance in interpreting and resolving any inaccuracies in the report.⁷⁹ State and county child welfare agencies are currently working with the national credit reporting agencies to implement these requirements.

The Offices of Financial Empowerment and Financial Education are working with stakeholders at the HHS Children's Bureau, the Federal Trade Commission, and youth advocacy organizations to help streamline the procedures for child welfare agencies to pull credit reports. We are also assisting them to develop capacity to assist foster youth in identifying identity theft, fraud, and errors, and understanding and resolving inaccuracies in the reports. Most recently

⁷⁹ See Pub. L. No. 112-34, § 106, 125 Stat. 369, 377 (2011) (codified at 42 U.S.C. § 675(5)(I)); see 42 U.S.C. § 671(a)(16).

the Bureau developed tools, including sample letters for ordering credit reports for foster youth and for disputing credit report errors. The tools include tip sheets to provide guidance to caseworkers who are responsible for pulling and cleaning up credit reports for youth in foster care. These tools are available at consumerfinance.gov/blog/how-to-protect-vulnerable-children-from-identity-theft/.

People with disabilities

According to the most recent Census data, approximately 56.7 million people, or 18.7 percent of the U.S. population, had a disability as of 2010.⁸⁰ Many individuals with disabilities are among the most economically vulnerable consumers, and yet are often the hardest to reach with financial education or counseling. This can be due to limited or lack of transportation options, inaccessibility of buildings where services are provided, inaccessibility of financial education materials, need for accommodations, or need for financial educators with specialized knowledge of disability benefits. The Office of Financial Empowerment is beginning efforts to address financial capability for these consumers, as described below.

DISABILITY FORUM

In November 2013, the Office of Financial Empowerment hosted a national forum on disability entitled *Opportunities and Obstacles in Achieving Financial Capability for Individuals with Disabilities*. Participants included 27 organizations, one state government vocational rehabilitation program, and four federal partners. Participants highlighted the need for financial capability resources that address unique disability-related financial issues; the need for financial capability training for vocational rehabilitation counselors; and the need to provide financial capability resources in a manner that accommodates particular disabilities. They also highlighted the need for greater financial institution awareness of how disability may impede access to financial products and services, such as how disability can affect assessments of creditworthiness as a result of credit scoring and underwriting practices and medical debt.

⁸⁰ See Matthew W. Brault, Americans with Disabilities: 2010, *Current Population Reports* (U.S. Census Bureau) (July 2012) at P70-131, available at <http://www.census.gov/prod/2012pubs/p70-131.pdf>. This number includes only civilian, non-institutionalized individuals with disabilities. For an explanation of how disability was measured for purposes of the report, see *id.* at 8-9.

Participants also raised issues beyond financial capability, such as challenges related to products, including prepaid cards through which many consumers with disabilities receive federal disability benefits, and annuity scams.

BRIDGES TO FINANCIAL SECURITY FOR PERSONS WITH DISABILITIES

The Bridges to Financial Security for Persons with Disabilities initiative seeks to increase access to financial education services for individuals with disabilities who are transitioning into the workforce, in order to help them proactively take control of their finances at that crucial juncture in their lives. This project seeks to deliver financial education services through public and private service providers where consumers with disabilities already receive vocational or other services, and thereby leverage existing resources and available information distribution channels. This project is currently in procurement.

3.2.10 Consumer Financial Civil Penalty Fund

The Dodd-Frank Act authorizes the Bureau to use civil penalty funds collected by the Bureau for consumer education and financial literacy programs after compensating eligible victims. Specifically, the Act requires the Bureau to deposit any civil penalty it obtains in actions under the federal consumer financial laws into a Consumer Financial Civil Penalty Fund (Civil Penalty Fund).⁸¹ The Bureau may use these funds to make payments to victims in cases for which civil penalties were imposed. In addition, to the extent the Bureau cannot locate the victims or it is otherwise not feasible to make such payments, the Bureau may use the funds for consumer education and financial literacy programs.⁸²

The Bureau issued a rule to govern the administration of the Civil Penalty Fund in May 2013.⁸³ The rule includes procedures for allocating funds for payments to victims and for consumer

⁸¹ 12 U.S.C. § 5497(d)(1).

⁸² 12 U.S.C. § 5497(d)(2). Additional information about the Civil Penalty Fund can be found on the Bureau's website at consumerfinance.gov/budget/civil-penalty-fund/.

⁸³ Consumer Financial Civil Penalty Fund, 78 Fed. Reg. 26489 (May 7, 2013). At the same time that it promulgated the final rule, the Bureau also published a notice of proposed rulemaking (NPRM) seeking public input on the rule

education and financial literacy programs. The Bureau also has adopted a set of criteria for selecting programs that will serve consumers and improve consumer education and financial literacy in the event that Civil Penalty Fund money is allocated to consumer education and financial literacy programs.⁸⁴ The Bureau is using the federal procurement process to fund these programs. The Bureau will post information about the process and contract requirements for any future procurements as Civil Penalty Fund money is allocated for this purpose. The rule, the criteria, and other information about the Civil Penalty Fund are posted on the Bureau's website at consumerfinance.gov/budget/civil-penalty-fund/ and consumerfinance.gov/budget/.

Financial coaching

In November 2013, the Bureau approved the first consumer education and financial literacy program to be funded with Civil Penalty Fund money. The Offices of Servicemember Affairs and Financial Empowerment are co-sponsoring a program that will integrate financial coaching into existing service delivery programs at up to 70 sites serving transitioning veterans and 20 sites serving nonmilitary low-income and other economically vulnerable consumers across the country. This program will thus bring financial capability services to locations where people already come to receive other services. For the veteran population served, the financial coaching will be designed to help veterans transition from military to civilian financial life. For the non-military economically vulnerable consumers served, the program will be designed to help these consumers learn how to manage the money they have more effectively to achieve their financial goals. In April 2014, the Bureau awarded a contract to the Armed Forces Services Corporation to implement the program with the goal of having the financial coaches providing services before the end of calendar year 2014.⁸⁵

and possible changes to it. *See* 78 Fed. Reg. 26545 (May 7, 2013). The NPRM provided 60 days for public comment. The Bureau continues to consider the comments and may issue a revised rule.

⁸⁴ See Criteria for Use of Civil Penalty Fund Monies for Consumer Education and Financial Literacy Programs, available at files.consumerfinance.gov/f/201207_cfpb_civil_penalty_fund_criteria.pdf. The criteria require, among other things, that programs further the Bureau's mission and strategic goals; promote or enhance consumers' financial capability and economic security; and include outcome targets to ensure the programs' effectiveness.

⁸⁵ The solicitation notice and other information about the procurement can be found at <https://www.fbo.gov/?id=oa587bd199db7987eobf14f6f47e13fc> (last visited May 7, 2014). The Armed Forces Services Corporation

4. Research and innovation: identifying what works

The Bureau is developing and implementing initiatives to educate and empower consumers to make better-informed financial decisions. This requires that we know what approaches are effective in improving financial decision making and financial well-being. There has been a growing realization among experts in financial education, however, that there is not enough evidence-based evaluation to indicate which financial education strategies are most effective.

According to a 2011 Government Accountability Office (GAO) report on financial literacy, “[r]elatively few evidence-based evaluations of financial literacy programs have been conducted, limiting what is known about which specific methods and strategies are most effective.”⁸⁶ The CFPB is taking up this challenge to provide stronger evidence of what works, in order to support and guide efforts to improve the effectiveness and quality of financial education, and therefore improve consumer decision making and outcomes.

The Bureau’s research program seeks to expand the base of knowledge about effective financial education.

The Bureau is pursuing a research program to help inform its financial education work and ultimately to serve consumers. The Bureau’s financial education research strategy serves a number of statutory mandates. For example, the Dodd-Frank Act requires the Office of

provides management consulting and program delivery to government programs serving the military, veterans, and their families. See generally http://www.afsc-usa.com/about_us.html (last visited May 7, 2014).

⁸⁶ U.S. Government Accountability Office, GAO-11-614, *Financial Literacy: A Federal Certification Process for Providers Would Pose Challenges* (June 28, 2011) at Highlights, available at <http://www.gao.gov/assets/330/320203.pdf>.

