



Smart Money Grant Application

Credit Union: **Union Settlement Federal Credit Union**

President/Manager/CEO: **Audia Williams**

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Ext#:

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Title of Program/Service: ***MoneySmarts in East Harlem Workshop Series***

Session Date (if applicable): **Ongoing, approximately September 2008 to June 2009**

Location: (if applicable): **Union Settlement program locations throughout East Harlem**

Purpose of Grant (*limit of 500 characters - with spaces*):

We would like to partner with our founding organization, Union Settlement, on an effort to both expand USFCU's reach and provide vital information to the community through a series of financial literacy workshops for participants across Union Settlement's programs, including parents in our childcare program, seniors at our five centers, youth in our after-school programs and our Adult Education students. Topics will be customized for each group, e.g., saving for college for our teens.

Number of members: **4,500**

Grant Range: **\$500-\$2,500**

Grant Amount Requested: **\$2,500**

Total Project Budget: **\$15,550**

Project Time Period (*to be completed in one year or less*): **September 2008 to June 2009**

Will the credit union/organization still implement the proposed plan of action if the grant award is less than the amount requested? Yes No

Narrative (limit of 2,500 characters - with spaces - per question)

1) Statement of Need. Describe the need or problem to be addressed.

In our community of immigrants and low-income families, financial literacy is vital to help our residents break the chains of debts, bad credit, check-cashier fees, exorbitant interest rates and the stresses of living from paycheck to paycheck. Our neighbors continue to face often-overwhelming obstacles in their efforts to achieve financial stability and create more financially sound futures for their families. Despite an increasing amount of development in East Harlem, we remain a community with comparatively few established, reputable financial institutions, in particular ones willing to provide affordable loans to low-income individuals. There are few ATMs, and the many local check-cashing services charge exorbitant rates, discouraging many families from using banks to save and invest their money, and to budget and plan for the future. The local banks in East Harlem generally do not invest in community development, and few real estate and business loans originate in neighborhood branches. Consequently, residents frequently fall victim to the high interest rates, excessive subprime lenders and the predatory lending practices of finance companies that target low-income borrowers. At the same time, our residents frequently lack core information that could help them in their struggles, such as information about the Earned Income Tax Credit, free tax preparation services (which our credit union offers), alternatives to payday loans and other money traps and immigrant banking rights. Our founding organization, Union Settlement, serves 13,000 community members each year and we bring the benefit of a strong relationship with them. By combining forces, we can reach large numbers across many age groups. Moreover, by providing core financial literacy information within existing programs (childcare classrooms, senior centers, etc.), these workshops will be easily accessible for participants in environments they trust.

2) Project Description. Explain the plan of action to deal with the above issue(s) by answering the following questions:

a) What is the project goal? Describe the measurable objectives and the work plan to achieve the goal and objectives.

Our goal is to increase financial literacy among Union Settlement participants across a range of ages and services. Secondly, we hope to expand our membership by bringing many unbanked residents to our services as well as young people opening their first checking/savings account. We will begin by working with Program Directors to develop a schedule for visiting programs. Each month, we will visit a different program, with some months featuring more than one workshop (e.g., two senior centers per month). Our plan will be to conduct workshops at the following sites over a ten-month period:

- **Adult Education:** Four workshops focused on topics such as money management, immigrants' banking rights, smart shopping, avoiding money traps to the hundreds of low-income, predominantly immigrant students in Union Settlement's Adult Education classes. Union Settlement teachers will invite us to visit their classes and we will also host evening workshops devoted to their needs and interests.
- **Senior Services:** Four workshops at each of Union Settlement's five senior centers, which total nearly 1,000 members, on topics such as how to use an ATM and techniques to prevent financial abuse and consumer fraud.
- **Youth Services:** Four presentations at our elementary, middle and high-school programs within Union Settlement's Youth at Union division, which serves nearly 2,000 children and teens each year. We will also offer one for the young men ages 16 to 24 in our Fatherhood Program. Topics will include saving for college, starting a small business, setting savings and spending goals and avoiding credit card debt.

- **Childcare.** Four workshops for the parents of the 500 children we serve in our five childcare and Head Start centers, such as how to create a budget and establishing savings and spending goals.

The measurable objective will be to offer at least 16 workshops, engaging participants across these key programs. We will also measure attendance, information retention and participant feedback, as described below.

- b) How will the project benefit the target audience (include estimated number of people to be served) and promote the “people helping people” philosophy of the credit union movement?**

By project’s end, we expect to serve about 320 individuals. They will benefit by gaining critical knowledge that will assist them with assessing their current financial situation, considering their options, avoiding common traps and planning for their futures. They will also gain key tools (creating a budget, etc.) that will serve them going forward. We also expect many to benefit by joining the credit union, rescuing themselves from the high check-cashing fees and other expenses and associated risks, enabling many to start or improve small businesses and assisting them in beginning, or continuing, to save for cars, homes, college or retirement.

