

CLEVELAND PUBLIC LIBRARY

Finance Committee

November 15, 2016

**RESOLUTION AUTHORIZING AGREEMENT WITH CLEVELAND
NEIGHBORHOOD PROGRESS INC FOR FINANCIAL CONSULTING
SERVICES THROUGH ITS COMMUNITY FINANCIAL CENTER PROGRAM**

WHEREAS, Cleveland Neighborhood Progress, Inc. offers services to CPL employees and patrons through its Community Financial Centers Program, whereby professionals provide advice and guidance regarding financial planning and management; and

WHEREAS, The Board of Trustees of the Cleveland Public Library authorized the Library to enter into a one (1) year contract with Cleveland Neighborhood Progress, Inc. commencing January 5, 2016 and expiring on January 4, 2017; and

WHEREAS, The Executive Director would like to continue to offer financial planning services through Community Financial Centers to Cleveland Public Library employees at no cost to them as a part of the Library's employee assistance program, and would also like to continue the availability of the services to Cleveland Public Library patrons as well at no cost; and

WHEREAS, Cleveland Neighborhood Progress, Inc. has proposed to provide these services again for a period of one (1) year at the cost of Thirty-Five Thousand Dollars (\$35,000); now therefore be it

RESOLVED, That the Board of Trustees authorizes the Executive Director, CEO or his designee to enter into an agreement with Cleveland Neighborhood Progress, Inc. for financial planning and management services for the employees and patrons of the Cleveland Public Library through its Community Financial Centers for a period of one year from January 5, 2017 to January 4, 2018, at the cost of Thirty-Five Thousand Dollars (\$35,000) with the expenditure being charged to General Fund Account 11510053-53710 (Professional Services). The Agreement shall be subject to the review and approval of the Chief Legal Officer.



Exhibit A

Cleveland Neighborhood Progress (“CNP”) will work alongside Cleveland Public Library (“CPL”) staff, in particular Human Resource Department, to engage employees and patrons via Wellness Committee, bi-weekly/monthly e-blasts, print collateral, social media platforms, etc. to take advantage of CFC service. Interested employees will email Financial Services Manager to schedule an appointment. Financial Services Manager will coordinate release time for such employee. Ideally, a two-week notice should be provided, but in no case less than 48 hours. In response to expansion of services to patrons, CNP will co-locate services at 5-7 strategic locations, i.e. district branch offices, to reduce travel time of financial manager in an attempt to serve more clients. CNP will perform the following, but not limited to, activities:

- Engage up to 250 participants may be employees or patrons;
- Provide one-on-one, customized financial planning and management embedded with financial literacy and education to determine the financial standing and potential needs of each client;
- Offer a series of asset-building topic workshops, in alignment with CPL *People’s University* programming, that appeal to clients at different levels within finance spectrum;
- Provide benchmark incentives, within reason/compliance, to acknowledge clients who meet established goals and/or to encourage clients to meet desired goals;
- Introduce and provide access to affordable banking products, tools, and services that reduce vulnerability to predatory lending practices and financial services;
- Provide appropriate, streamlined referrals to career services, tax preparation, and educational opportunities to help clients plan for the future and move towards financial stability in short-term and long-term circumstances;
- Pull, review, and help clients correct/dispute inquiries on their credit reports;
- Guide clients in the creation of realistic budgets that will help them achieve their financial goals as well as develop strategies for improving and maintaining their credit scores;
- Conduct ongoing follow-up with clients to provide support and guidance to reach the goals outlined in their financial action plan;
- Provide comprehensive demographics reports on a monthly basis;
- Disseminate bi-weekly/monthly e-blast promoting services sharing success stories; and
- Participate in the employee enrichment center programming by providing behavioral changing workshops that includes an engaging speaker and handouts.

Process and Metrics

The initial coaching session will entail the manager performing a Financial Health Assessment to get a better sense of the client's current financial situation. The Financial Health Assessment walks the manager and client through a series of questions to determine these needs and next steps.

The Assessment tool captures the following:

- Demographics
- Service Interest
- Financial Health (income, spending, assets)
- Financial Services (usage, costs, and possible needs)
- Service Plan Selection
- Debt Assessment (liabilities, costs, payment ratios, creditors, etc.), if applicable

The next step is to determine which service plans to work on with client. These arenas constitute the major financial areas in which clients can make improvements to become financially empowered. Service plans include:

- Reducing Debt
- Establishing/Improving Credit
- Increasing Savings
- Access to Banking
- Retirement/Long-term Planning

Based on the service plans above, eight outcomes have been identified as the best indicators that clients are on the path to becoming more financially empowered:

1. Banking (for those with no bank account): Open a safe and affordable bank account
2. Banking (for those with a bank account): Transition to a safe and affordable bank account
3. Banking (for all): Bank account is open six (6) months later
4. Credit (for those with none): Establish credit score
5. Credit (for those with credit): Increase credit score by at least 35 points
6. Debt: Decrease debt by at least 10%; Increase in "good" debt for those with credit building aspirations
7. Savings: Increase savings by at least 2% of net income
8. Savings (for those who are not yet saving): Establish and maintain a regular savings habit (monthly).

Financial capability studies have concluded that clients achieve greater financial success and outcomes when they attend follow-up sessions with their financial counselor. Clients will be booked for follow-up appointments after their intake session whenever possible. At each session, new outcomes or milestones are recorded. Progress toward financial goals is recorded through baseline/ending values in the Financial Health Assessment and other assessment tools. Follow-up Financial Health Assessments will be performed

periodically to adapt to a client's changing financial situation every 3-6 months with each client or when there is a significant change in the client's financial circumstances. Follow-up assessments allow managers and clients to reassess needs, progress, and outcomes and provide a comparison point for evaluation and measuring financial health.

Data collection tools and measures

As stated above Efforts to Outcome will be utilized by manager in order to allow for the input of organized data which can be tracked and analyzed. This software allows the Financial Services Manager to answer questions about each client, track goals, access information from previous visits, and input valuable data which will allow for up-to date analysis at every stage of review. This software will be employed during each visit and updated and compared during subsequent visits.

Client Confidentiality

Client successes will be measured and analyzed in order to understand not only the number of individuals served, but the real and lasting impact that financial planning has on client's lives. CNP will engage a third party, Case Western Reserve University, Center on Urban Poverty and Community Development, Steve Killpack, Efforts To Outcome software specialist, and the Cities for Financial Empowerment Fund, Inc. to evaluate CFC service and client outcomes for evaluation purposes. No personal identifying information of clients shall be shared with any third parties, including the above, without the individual client's consent. Data that contains no personal identifying information, may be combined with data provided by other persons receiving counseling and shared with third parties for the purposes of conducting academic or statistical analysis. These data will not be sold or used for any commercial purpose. These data will not be shared with any third parties without CPL and client consent.

Reporting

CNP will provide CPL with Monthly, Quarterly Data and Annual Narrative Reports. The monthly reports will encompass comprehensive demographics highlighting participant engagement. CFC staff and designated library staff will review and verify the contents of these reports to monitor service delivery and progress toward achieving outcomes for debt, credit, savings, banking, and retirement/long-term savings in accordance to contract requirements. CNP and CPL Director of Human Resources will convene bi-weekly/monthly oversight team meetings to actively monitor CFC service execution with regard to contract objectives, discuss aggregate client outcomes, and build a collaborative team environment.