Financial Education, together with the Office of Research, to “conduct research related to consumer financial education and counseling.”⁸⁷ The statute also charges the Office for Older Americans with conducting research to identify “best practices and effective methods, tools, technologies and strategies to educate and counsel seniors about personal finance management . . .”⁸⁸ The Bureau’s strategy to include research as a tool to improve the financial literacy of consumers is consistent with FLEC’s National Strategy.⁸⁹

The Office of Financial Education, in coordination with the Office of Research, has developed a research program that focuses on: (1) determining how to measure financial well-being and identifying the knowledge, skills, and habits associated with financially capable consumers, (2) evaluating the effectiveness of existing approaches to improving financial decision making and outcomes, and (3) developing and evaluating new approaches. Projects in the program examine the current state of consumer financial knowledge and decision making, sources of information upon which consumers rely in making financial decisions, as well as the effectiveness of specific financial education approaches. These projects include the following:

- Measuring financial well-being: Developing measures of financial well-being for working age and older Americans, and determining what types of knowledge, skills, and habits are associated with those measures of financial well-being;
- Financial education evaluation project: Evaluating the effectiveness of selected financial coaching programs and identifying the specific elements that are effective and why;
- Building financial capability through product design and program delivery: Piloting and evaluating approaches to enhance the financial capability of low-income and economically vulnerable consumers by integrating financial capability-enhancing products or services with other types of financial products and services that consumers want or use;

⁸⁷ 12 U.S.C. § 5493(d)(3)(B).

⁸⁸ 12 U.S.C. § 5493(g)(3)(D).

⁸⁹ See Financial Literacy & Education Commission, *Promoting Financial Success in the United States: National Strategy for Financial Literacy 2011*, at 11 (Goal 4), available at [http://www.treasury.gov/resource-center/financial-education/Documents/NationalStrategyBook_12310%20\(2\).pdf](http://www.treasury.gov/resource-center/financial-education/Documents/NationalStrategyBook_12310%20(2).pdf).

- Decision-making innovation project: Evaluating innovative approaches to address common consumer financial decision-making challenges;
- Rules of thumb project: Evaluating the effectiveness of rules of thumb for improving financial outcomes for consumers; and
- Financial information market sizing study: Examined the relative size and scope of the financial information market as measured by spending on financial education as compared to financial marketing.

We describe these projects in more detail below.

4.1 Measuring financial well-being

The CFPB is conducting a research project to develop measures of financial well-being for working age and older American consumers. To this end, the project is focused on learning:

- What knowledge and behavior predict financial well-being;
- The importance of financial knowledge relative to other factors (personal traits and social context) in improving financial well-being; and
- How to effectively measure financial knowledge, behavior, and well-being in order to assess consumer financial well-being and effectiveness of financial education.

The project launched in FY2013. In the past year, the Bureau completed much of the first phase of work to develop definitions of financial well-being for working-age and older Americans and hypotheses regarding the drivers of financial well-being. This work included:

- Background research on how financial well-being is defined and measured in the literature to date, and what is already known about the relationship between financial knowledge, behavior, and well-being;
- In-depth qualitative interviews with consumers, as well as various types of financial professionals, such as financial educators, advisers, planners, coaches, tax preparers, and credit counselors; and
- Consultation with academic and practitioner experts.

The Bureau is now creating survey items to measure consumer financial well-being and test the hypotheses it has developed about the determinants of financial well-being. Findings from this initial stage of the project are expected to be available later in 2014. The next phase of the project, planned to begin in 2015, will be to use the survey items to quantitatively test the hypotheses.

The products of this project should allow the CFPB, other government agencies, and others involved in financial education to further hone informed approaches to improving consumer financial well-being. Further, by creating or vetting rigorously developed measures of consumer financial knowledge, behavior, well-being, and related factors, the project will create a strong basis for evaluating financial education policies and programs. More specifically, these metrics should significantly increase the ability of the CFPB, other government agencies, and other financial education providers to select approaches that make the biggest difference in improving consumer outcomes.

In addition, the Bureau is beginning work to leverage this project's findings about adult financial well-being and its drivers to gain insights into the abilities, attitudes, and other characteristics in children and youth that support financial capability and financial well-being in adulthood. This new set of work will also shed light on promising strategies and approaches to help children and youth develop these critical skills and characteristics.

4.2 Financial education evaluation project

The Bureau is conducting a quantitative evaluation of two existing financial education programs involving financial coaching. Financial coaching generally involves one-on-one sessions with individuals to increase their awareness of their financial decisions and to provide support for them to reach their financial goals.⁹⁰ The project also seeks to promote and support effective quantitative evaluation of financial education programs more generally.

⁹⁰ See generally University of Wisconsin Cooperative Extension, *Financial Coaching Strategies*, <http://fyi.uwex.edu/financialcoaching/what-is-coaching/> (last visited May 7, 2014).

The CFPB selected two community-based financial coaching providers for the evaluation based on preliminary evidence of the programs' effectiveness, willingness to participate in a rigorous evaluation, program size, diversity of geography and client base, and other factors. The evaluation uses a randomized controlled trial methodology to determine the extent to which the selected sites' financial coaching strategies increase household non-retirement savings and reduce financial distress among program participants. The two evaluations have been underway since 2013, and final results are expected in early 2015.

The project also includes a peer-learning component, comprising a network of eight financial education programs focused on improving financial decision making and outcomes, and researchers engaged in rigorous evaluation of the programs. The first meeting of the peer-learning network was held in April 2013. The meeting facilitated the sharing of programmatic best practices and evaluation methodologies that promote effective financial education evaluation. The CFPB published a report sharing the key insights from this meeting so that other program managers, researchers, and research funders who are considering evaluating initiatives aimed at improving financial decision making and outcomes can benefit from the lessons learned by those who have already engaged in these types of studies.⁹¹ These insights include:

- Criteria for determining whether a randomized controlled trial is suitable for measuring the effectiveness of a particular financial capability program;
- Solutions to common challenges in designing and executing randomized controlled trial evaluations of financial capability programs; and
- Key steps that researchers, practitioners who run financial capability programs, policymakers, and funders can take to expand rigorous evaluation of financial capability programs.

The report is available on the Bureau website at files.consumerfinance.gov/f/201401_cfpb_report_rigorous-evaluation-financial-capability.pdf.

⁹¹ CFPB, *Rigorous evaluation of financial capability strategies: why, when and how; perspectives from the field* (Jan. 2014), available at files.consumerfinance.gov/f/201401_cfpb_report_rigorous-evaluation-financial-capability.pdf.

4.3 Building financial capability through product design and program delivery

The Office of Financial Empowerment is conducting a multi-phase project that will help the Bureau determine whether the financial capability of low-income and other economically vulnerable consumers can be enhanced through bundled financial products and services. Examples of such bundled products and services include a prepaid card that also has a savings function, and/or the integration of financial coaching and counseling into the offering of financial products.

The Bureau has completed the initial research phase of the project. This phase included: (a) a scan of the field to identify existing strategies, products, or programs that seek to help consumers build positive credit histories and savings; (b) a literature review of existing research on savings and credit building strategies, products, or programs focused on economically vulnerable consumers; and (c) a report documenting findings of discussions with academic and practitioner experts on types of barriers for consumers, program features that overcome those barriers, and recommendations for specific types of programs the Bureau should consider for evaluation.

The second phase of the project is a rigorous evaluation of a credit-builder loan with a savings component. A credit-builder loan is a combination loan and savings program that is designed to help the borrower establish a positive credit history. The evaluation is scheduled to begin in the spring of 2014. The purpose of this second phase of the study is to understand whether and the extent to which a credit-builder loan, with or without credit counseling, has a positive impact on the credit, savings, and financial capability of study participants. Depending on results, further work may follow.

4.4 Innovation project

A wide range of financial education and empowerment practices are currently in use by organizations and institutions that are involved in financial education, asset building, and related services. Many of these provide significant benefit to consumers. However, as discussed above, many American consumers are still struggling to manage their financial lives and make the financial decisions that will best serve their own life goals. Innovative approaches to financial education and financial empowerment may help consumers face these challenges.

