

## **United Way of Rhode Island Community Impact Fund 2009 Request for Proposals (RFP) for 2010-2012 Financial Stability Initiative**

United Way of Rhode Island announces a request for proposals for a Financial Stability Initiative.

### **PURPOSE**

The purpose of these grants is to:

- Help individuals and families stabilize financial crises.
- Provide individuals and families with the tools to understand their financial options and make smart financial decisions.
- Help individuals and families plan and implement steps to greater financial security.

### **BACKGROUND**

During the fall of 2007 and the spring of 2008 United Way held two mini-summits with grantees and community experts. At these meetings we discussed with the participants the concept of helping low and moderate income Rhode Islanders achieve greater financial stability through a comprehensive program that includes emphases in three areas: increasing income, building savings, and gaining and sustaining assets. The need for such a program was overwhelmingly acknowledged. We received further confirmation when we held “lessons learned” meetings with our Safety Net Services grantees who told us about the desperate financial plight of many of their clients.

To develop the Financial Stability Initiative we consulted with both the United Way of America and the Annie E. Casey Foundation. Both organizations have done extensive research and planning to develop models for financial stability programs.

The program model we are proposing is client-centered and has three phases on a financial stability continuum. Each phase has several components:

#### **Increasing Income**

Accessing Employer Benefits  
Accessing Public Benefits  
Better Financial Choices  
Budgeting and Paycheck Management  
Credit Repair  
Debt Reduction  
Financial Coaching

Financial Counseling  
Foreclosure Mitigation  
Predatory Lending Education  
Redirecting Income  
Splitting Tax Refunds  
Tax Preparation at Volunteer Income Tax Assistance (VITA) sites that includes Earned Income Tax Credit  
Transactional Financial Services  
Workforce Development

### **Building Savings**

Accessing Banking Institutions  
Accessing Low Interest Loans  
Affordable Bank Accounts  
Banking the Un-banked  
Savings Campaigns

### **Gaining and Sustaining Assets**

529 Accounts  
Budgeting for Savings  
Car Purchase Education  
Financial Literacy  
Financial Planning  
Home Ownership Education  
Individual Development Accounts  
Insurance

- Auto
- Disability
- Homeowner's
- Life
- Renter's

Money Management  
Retirement Planning  
Reverse Mortgage Education  
Saving for Higher Education  
Saving for Emergencies

## FINANCIAL STABILITY INITIATIVE GRANT CRITERIA

### Target Population

- Any individual or family who is in financial crisis or who is a wage earner in need of greater financial security.
- The Financial Stability program must tie to an existing agency client base, e.g., food bank, employment programs, safety net programs, family support, VITA sites.
- The targeted client base must present a natural opportunity for the Financial Stability program, e.g.
  - Clients who come to an agency seeking emergency financial assistance may be ready to learn about money management, avoiding predatory practices, etc.
  - An EITC program presents a good opportunity for financial literacy programs.
  - Workforce development programs could have clients who are ready for the savings phase of the financial stability continuum.
- Agencies who are working with clients in a crisis stage have a ready-made clientele. Agencies who are working in the Building Savings and Gaining and Sustaining Assets phases of the financial stability continuum may need to do extensive client outreach.
- A part of the Financial Stability funding may be targeted to youth financial literacy initiatives for low-income middle and high school students.

### Program Outcomes

- Required client outcomes:
  - A measurable change in financial behavior
  - A measurable change in financial stability and/or financial security

United Way will develop indicators and measures for the outcomes that will be used by all providers participating in the project. An example: One indicator of changed participant behavior is that the participant no longer uses expensive check-cashing services, but has a checking or savings account at a bank where the participant now cashes his/her paycheck. The indicator of improved financial stability is the amount of additional money the participant now has that he/she is no longer paying to a check-cashing service.

- Agencies who are working in the Increase Income phase will be able to achieve client outcomes in the first year of programming; agencies working in the other two phases of the continuum may need two or three years to achieve outcomes. For the latter, three-year outcomes will need to be defined.

## Program Services

- The Financial Stability program is a program of case management and financial education, delivered both in classes and through one-on-one coaching and counseling.
- Agencies can choose to work in one or more of the stages on the financial stability continuum, but they need to have a comprehensive approach, i.e., include all elements in the stage they are working in.
- Applicants who work almost exclusively with clients who are at the Increase Income phase may limit their Financial Stability program to this end of the continuum. Agencies that have clients that are able to move into the Build Savings or Gain and Sustain Assets phases are expected to include these components in their Financial Stability program.
- For financial education, applicants must use proven, “best practice” models, such as Better Money Management which is approved by the FDIC. Funding will not be granted for agencies to develop their own models or curriculum.
- For youth financial literacy, the goal of these educational programs is to provide youth the knowledge and skills to assist them in making smart money decisions and help them to manage their finances.