Information alone is not always sufficient in leading to financial decisions that will serve one's life goals. According to a 2011 GAO report on financial literacy, "[i]nsights from behavioral economics, which blends economics with psychology, have been used to design strategies apart from education to assist consumers in reaching goals without compromising their ability to choose approaches or products."⁹² This GAO report discusses practices such as changing the default option, using commitment mechanisms, simplifying decisions, and leveraging the impact of peer support and influence in leading to desirable consumer financial outcomes. Using such strategies has the potential to lead to more effective financial education, capability, and empowerment efforts.⁹³

4.4.1 Decision-making innovation project

In order to meet its goal of promoting effective financial education practices, the CFPB is conducting a project to develop prototypes of innovative approaches to help consumers overcome common decision-making challenges and then evaluate the effectiveness of the approaches. In the first phase of this project, the Bureau conducted research to identify and describe some of the most prevalent challenges consumers face in managing their financial lives.

The Bureau then selected three of these consumer challenges to focus on: (1) organizing and managing finances, (2) managing cash flow and bill payments, and (3) managing finances at retirement.⁹⁴ The Bureau is developing a strategy with financial innovators to test approaches for helping consumers overcome these financial decision-making challenges. When results become available in 2015, the Bureau expects that this project will increase knowledge of innovative approaches to improve financial capability, which can strengthen financial education content and strategy both within the CFPB and among a range of external stakeholders who serve consumers.

⁹² See Government Accountability Office, GAO-11-614, *Financial Literacy: A Federal Certification Process for Providers Would Pose Challenges* (June 28, 2011) at 18, available at <http://www.gao.gov/assets/330/320203.pdf>.

⁹³ *Id.* at 19-22.

⁹⁴ The other decision-making challenges we identified were saving for financial shocks and emergencies; employer retirement savings policies; and small business financial management.

In order to make the results of the first stage innovation research available to educators and innovators in the financial field, the Bureau is developing short videos illustrating two of the financial challenges identified that consumers often face. The two financial challenges to be explored in the videos are “Saving for Financial Shocks and Emergencies” and “Organizing and Managing Finances.” The videos seek to bring the challenges to life in order to inspire educators and innovators to apply the research in their work.

The videos will be accompanied by short digests that provide more background on the financial challenges that was gained from the research, and will identify avenues for additional research and innovation. The videos and digests are expected to be available on the Bureau’s website later in 2014. The Bureau is reaching out through electronic and social media to encourage educators and innovators to use the research in their own work and share it with their professional networks.

4.5 Rules of thumb project

“Rules of thumb” are a decision-making and education technique that uses practical, easily-implemented guidelines for making decisions. Existing research has found rules of thumb to be a successful technique for improving decision making in many areas, and more successful than comprehensive education in some instances.⁹⁵ Thus, rules of thumb could be a cost-effective method to improve consumer decision making. However, little research exists examining the effectiveness of rules of thumb for financial decision making.

Accordingly, in 2014 the Bureau began a research project to study the effectiveness of rules-of-thumb-based approaches aimed at helping consumers decrease their credit card debt. Rules-of-thumb-based education may be particularly appropriate for improving consumer literacy about credit card use, as credit card decisions are repetitive and frequent. We have finished the first phase of the project to understand how to create rules of thumb, when they are most useful, and how they can be implemented to ensure maximum success. The second phase of the project will

⁹⁵ See, e.g., Baumol, William J. and Richard E. Quandt. “Rules of Thumb and Optimally Imperfect Decisions.” *The American Economic Review*, 54(2):23-46 (1964); Drexler, Alejandro, Greg Fischer, and Antoinette Schoar, CEPR Discussion Paper No. 7994, *Keeping it Simple: Financial Literacy and Rules of Thumb* (2010).

test a set of rules of thumb aimed at helping consumers decrease their credit card debt. When we release the final results, which are expected in 2015, we expect that this project will increase knowledge of the efficacy of a rules-of-thumb approach to financial education both within the CFPB and among a range of external stakeholders who serve consumers.

4.6 Financial education market-sizing study

To better understand the influences on consumer decision making, the Bureau examined the financial information marketplace and the relative size and scope of financial information sources. In November 2013, the Bureau released the results of this examination in its report *Navigating the Market: A comparison of*

spending on financial education and financial marketing, which is available at files.consumerfinance.gov/f/201311_cfpb_navigating-the-market-final.pdf. This report compares how much is spent in a year on financial education and how much is spent on marketing financial products and services.

As a nation, we spend approximately \$2 per person on financial education and \$54 per person on financial services marketing in a year.

The report estimates that approximately \$670 million dollars is spent annually by government, financial institutions, non-profits, and other sectors on providing financial education. At the same time, approximately \$17 billion is spent on the marketing of financial products and services, which is approximately 25 times as much as is spent on financial education. More specifically, the report revealed that we as a nation, including federal, state, and local government, non-profits, and financial institutions, spend approximately \$2 per person per year on financial education. This compares to approximately \$54 per person per year spent by the financial services industry on marketing financial products and services. The results of the study highlight the need for high-quality sources of unbiased financial information. They also call out the need for innovative, scalable methods for providing financial education to consumers.

5. Outreach: sharing information and forging relationships to reach consumers

In order to accomplish its financial education strategy, the Bureau continues to engage extensively with consumers and a wide range of organizations that interact with consumers in their financial lives or have insight into the financial challenges consumers face. These organizations, which include financial education providers, federal, state, and local government agencies, and various other private and non-profit organizations, are essential conduits through which we can reach and assist consumers. Through them, we seek to build a pipeline for delivering resources to improve financial capability in the key places where people go for other services.

The Bureau engages with a wide range of organizations to reach the American public with effective financial education resources.

More specifically, through our outreach efforts we do the following:

- We introduce the Bureau and the financial education component of its mission, and publicize our financial education resources to consumers, financial education providers, and others. This helps to make the Bureau known as a source for information and tools for navigating the financial marketplace and as a potential partner for financial education initiatives and research, and helps us reach consumers with our resources.
- We learn about consumers' financial needs, aspirations, and experiences and the challenges that both consumers and financial education providers face. We also hear recommendations for what the Bureau can do to improve consumers' financial capability

or to augment existing efforts. This information informs the Bureau's financial education strategy and initiatives.

- We forge relationships and lay the groundwork for collaborative action, as we identify opportunities to strengthen existing approaches or initiate new ones, and leverage existing resources, such as ways to integrate financial education into existing programs.
- We pave a two-way street for sharing information and developing comprehensive approaches. This allows us to broadly share the fruits of our education and research and innovation initiatives and the effective financial education and research work of other organizations, in order to amplify the effects of successful efforts.

We set forth highlights of the Bureau's financial education outreach efforts below.

5.1 Outreach for consumer financial education

Since its inception, the Office of Financial Education has engaged with consumers and a wide range of financial education providers and other stakeholders to introduce the Bureau and its financial education mission, publicize its resources, engage in dialogue to shape its financial education strategy and initiatives, and build relationships for collaborative efforts. Highlights include the following:

Tax refund inserts

In partnership with the Department of Treasury's Bureau of the Fiscal Service, the Office of Financial Education provided CFPB inserts for approximately 14.2 million tax refund checks for the 2013 tax year. The inserts provided the Bureau's website address and complaint phone line.

Meetings/presentations/listening sessions

In the year covered by this report, the Office of Financial Education conducted over 200 meetings, presentations, and listening sessions with a wide range of key financial education stakeholders, including financial educators (including K-12 teachers), community leaders and policymakers, financial institutions, employers, and other organizations that could provide insight into financial education needs of consumers. These organizations included faith-based

organizations and organizations that serve minority populations and/or communities of color, immigrant populations, rural communities, and Native Americans. The meetings have focused on what challenges these stakeholders face when serving consumers and what the Bureau can do to help them better address the financial education needs of their constituencies.

Webinars

The Office of Financial Education has conducted a series of online presentations featuring experts within the CFPB in order to disseminate information about the CFPB's financial education resources and provide learning opportunities for financial education providers. These webinars have reached over 900 participants representing organizations such as financial institutions, academic institutions, non-profit organizations, and other government agencies that can use the resources to serve consumers directly, or can share them with others who serve consumers. We further expand our ability to help consumers by participating in webinars offered by other federal agencies and entities.

LinkedIn

The Bureau learned through its outreach efforts during its first two years that there was widespread demand from financial educators for a mechanism to learn about the work of the Bureau on consumer education, share their ideas and best practices with the Bureau, and learn from peers in the financial education community. To facilitate the exchange of information among those who serve consumers, the Bureau has created an online discussion forum for financial education professionals, including financial educators, researchers, policymakers, and others interested in the Bureau's work in financial education. The CFPB Financial Education Discussion Group is hosted on LinkedIn, a professional networking site, and was launched in August 2013. During its six-month beta test phase, almost 400 financial education professionals participated in the group. The group has included postings about CFPB news and reports, upcoming events in the financial education field, and discussion questions about best practices. In spring 2014, the discussion group entered its full implementation phase.

National campaigns

CFPB REMITTANCES CAMPAIGN: SEND MONEY ABROAD WITH MORE CONFIDENCE

The Office of Financial Education led an outreach and education campaign to inform consumers about new consumer protections for remittance transfers that became effective in October 2013.

The Bureau designed and delivered the campaign in five languages used by many consumers who send money overseas from the United States. The campaign ran from October 28, 2013 to January 16, 2014, and included a multi-layered media approach. Due to the success of the initial campaign, the Bureau ran parts of it again in May 2014 to coincide with increased remittance traffic generated around Mother's Day.

The initial campaign launched with news coverage from three national Spanish-language television networks and local Spanish language television news shows. Stories also appeared on Spanish language news websites and in newspapers serving Chinese- and Tagalog-speaking communities on the West Coast. We followed with an outreach effort that included webinars and conference calls with community leaders, embassies and consulates, remittance providers, religious organizations, government agencies, trade associations, and others. We also distributed informational materials to these key stakeholders so they could share the information more effectively with large groups of remittance consumers. Finally, we implemented a consumer education media campaign that drove more than 300,000 people to the CFPB website over a 30-day period, between December 16, 2013 and January 16, 2014. The campaign used audio announcements that played on Pandora, English and Spanish-language radio stations, and in grocery stores. We also used English and Spanish YouTube video ads, mobile display ads, and traditional web banner ads, as well as advertising in English and Spanish on Facebook.

MONEY SMART WEEK: COMMUNITY FINANCIAL EDUCATION PROJECT LAUNCH

Money Smart Week is a public awareness campaign created by the Federal Reserve Bank of Chicago in 2002 to help consumers learn to better manage their personal finances. The week involves the coordinated effort of hundreds of organizations, including businesses, financial institutions, schools, libraries, non-profits, government agencies, and the media, to stress the importance of financial literacy, inform consumers about where they can get help, and provide free educational seminars and activities. In April 2014, the Office of Financial Education launched the Community Financial Education/Libraries project as part of Money Smart Week. The goals of the project are to provide tools and materials that help libraries provide free, unbiased financial information and referrals in their communities, to help libraries build local partnerships, and to promote libraries as community resources. This project is described further in Section 3.2.3, above.

AMERICA SAVES WEEK

The Bureau participated in this year's America Saves Week (ASW), which ran from February 24 through March 1, 2014. ASW is a national campaign managed by the Consumer Federation of America and the American Savings Education Council, and involves more than 1,000 non-profit, government, and corporate organizations. The purpose of ASW is to provide "an annual opportunity for organizations to promote good savings behavior and a chance for individuals to assess their own saving status."⁹⁶ The Bureau participated in the campaign through statements at the FLEC field hearing in Atlanta, Georgia on workplace financial education, and a quote from Director Cordray on the ASW website: "Parents are in a powerful position to encourage their children to save some of their money, from an allowance, birthday presents, gifts or earnings. America Saves Week is a great time to help our young people get in the savings habit." The Office of Financial Empowerment worked with the VITA sites that partnered with the Bureau on the *Ready? Set, Save!* tax-time savings campaign to incorporate a savings message during the week. The Office for Older Americans wrote a blog post for the America Saves website on Financial Fraud and Older Americans.⁹⁷

5.2 Outreach for servicemembers

Over the last year the CFPB's Office of Servicemember Affairs has continued to conduct a wide range of outreach to deliver financial education information to military and veteran consumers and interested organizations, build upon its digital network, and build relationships with other federal agencies and state and local governments to serve the needs of servicemembers and veterans.

Military installation and unit visits

OSA conducted 174 outreach events from June 2013 through May 2014, delivering consumer financial information to more than 9,500 military and veteran consumers to help them make

⁹⁶ See <http://www.americasavesweek.org/> (last visited May 7, 2014).

⁹⁷ See <http://americasaves.org/blog/774-financial-fraud-and-older-americans> (last visited May 7, 2014).

better informed financial decisions. OSA also delivered consumer financial education information using Facebook and Twitter accounts specifically to serve the military and veteran communities with a potential reach of more than one million consumers.

These events included reaching out to servicemembers where they live and work. In this period, OSA visited 14 military installations/National Guard units and participated in 16 town halls and 15 roundtable discussions with senior military leaders. In May 2014, senior staff of the OSA team traveled to military installations in Turkey, Germany, Italy, and the United Kingdom. During the trip they talked to over 1,300 servicemembers and families through more than 40 official events on 11 bases in ten business days. At these events, OSA staff listened to military personnel and their families discuss the financial challenges they face, observed financial education training, and provided educational information and materials. OSA messaging on consumer financial education and financial preparedness was also broadcast by the Armed Forces Network during two radio shows to more than 79,000 Department of Defense and NATO military and civilian personnel and their family members residing abroad. OSA also participated in five Military Saves Week events sponsored by military installations/units seeking additional educational information about OSA and the CFPB.

Outreach to Attorneys General

OSA's educational efforts have extended to sharing information about military consumer financial issues with state Attorneys General offices. OSA has shared military consumer complaint trends with the offices of the Vermont, Maine, and New Hampshire Attorneys General. OSA makes itself available to discuss military consumer financial issues with state Attorneys General offices and their staffs.

Work with veterans

OSA has begun to build relationships with key veteran and military service organization executive directors and program managers, engaging with 35 veteran/military service organizations, and has initiated collaborative efforts with over 70 federal, state, and local government agencies on veteran issues. Over the past year, OSA has presented CFPB resources to over 100 veteran venues, reaching nearly 20,000 leaders, advocates, and veterans. The Office has created informational materials addressing specific veteran-related issues as well as Bureau resources more generally, and distributed more than 50,000 CFPB educational pieces, some military-specific. OSA has also developed the Bureau's online linkage to nationwide networks serving the veteran population.

5.3 Outreach for students

The Office for Students engages with younger consumers and stakeholders throughout the higher education community by conducting direct outreach on college campuses, by hosting events with college students and student advocates, and by participating in conferences. The Office for Students has leveraged these relationships as distribution channels for the programs and resources developed to help younger consumers make informed choices in the marketplace.

Student and campus outreach

The Office for Students meets regularly with students, campus leaders, and student advocates. To date the Office for Students has met in person with more than 1,000 individuals from organizations that collectively represent tens of thousands of students from over 30 states.

Paying for College demonstrations

In partnership with the Consumer Engagement team, the Office for Students has hosted webinars to demonstrate the features of our Paying for College set of tools. These webinars are attended by a range of audiences including students, student advocates, financial aid advisers, and college counselors. Since the launch of the first Paying for College cost comparison tool in April 2012, the Office for Students has conducted more than two dozen webinars, presentations, and in-person demonstrations.

Training and outreach around student loan complaints

To inform consumers about the complaint process and Consumer Response, the Office for Students sent letters to more than 7,000 college and university officials across the country and notified state banking regulators in all 50 states. In 2013, the Office for Students led a series of conference calls with student groups, college and university officials, consumer groups, and customer advocates at major financial institutions. These conference calls highlighted the Bureau's consumer response function and provided updated information about themes and trends identified in the Bureau's reporting on student loan complaints.

This year, the Office for Students published a series of consumer advisories warning consumers about problems identified through the complaint process. The Office for Students also developed a series of sets of sample instructions to empower student loan borrowers to communicate effectively with their student loan servicers about selected issues when repaying a

private student loan, including instructions on how to handle prepayments and how to request a co-signer be released from a loan.⁹⁸ We worked to distribute these advisories and sample instructions by engaging directly with student loan borrowers in repayment and partnering with organizations that address issues facing young adult consumers. On an ongoing basis, the Office for Students hosts webinars, provides technical assistance, and participates in other training sessions for professionals seeking to assist student loan borrowers in distress.