## Additional Program Requirements

- The proposed Financial Stability program must be connected to work that agencies are already doing.
- United Way is willing to explore the use of BEN, an electronic benefits calculator designed by the software company Nets to Ladders, with interested applicants.
- To help clients access free or low cost bank accounts, applicants must have developed relationships with financial institutions, or must be willing to develop such relationships.
- Applicants working in the Building Savings and Gaining and Sustaining Assets phases of the continuum need to have or establish a relationship with financial management experts.
- Agencies that are applying for another grant from United Way, e.g. Safety Net Services or High Quality Early Childhood and Afterschool Programs, must show how the Financial Stability program fits with the other program. For example: Agencies working in Safety Net Services would demonstrate that their clients from the Safety Net Services program are an appropriate target population for the Financial Stability program. The agency would describe how the clients would benefit from the Financial Stability program and how the agency would market the program to their Safety Net clients.
- Programs should be diverse and inclusive. Staff should be linguistically and culturally competent to work with individuals and families from diverse backgrounds.
- Potential applicants must be willing to work intensively with United Way during the application process to strengthen and further develop their promising program.
- Successful applicants are expected to participate with United Way in “lessons learned” meetings. Successful applicants will have their program evaluated on an ongoing learning basis and will be expected to make adjustments to their programs when “lessons learned” and/or evaluation demonstrates that changes are needed.

## Organizational Requirements

- Applicants must have a successful track record in projects of a similar nature and demonstrate the capacity, competency and qualifications to plan, implement, and manage this project. In the case of a collaborative application, each member must be able to demonstrate a proven track record in its area of competence.
- Applicants must contribute their own resources to the proposed program. United Way cannot be the sole funder of the proposed program.
- Applicants must demonstrate a willingness to cooperate with other potential grantees. For example, applicants should be willing to refer some of their clients to another agency that is offering services more appropriate for the client. Agencies should be willing to participate in periodic meetings to share lessons learned.
- Applicants proposing to be the lead agency in a collaborative must have written agreements with the other agencies in the collaborative.

Applicants are required to demonstrate their capacity to:

- Achieve client outcomes.
- Measure client outcomes, using appropriate indicators.
- Collect and analyze data on client outcomes
- Report client outcomes.
- Use program outcome information to improve the quality and effectiveness of the program.

## AGENCIES ENCOURAGED TO APPLY

- Grant applicants from existing United Way programs are encouraged to apply: Afterschool Programs, Child Care Programs, EITC, Family Support Programs, Safety Net Services, Services for Immigrants and Refugees, Skill-Up.
- Programs with clients who have jobs are encouraged to apply.
- United Way of Rhode Island encourages and welcomes applications for all types of collaborative efforts.

## GRANT PERIOD/FUNDING AVAILABLE

The grant cycle for this RFP is January 2010 through December 2012. Grant awards will be made on an annual basis, renewable for years two and three, based on successful achievement of program outcomes.

The total amount to be awarded for Financial Stability Initiative grants is \$562,000 per year for the three-year grant period.

## WHO IS ELIGIBLE TO APPLY FOR A GRANT?

Organizations that:

- provide health and/or human services in greater Rhode Island,
- have a letter of determination of 501(c)[3] status from the IRS or who have a fiscal agent that has 501(c)[3] status,
- meet United Way of Rhode Island's Community Accountability Standards, which are posted on the UWRI website at [www.liveunitedri.org](http://www.liveunitedri.org).

## HOW TO APPLY

The application process for this grant will begin with an initial Letter of Intent. Full proposals will be invited from agencies whose programs, as described in their Letter of Intent, best meet United Way's criteria. Agencies will be informed of their status by June 26, 2009 and a full proposal will be due by 12:00 p.m., Friday, July 31, 2009. Full proposals will be submitted through United Way of RI's on-line application system.

**Letters of Intent should be no more than 3 pages long and must be submitted on the form described below.** Based on the RFP criteria provided above, the Letter of Intent must include the following information:

- Name of organization/key contact information
- Brief description of your agency, its purpose and programs
- Target geography
- Target population
- Brief description of your program
- Brief description of how your program or initiative relates to the RFP criteria
- Number of persons projected to attain program outcomes annually (See Program Outcomes section above)
- Grant amount requested (annual amount)

To apply for this grant, please e-mail your Letter of Intent form to Carmen Ferguson at [carmen.ferguson@uwri.org](mailto:carmen.ferguson@uwri.org). **Submissions will be accepted by e-mail only.** The Letter of Intent form can be found on the United Way of RI website, [www.LIVEUNITEDri.org](http://www.LIVEUNITEDri.org), by clicking on the tab titled "News" and then selecting "Funding Opportunities" from the left side of the News page. Please do not include an additional cover letter, brochures, support letters, or any other attachments. **The Letter of Intent must be received no later than 12:00 p.m. on Thursday, May 28, 2009.**

## **APPLICANTS' CONFERENCE**

An informational session will be held on Wednesday, January 14, 2009 from 9:00 – 10:30 a.m., at United Way, 50 Valley Street, Providence, RI 02909. Please call Joan Brown at 444-0625 to register. Please note - additional parking for the Applicants' Conference is available in the parking lot across from the Cuban Revolution restaurant at 60 Valley Street, corner of Delaine Street and Valley Street.

**For questions or further information**, please call or e-mail Carmen Ferguson at 444-0640 or [carmen.ferguson@uwri.org](mailto:carmen.ferguson@uwri.org).