5.4 Outreach for older Americans

The Office for Older Americans is engaged in extensive outreach with older consumers and other stakeholders to learn what efforts have been underway to strengthen the financial literacy of older consumers. The Office is also providing information and guidance to organizations that help older consumers protect themselves against unfair, deceptive, and abusive practices and work to strengthen their financial capability with current and future financial choices. In furtherance of these goals, the Office for Older Americans has held or participated in over 200 events, which have been attended by more than 9,500 people. The Office's engagement with consumers and stakeholders ranges from in-person presentations across the country to webinars to virtual encounters via email blasts and other social media. Participants have included, among others, older consumers, caregivers, public officials, and representatives from financial institutions, the consumer services industry, consumer organizations, and other stakeholders. Highlights include the following:

Presentations/listening sessions

The Office for Older Americans made presentations this year at numerous and varied meetings and conferences on the work of the Office for Older Americans and the CFPB. The sponsoring organizations of these meetings included aging services providers, industry groups (e.g. credit union and credit counseling professionals), organizations focused on low-income and underserved populations, state government and federal agency hosts. The Office participated in

⁹⁸ See consumerfinance.gov/blog/consumer-advisory-stop-getting-sidetracked-by-your-student-loan-servicer/, consumerfinance.gov/blog/consumer-advisory-you-dont-have-to-pay-someone-to-help-with-your-student-loan/ and consumerfinance.gov/blog/reminder-accessing-your-scholarships-and-student-loan-funds/.

national and regional events attended by consumers, professionals in aging, long-term care ombudsmen, and fiduciaries for incapacitated older adults, among others.

The Office for Older Americans held listening sessions in Atlanta, Georgia, Arlington, Virginia, San Diego, California, and New Orleans, Louisiana to obtain input from consumer organizations, industry professionals, aging services providers, state and local governments, and others on the current and potential projects of the Office for Older Americans to enhance later-life economic security for consumers age 62 and over. For example, the Office used a listening session in March 2014 at the American Society on Aging Conference in San Diego, California to obtain input from aging policy professionals, academics, and practitioners on several topics related to senior financial security, including later-life planning, reverse mortgages, financial advice, and protection from exploitation. In October 2013, the Office for Older Americans, together with the CFPB's Offices of Empowerment and Servicemember Affairs, conducted a listening session in Atlanta, Georgia to obtain input from practitioners and industry professionals on issues facing veterans, older Americans, and persons with disabilities. Information gleaned from these listening sessions about what consumers are experiencing in the financial marketplace informs work to protect consumers throughout the Bureau.

Webinars

The Office for Older Americans has conducted or participated in webinars on topics including elder financial exploitation, choosing a financial adviser, and economic security, and has provided information about resources available from the Bureau. These webinars have reached approximately 3,500 participants representing organizations such as credit union professionals, members of the Association of Certified Anti-Money Laundering Specialists, long-term care professionals, and non-profit organizations serving older Americans. We describe these webinars further below.

KNOW YOUR FINANCIAL ADVISER

The CFPB hosted a webinar to provide plain language advice to consumers and stakeholders on the topic of choosing a financial adviser. Special focus was added for issues affecting members of the military community. The webinar introduced the Bureau's consumer guide *Know Your Financial Adviser*, and gave participants guidance on indicators of expertise and accountability to look for in a financial adviser. The webinar also provided questions for consumers to consider in choosing an adviser, how to spot signs of potential financial fraud, and regulatory resources to access for additional information.

EMERGING TRENDS IN ELDER FINANCIAL EXPLOITATION: MASS MARKETING AND MONEY TRANSFER FRAUD

A webinar for the Association of Certified Anti-Money Laundering Specialists provided regulators and other financial professionals an update from five experts on current institutional responses to the emergent crisis of elder financial exploitation and fraud. The webinar covered the following topics:

- Common frauds and schemes that target older persons, with an emphasis on those that involve wire transfers and the use of prepaid cards to effect payment to fraudsters;
- How older victims are coerced into serving as money mules for fraudulent operators;
- Identifying red flags and reporting cases;
- The investigation and prosecution process; and
- How financial institutions can help and opportunities for collaboration with government agencies.

NATIONAL COUNCIL ON AGING (NCOA) PARTNERS

Older Americans participated in an NCOA Partners webinar to educate non-profit organizations that work on issues involving the economic security of older Americans about the following topics: the CFPB consumer complaint process; the Office for Older Americans' projects and resources, including *Managing Someone Else's Money* guides, *Money Smart for Older Adults*, and the *Interagency Guidance on Privacy Laws and Reporting Financial Abuse of Older Adults*.

ELDER FINANCIAL EXPLOITATION

A webinar for the National Association of Community Development Credit Unions was designed to raise the awareness of credit union professionals about elder financial exploitation. The Office for Older Americans provided opening remarks to inform participants of the Office's projects in this area. Other speakers included the New York County District Attorney's Office and a former director of the Kansas Department of Social and Rehabilitation Services.

NATIONAL CONSUMER VOICE FOR QUALITY LONG-TERM CARE

A webinar on Tips and Tools for Preventing, Detecting and Reporting Financial Exploitation featured the staff from the CFPB's Office for Older Americans and from the Social Security Administration. Older Americans' remarks covered basic facts about elder financial exploitation, tips for preventing and addressing exploitation and scams, the *Managing Someone Else's Money* guides, and *Money Smart for Older Adults*. Approximately 160 professionals participated, including long-term care ombudsmen, Adult Protective Services staff, attorneys, members of law enforcement, and long-term care providers.

5.5 Outreach for traditionally underserved consumers

The Office of Financial Empowerment works through and with intermediaries and agencies to provide low-income and other economically vulnerable consumers with financial empowerment tools and enhance access to financial products and services that can improve financial stability and help them achieve their goals. These organizations include social service agencies, municipal agencies, financial institutions, product developers, researchers, civil rights and consumer organizations, organizations that serve communities of color, and others.

In November 2013, Empowerment issued a report that captures the reflections and insights from a national convening in 2012 that examined the unique consumer financial product and service needs of low-income and economically vulnerable consumers.⁹⁹ The report also articulates a vision for Empowerment's work, including using intermediaries to bring programs to scale, which is critical to achieving meaningful improvement in the financial lives of the underserved. The report is available on our website at files.consumerfinance.gov/f/201311_cfpb_report_empowering-economically-vulnerable-consumers.pdf.

⁹⁹ See *Empowering low-income and economically vulnerable consumers: report on a national convening* (Nov. 2013), available at files.consumerfinance.gov/f/201311_cfpb_report_empowering-economically-vulnerable-consumers.pdf.

Listening sessions

The Office of Financial Empowerment held seven listening sessions over the past year, attended by representatives of over 90 organizations that interact with low-income and other economically vulnerable individuals. Empowerment learned about the financial education/empowerment efforts of these organizations and low-income consumers' experience with financial products, including barriers in accessing credit and bank accounts and debt traps they encounter. Three principal themes emerged from the listening sessions:

- The challenges that low-income and other economically vulnerable individuals experience in engaging with mainstream financial institutions, and the extent to which they utilize alternative service providers and other entities providing financial products or services;
- The factors that can impede or enable financial institutions and other financial services providers in serving low-income and other economically vulnerable consumers; and
- Ways that service can be improved through development and use of best practices and greater coordination between financial institutions or other financial services providers and social service providers who serve low-income and other economically vulnerable individuals.

Webinars

Empowerment hosted various webinars as part of its outreach and programmatic efforts. To provide information about Empowerment's *Your Money, Your Goals* toolkit effort, the Office hosted webinars with various social service and community organizations. As part of an effort to help law school clinics help their clients, Empowerment, Community Affairs, Consumer Response, and Enforcement reached out to consumer law clinics about the Bureau, its various functions, and the complaint process. Empowerment also hosted webinars for the National Urban League and the AFL-CIO to inform participants about the CFPB, its functions, and Empowerment's role in helping low-income consumers to become more financially capable.

In February 2014, Empowerment joined the Department of Labor Office of Disability Employment Policy (ODEP) for a webinar on Integrating Employment and Financial Capability Services: New Pathways to Economic Stability. This was part of Empowerment's ongoing work to share CFPB resources with ODEP programs. Over 150 individuals from across ODEP's network of agencies and groups serving people with disabilities joined the webinar. During the

session we provided an overview of Empowerment's strategy, its current work, and various CFPB tools that are available to ODEP program participants. The session also focused on strategies to help consumers with disabilities to review, repair, and rebuild their credit.

Other webinars included a webinar in March 2014 for nearly 500 HUD housing counselors in which we provided them with information on the Bureau's functions, authority, and resources for consumers; and a webinar conducted with Consumer Response in March 2014 for Cities for Financial Empowerment on the CFPB complaint process, and the work and resources of the Division of Consumer Education and Engagement generally, and of Empowerment and the Office for Students in particular.

6. Conclusion

All Americans, regardless of income and level of educational attainment, need to be able to evaluate the choices available to them in the financial marketplace and understand the implications of their financial decisions in order to build secure financial futures. The Bureau's statutory function to educate and empower consumers to make better informed financial decisions has created an enormous opportunity to reach consumers at the right moment with targeted information, tools, and signposts so that consumers can increase their financial management skills and move closer to having their money choices consistently serve their own life goals. The Bureau has launched a broad range of initiatives to provide consumers with information, resources, and opportunities to develop the knowledge and skills to manage their financial resources effectively and plan for future life events. The Bureau is working side by side with other government agencies, the private and non-profit sectors, schools, workplaces, and community organizations, and is finding opportunities to integrate financial capability into existing programs and services. Financially capable consumers are essential to fully and responsibly harness the financial system's tremendous capacity to enhance economic stability and opportunity to help all people in America reach their life goals.

APPENDIX A:

CFPB financial education resources

The Bureau has developed interactive tools, publications, and other resources that consumers and those who work with consumers can access for information and decision-making guidance about financial issues. We have also issued reports related to financial capability and the consumer financial marketplace. A list of these resources as of May 31, 2014, is provided below, along with hyperlinks to where they can be found online.

Web-based tools and resources

- ***Ask CFPB***

Ask CFPB is an interactive online tool that gives consumers answers to more than 1,000 questions about financial products and services, including credit cards, mortgages, student loans, bank accounts, credit reports, payday loans, and debt collection. The questions and answers include explanations of financial terms to help consumers better understand financial products and services they encounter in the marketplace, along with advice about shopping for financial services.

consumerfinance.gov/askcfpb/

- ***CFPB en Español***

CFPB en Español provides Spanish-speaking consumers a central point of access to the Bureau's most-used consumer resources available in Spanish.

consumerfinance.gov/es/

- ***Tell Your Story***

The Bureau encourages consumers to tell us about their experiences, good or bad, with consumer financial products and services. What we learn gives us insight into how we can work to protect consumers and help ensure safe and affordable access to financial products and services. No login is required.

help.consumerfinance.gov/app/tellyourstory

- ***Submit a Complaint***

To submit a complaint about a consumer financial product or service, consumers can visit consumerfinance.gov/complaint or call 855-411-CFPB (2372). The CFPB accepts complaints in over 180 languages. The CFPB forwards the complaint to the company and works to get a response from them. If another government agency would be better able to assist, the CFPB shares the complaint with that agency. When the company responds, the consumer can review the response and give the CFPB feedback.
consumerfinance.gov/complaint/

- ***Paying for College***

Paying for College is a set of online tools for students and families evaluating their options for financing higher education: comparing college costs and financial aid, learning about college money and loan options, and assessing repayment options.
consumerfinance.gov/paying-for-college/

- Student financial guides
 - Student loans
consumerfinance.gov/paying-for-college/choose-a-student-loan/
 - Student banking
consumerfinance.gov/paying-for-college/manage-your-college-money/
- Compare financial aid
consumerfinance.gov/paying-for-college/compare-financial-aid-and-college-cost/
- Repay student debt
consumerfinance.gov/paying-for-college/repay-student-debt/

- ***Employer's Guide to Assisting Employees with Student Loan Repayment: A Toolkit for School Districts, Non-Profit Organizations, and Other Public Service Employers***

This toolkit is designed to empower school districts and other public service organizations to help their employees qualify for existing student loan repayment benefits, including Public Service Loan Forgiveness. The CFPB is asking these employers to make a pledge to inform their employees of their options. Up to 25 percent of the U.S. workforce is in public service and may be eligible for existing student loan debt forgiveness programs. This includes teachers, librarians, firefighters, military personnel, law enforcement, first responders, nurses, and social workers.
files.consumerfinance.gov/f/201308_cfpb_public-service-toolkit.pdf

- **Mortgages**

The Bureau’s mortgages web page provides mortgage resources for consumers, including how to find a housing counselor, a checklist for how to avoid foreclosure, information about how our rules affect mortgages, and advice on shopping for a mortgage.
consumerfinance.gov/mortgage//

- **Find a Housing Counselor**

Housing counselors can provide advice on buying or renting a home, foreclosures, and credit issues. They can offer independent advice about whether a particular set of mortgage loan terms is a good fit based on the consumer’s objectives and circumstances, often at little or no cost to the consumer. This tool allows consumers to search by zip code to find housing counseling agencies in their area that are approved by the U.S. Department of Housing and Urban Development.
consumerfinance.gov/find-a-housing-counselor/

- **Your Money, Your Goals**

Your Money, Your Goals is a toolkit that social service organization staff can use to incorporate financial capability information and tools into their work with their clients in order to help their clients strengthen their financial capability and personal money management skills.
consumerfinance.gov/your-money-your-goals/

- **LinkedIn CFPB Financial Education Discussion Group**

The *LinkedIn CFPB Financial Education Discussion Group* is a forum through which financial educators, researchers, and others can share information and best practices with the Bureau, learn from one another, and see what the Bureau is doing to help consumers and advance the work that financial educators, researchers, and others do.
linkedin.com/groups/CFPB-Financial-Education-Discussion-Group-5056623

- **Information for servicemembers—On-demand forums and tools**

The Office of Servicemember Affairs hosts an ongoing series of virtual Military Financial Educator Forums on consumer financial topics for service providers who deliver financial, educational, or legal counseling to servicemembers and their families on military installations worldwide. The forums are now available as on-demand video trainings on the Bureau’s website. Current trainings include issues in debt collection and solutions for servicemembers with troubled mortgages.
consumerfinance.gov/servicemembers/on-demand-forums-and-tools/

- **Information for students and young Americans**
consumerfinance.gov/students/
- **Information for older Americans**
consumerfinance.gov/older-americans/
- **Information for servicemembers**
consumerfinance.gov/servicemembers/

Publications

The publications listed below are available in English and other languages as noted below. They include brochures, bookmarks, fact sheets, fliers, worksheets, and posters. They can be ordered or downloaded for free at promotions.usa.gov/cfpbpubs.html unless a separate link is provided.

CFPB BROCHURES

- **CFPB Bookmarks** (Also available in Spanish)
Two bookmarks: #1 highlights the CFPB's *Ask CFPB* tool; #2 encourages consumers to share their experiences with financial products through the CFPB's *Tell Your Story* tool.
- **Consumer Financial Protection Bureau** (Also available in Spanish)
This brochure describes the work of the CFPB, including the Division of Research, Markets, and Regulations; the Division of Consumer Education and Engagement; and the Division of Supervision, Enforcement, Fair Lending, and Equal Opportunity.
- **How to Submit a Complaint** (Also available in Spanish)
This brochure explains how to submit a complaint to the CFPB. Includes contact information, the consumer financial products and services about which the Bureau takes complaints, and what happens after a consumer submits a complaint.

ACCOUNTS

- ***Do You Know If You Have Opted in for Debit and ATM Overdraft Coverage?*** (Also available in Spanish)

Explains debit card and ATM overdraft coverage and fees, and tips and options to reduce or avoid fees.

- ***Keep a Lid on Checking Account Fees*** (Also available in Spanish)

Six steps to help consumers reduce checking account fees.

- ***Moving Your Checking Account Checklist*** (Also available in Spanish)

A 10-step checklist to help consumers close their current checking account and open a new checking account.

CREDIT

- ***Act Fast If You Can't Pay Your Credit Cards*** (Also available in Spanish)

Three steps for consumers to take when they don't have enough money to pay their credit card bill. How to avoid debt-relief scams.

- ***Credit Discrimination Is Illegal*** (Also available in Spanish)

Eight warning signs of credit discrimination and what consumers can do if they believe they have been discriminated against.

- ***How to Find the Best Credit Card for You*** (Also available in Spanish)

Four steps to shopping for a credit card, and definitions of credit card terms.

- ***How to Stop Mystery Credit Card Fees*** (Also available in Spanish)

Consumers may not be aware that credit card add-on services are optional or cost more. This consumer advisory warns consumers to watch out for these extra fees.

- ***Check Your Credit Report*** (Also available in Spanish)

How consumers can check their credit reports from the three nationwide credit reporting agencies for free in order to find and dispute mistakes, update their information, and guard against identity theft.

- ***Pay Attention to Your Credit Report*** (Also available in Spanish)

Steps consumers can take to get and keep a good credit score. Explains what helps and what hurts their credit score.

- ***You Have a Right to See Specialty Credit Reports*** (Also available in Spanish)

Specialty credit reporting agencies collect and report credit history information about consumers. This consumer advisory instructs consumers that these agencies exist and that consumers have the right to get free reports from these agencies every 12 months.

MONEY MANAGEMENT

- ***My New Money Goal***

This worksheet helps consumers gain a clear view of where their money goes now so they can more easily decide where they want it to go in the future.

- ***Save Some & Spend Some*** (Also available in Spanish)

This brochure explains free and easy ways consumers can split their tax refunds between checking and savings accounts and purchase U.S. savings bonds so they can spend some and save some of their money.

- ***Your Disaster Checklist*** (Also available in Spanish)

This is a checklist to help consumers gather the financial information they would need after an emergency. It contains spaces for account information and customer service numbers as well as checklists of other important documents they should have in case of an emergency.

REMITTANCES

- ***Remittance Transfer Rule Factsheet for Stakeholders*** (Also available in Spanish)

This fact sheet is designed to help stakeholders such as financial counselors, instructors, and others understand and explain the remittance transfer rule and its protections for consumers. It explains when the rule applies, who is subject to the rule, what information consumers should receive, and what consumers can do if errors occur.

- ***Send Money Abroad With More Confidence*** flier (Also available in Spanish, Chinese, French-Creole, and Tagalog)

This 8.5x11-inch flier tells senders of remittance transfers that new protections are available to them and provides the CFPB's phone number and web address for more information.

- ***Send Money Abroad With More Confidence*** poster (Also available in Spanish, Chinese, French-Creole, and Tagalog)

This 24x36-inch poster tells senders of remittance transfers that new consumer protections are available to them and provides the CFPB's phone number and website address for more information.

- ***Send Money Abroad With More Confidence*** brochure (Also available in Spanish, Chinese, French-Creole, and Tagalog)

This 3.75x8.5-inch brochure outlines the new consumer protections available to senders of remittance transfers. It also tells consumers that not all companies that transmit money abroad are covered by the new federal rule.

- ***Send Money Abroad With More Confidence*** fact sheet (Also available in Spanish, Chinese, French-Creole and Tagalog)

This 8.5x11-inch fact sheet provides a more detailed explanation of the new consumer protections that apply when consumers send remittance transfers covered by the Bureau's remittance transfer rule.

MORTGAGES

- ***Shopping for a Mortgage? What You Can Expect Under Federal Rules*** (Also available in Spanish, Chinese, French, Haitian Creole, Korean, and Tagalog)

This 18-page booklet explains the federal rules that protect consumers when they are shopping for a new mortgage.

- ***Have a Mortgage? What You Can Expect Under Federal Rules*** (Also available in Spanish, Chinese, French, Haitian Creole, Korean, Tagalog)

This 11-page booklet explains the federal rules that protect consumers as they manage their mortgage payments.

- **What the New CFPB Mortgage Rules Mean for Families and Homeowners**
(Also available in Spanish)

This guide provides an overview of protections for consumers under the Bureau's new mortgage rules, including an explanation of qualified mortgages and options for consumers who fall behind on their mortgage.

- **Tips for Homebuyers: Make the Most of the New CFPB Mortgage Rules** (Also available in Spanish)

One-page summary of how consumers can take advantage of federal mortgage rules in shopping for a mortgage by deciding how much they are comfortable paying, getting information about market prices, finding reliable help, and watching fees.

- **The 2014 Make-the-Most-of-Your-Mortgage Checklist** (Also available in Spanish)

Explains how consumers can use the information they get in their new monthly mortgage statement to make sure their mortgage is on track. Consumers can check for delays by their servicer in crediting mortgage payments; fix mistakes; shop around for better rates; and take steps to avoid foreclosure.

- **Considering a Reverse Mortgage** (Also available in Spanish)

Explains how a reverse mortgage works and outlines important questions consumers can ask when talking to a housing counselor or other adviser about their reverse mortgage options and alternatives.

- **Need Help With Your Mortgage? Don't Get Scammed** (Also available in Spanish)

This brochure describes what mortgage relief scams are and offers tips on how to spot and avoid them and how to get help.

- **Act Fast to Avoid Foreclosure** (Also available in Spanish)

Describes options that may be available for consumers when they cannot afford their mortgage payment. Lists what information consumers need to have in hand when they call their mortgage servicer for help.

- **Take Control to Avoid Foreclosure** (Also available in Spanish)

This short checklist provides troubled borrowers with action steps to get help and find out about options to avoid foreclosure.

- ***Summary of the CFPB Foreclosure Avoidance Procedures*** (Also available in Spanish)

This guide provides a summary of the protections available under the CFPB's mortgage rules to help borrowers avoid foreclosure.

OLDER AMERICANS

- ***Know Your Financial Adviser***

Provides questions older consumers can ask to determine if their financial adviser is really an expert in senior financial planning.

- ***Managing Someone Else's Money: Help for Guardians of Property and Conservators***

This guide helps family members and others understand their role as a court-appointed guardian of property or conservator. It provides guidelines on how to carry out their duties in making financial decisions for someone else, how to watch out for financial exploitation and protect assets from scams, and where to go for help.

- ***Managing Someone Else's Money: Help for Agents Under a Power of Attorney***

This guide helps family members and others understand their role as an agent under a power of attorney. It provides guidelines on how to carry out their duties in making financial decisions for someone else, how to watch out for financial exploitation and protect assets from scams, and where to go for help.

- ***Managing Someone Else's Money: Help for Representative Payees and VA Fiduciaries***

This guide helps family members and others understand their role when a government agency names them to manage someone else's benefit payment checks. It provides guidelines on how to carry out their duties in making financial decisions for someone else, how to watch out for financial exploitation and protect assets from scams, and where to go for help.

- ***Managing Someone Else's Money: Help for Trustees Under a Revocable Living Trust***

This guide helps family members and others understand their role as a trustee under a revocable living trust. It provides guidelines on how to carry out their duties in making financial decisions for someone else, how to watch out for financial exploitation and protect assets from scams, and where to go for help.

- ***Money Smart for Older Adults: Prevent Financial Exploitation – Participant Resource Guide***

This guide provides information on how older persons and their caregivers can guard against identity theft, investment fraud, scams, and other forms of elder financial exploitation, and how to prepare financially for unexpected life events.

Community organizations that wish to offer the course in their communities can order the instructor materials from the Federal Deposit Insurance Corporation.

<http://www.fdic.gov/consumers/consumer/moneysmart/olderadult.html>

SERVICEMEMBERS AND VETERANS

- ***CFPB Office of Servicemember Affairs*** (Also available in Spanish)

Describes the work of the Office of Servicemember Affairs within the CFPB to provide servicemembers, military families, and veterans with information and tools to make the financial decisions that will serve their goals and avoid unfair financial business practices.

OTHER

- ***Unwrapping Gift Cards: Know the Terms and Avoid Surprises*** (Also available in Spanish)

This brochure explains the types of gift cards and the protections consumers have. It also explains what consumers can do when they give or get gift cards in order to understand the terms and conditions.

Reports and White Papers

The Bureau has issued a number of reports and white papers related to financial capability and the consumer financial marketplace. These reports and white papers issued in the last year are listed here in reverse chronological order. To see all of the Bureau's public reports, visit consumerfinance.gov/reports/.

- ***Snapshot of older consumers and mortgage debt*** (May 2014)

Older homeowners are carrying more mortgage debt than ever before. Today, compared to a decade ago, fewer older Americans own their home outright. In this snapshot, we analyze data from the Census Bureau, the Federal Reserve, and the CFPB's own consumer complaints to describe the growing number of older consumers carrying mortgage debt, and the risks that this trend presents to their financial security.

files.consumerfinance.gov/f/201405_cfpb_snapshot_older-consumers-mortgage-debt.pdf

- ***Mid-year update on student loan complaints*** (April 2014)

The Bureau received more than 2,300 private student loan complaints and more than 1,300 debt collection complaints related to student loans between October 2013 and March 2014. This mid-year update discusses specific co-signer issues reported by borrowers and also offers analysis and discussion to address other issues reported by consumers in the student loan marketplace.

files.consumerfinance.gov/f/201404_cfpb_midyear-report_private-student-loans-2014.pdf

- ***Complaints received from servicemembers, veterans, and their families: A snapshot by the Office of Servicemember Affairs*** (March 2014)

This is the Bureau's second report detailing the data and trends surrounding complaints from servicemembers, veterans, and their families. This report discusses the types and trends of military consumer complaints we have handled since opening our doors in July 2011. We have received complaints from servicemembers, veterans, or family members in all 50 states and from all branches and ranks of the military.

files.consumerfinance.gov/f/201403_cfpb_snapshot-report_complaints-received-servicemembers.pdf

- ***Rigorous evaluation of financial capability strategies: Why, when, and how – Perspectives from the field*** (January 2014)

Randomized controlled trials hold promise to produce the highest standard of quantitative evidence about the effectiveness of financial capability programs, but they can be

difficult to implement successfully in practical settings. As part of its research program, in April 2013 the Bureau convened a roundtable discussion with a peer learning network of evaluators, funders, and program staff involved in ongoing or recent evaluations of financial capability programs. This report summarizes the insights shared by participants about successful strategies and pitfalls of conducting rigorous evaluation of financial capability programs. The report can be helpful to researchers, practitioners, and funders undertaking or contemplating rigorous research into the effectiveness of different financial capability approaches.

files.consumerfinance.gov/f/201401_cfpb_report_rigorous-evaluation-financial-capability.pdf

- ***College credit card agreements: Annual report to Congress*** (December 2013)

The Credit Card Accountability, Responsibility and Disclosure Act requires the Bureau to submit to Congress, and to make available to the public, an annual report that lists information submitted to the Bureau concerning agreements between credit card issuers and institutions of higher education or certain affiliated organizations. This fourth annual report to Congress finds a continuing decrease in the number of colleges and universities sponsoring credit card programs, the number of new accounts being originated under such programs, and the compensation paid to the institutions pursuant to these programs.

files.consumerfinance.gov/f/201312_cfpb_report_college-credit-card-agreements.pdf

- ***Navigating the market: A comparison of spending on financial education and financial marketing*** (November 2013)

To understand the information sources consumers could be exposed to in making financial decisions, we commissioned a study of the size and scope of the financial information field. The results indicate the relative amounts spent in the U.S. on financial education and on the marketing of consumer financial products and services. The report finds that for every dollar spent on financial education, \$25 is spent on consumer financial marketing. The results of the study highlight the need for high-quality sources of unbiased financial information, and innovative, scalable methods for providing financial education to consumers.

files.consumerfinance.gov/f/201311_cfpb_navigating-the-market-final.pdf

- ***Empowering low income and economically vulnerable consumers: Report on a national convening*** (November 2013)

The low-income and economically vulnerable population includes as many as 100 million people, many of whom are un-banked, under-banked, or have thin or no credit files. These consumers are diverse in culture, geography, stage of life, and financial status. In 2012, the Office of Financial Empowerment hosted a forum to examine the unique consumer financial product and service needs of low-income and economically vulnerable consumers. This report captures the reflections and insights of attendees and describes some of the strategies the Bureau is pursuing to address the issues identified.

files.consumerfinance.gov/f/201311_cfpb_report_empowering-economically-vulnerable-consumers.pdf

- ***Annual report of the CFPB student loan ombudsman*** (October 2013)

The Dodd-Frank Act directs the Bureau's Student Loan Ombudsman to prepare an annual report and make appropriate recommendations to the Secretary of the Treasury, the Director of the CFPB, the Secretary of Education, and Congress. This second annual report analyzes approximately 3,800 complaints submitted between October 1, 2012 and September 30, 2013 and other sources of data to identify issues faced by consumers in the student loan marketplace. This report offers analysis, commentary, and recommendations to address these issues.

files.consumerfinance.gov/f/201310_cfpb_student-loan-ombudsman-annual-report.pdf

- ***Financial empowerment training for social service programs: A scan of community-based initiatives*** (September 2013)

Through research and outreach, the Bureau learned that case managers and frontline staff at social service agencies do not always have the knowledge, skills, or tools to support their clients in improving their financial lives. As a result, the Bureau undertook to develop a set of tools and training for staff and volunteers who work with economically vulnerable consumers. The first step in creating the CFPB's toolkit was to perform a scan of the field to identify effective existing training programs and to document best practices. This report summarizes the results of the national field scan, highlighting how programs that already train case managers have succeeded—or struggled—in their efforts to provide training, tools, and resources to assist case managers in helping their clients.

files.consumerfinance.gov/f/201309_cfpb_report_training-for-social-services.pdf

- ***Public service & student debt: Analysis of existing benefits and options for public service organizations*** (August 2013)

This report analyzes existing student loan repayment programs and options for employees of public service organizations. The Bureau estimates that more than 25 percent of the U.S. labor force works in “public service” as that term is defined by Congress for

purposes of special loan repayment and forgiveness programs that are available to assist student loan borrowers working in these organizations. This includes teachers, librarians, firefighters, military personnel, law enforcement, first responders, nurses, and social workers.

files.consumerfinance.gov/f/201308_cfpb_public-service-and-student-debt.pdf

- ***Mid-year snapshot of private student loan complaints*** (July 2013)

In October 2012, the Bureau published the first annual report of the CFPB Student Loan Ombudsman focused on private student loan complaints received. This mid-year snapshot analyzes over 2,000 complaints submitted from October 1, 2012 through March 31, 2013 by consumers seeking assistance in navigating or repaying their private student loans. This report seeks to highlight issues that may be cause for particular concern, either because they represent a growing share of private student loan complaints or because they describe practices that may be particularly problematic for consumers.

files.consumerfinance.gov/f/201308_cfpb_complaint-snapshot.pdf

- ***Feedback from the financial education field*** (May 2013)

The Bureau conducted a series of listening sessions and issued a Federal Register request for information on effective financial education in order to hear from stakeholders who have an interest in improving consumers' abilities to make informed financial decisions. The Bureau asked what consumers need to know to be successful in managing their finances and engaging with financial services providers, and what challenges consumers face in acquiring this knowledge and practical experience. This report summarizes the results of these outreach efforts and outlines how they are shaping the CFPB's work to help consumers make sound financial decisions and navigate the financial services marketplace.

files.consumerfinance.gov/f/201305_cfpb_OFE-request-for-information-report.pdf

- ***Transforming the financial lives of a generation of young Americans: Policy recommendations for advancing K-12 financial education*** (April 2013)

The Dodd-Frank Act directs the Office of Financial Education within the CFPB to educate consumers and empower them to make better-informed financial decisions. To that end, we developed policy recommendations for supporting the financial education and capability of youth in America. This white paper articulates these policy recommendations, provides an overview of the financial decision-making context that consumers navigate, surveys some existing efforts in the K-12 financial education field, and outlines a comprehensive approach to youth financial education.

files.consumerfinance.gov/f/201304_cfpb_OFE-Policy-White-Paper-Final.pdf

- ***Senior designations for financial advisers: Reducing consumer confusion and risks*** (April 2013)

The Dodd-Frank Act directs the Bureau's Office for Older Americans to make recommendations to Congress and the Securities and Exchange Commission (SEC) on best practices for disseminating information regarding the legitimacy of certifications of financial advisers who advise seniors, and methods a senior can use to identify the financial adviser most appropriate for the senior's needs and to verify a financial adviser's credentials. The recommendations in this report seek to reduce consumer confusion around senior designations and to protect consumers. In addition to outlining observations and policy recommendations for consideration by Congress and the SEC, the recommendations also refer to other policymakers, particularly at the state level, because they have primary authority over many senior designees and therefore are well positioned to improve the marketplace for consumers in this area.

files.consumerfinance.gov/f/201304_CFPB_OlderAmericans_Report.pdf