- c) Based on your objectives, explain how you will evaluate (quantitatively and/or qualitatively) the effectiveness of the project.**

We will administer pre- and post-surveys for workshop participants to evaluate information retention and assist in future workshops. At the end of each program’s cycle, we will administer a survey to the Program Director and key staff to garner their feedback on the workshops. We will use the results to plan for a second year of workshops. We will work toward the following goals:

- 160 unduplicated individuals will attend at least one workshop.
- At least 75% of attendees will demonstrate knowledge gains in post-surveys.
- At least 80% of attendees will report that the workshop was useful to them.
- At least 90% of Program Directors will report that the workshops were useful to their clients/participants.
- We also project to gain at least 30 new members.

- 3) Partnerships. If applicable, identify any strategic partners (non-profit organizations or other credit unions) and describe the roles and responsibilities of each partner.**

Our primary partner will be Union Settlement Association, which will host the workshops. The Directors of each of its participating programs will help arrange for the workshops, working with the USFCU and its Lending/Marketing Outreach Manager and preparing their own staff and participants. They will also assist in administering the pre- and post-tests and in collecting informal feedback thereafter. Finally, the Directors and key staff will also complete feedback surveys evaluating the workshops and their impact from a programmatic point of view.

- 4) Promotion/NYCUF Recognition. Briefly discuss how you plan to promote this project to members and/or consumers and how you will acknowledge the NYCUF as a funder to volunteers, staffers and members.**

We will promote the partnership and cite NYCUF’s support on the workshop flyers and printed materials (e.g., surveys, handouts) and on the USFCU and Union Settlement websites and in both Annual Reports

and will report on the grant in Union Settlement's agency newsletter, which has a circulation of more than 2,500. We will also promote the partnership through the New York City Financial Network Action Consortium (NYCFNAC), Community Board 11 and through our regular promotion/outreach efforts, such as through the Literacy Assistance Center, distribution of program flyers at community centers, public schools, the City Department of Consumer Affairs' Office of Financial Empowerment and Center for Economic Opportunity, public libraries, community meetings, at Union Settlement's 18 sites and at other area venues. If awarded this grant, we will also issue a press release to all relevant media outlets that serve our constituents, e.g., *El Diario/La Prensa*.

5) Rationale for Funding. Address only one of the two criteria below that best fits your credit union's situation.

a. Explain why your credit union needs financial support for this project, or

USFCU is an \$8 million low income designated community credit union that has been serving its community for over 50 years. With the rising costs of compliance and processing transactions for our members, our limited budget has rendered it impossible to implement such a program while maintaining a positive return on assets. We are now poised and positioned to offer more to our community in extended outreach services. With a modest grant, we can make it happen. By helping the community in breaking the cycle and making a difference, this project helps us meet an increasingly essential component of our mission. In addition, by working with our sponsor Union Settlement Association, a 113-year-old trusted community nonprofit institution, we will be helping continue a long history of supporting, fortifying and opening windows of opportunity for the East Harlem community.

b. Explain why you will allow the NYCUF to share information about your project with other credit unions.

6) Project Manager. Provide name and title of individual responsible for carrying out these plans, if it's not the president/manager/CEO

Name/Title:

Telephone:

Ext#:

Email:

Attachments *If not submitted with the online application, it is understood that these additional materials are being sent to the New York Credit Union Foundation by regular mail.*

- 1.) Operating budget for current fiscal year
- 2.) Project budget
- 3.) Letter of support from your credit union's Board of Directors
- 4.) If applicable, letter of support from project partner(s)

To complete the online application process, applicant must read and check (☐) the statement below:

By electronically submitting this application, the applicant attests that the information contained herein is accurate.

UNION SETTLEMENT ASSOCIATION, INC.

Union Settlement Federal Credit Union

Money\$mart\$ in East Harlem Workshop Series

Proposed Budget FY2009

EXPENDITURES:

Personnel:

Lending/Marketing Outreach Manager (10%)

Fringe benefits @ 30%

Total Personnel

Other than personnel services:

Financial Literacy Brochures (Smart Saving, Creating a College Budget, etc)

5,000 varied brochures @ \$0.14 ea. (from Credit Union National Association and other outlets)

Promotional items

E.g., pens, coloring books and candy for childcare workshops

Xerox/Printing

\$.10/copy x 5,000

Telephone/Fax

Refreshments

Postage for Outreach Flyer Mailings

\$.42 x 2,500 pieces x 3 mailings

Total OTPS

Total Expense

Funding sought	In kind	Total
	\$ 8,000	\$ 8,000
	2,400	2,400
	10,400	10,400
700		700
500		500
500		500
	150	150
150		150
650	2,500	3,150
2,500	2,650	5,150
\$ 2,500	\$ 13,050	\$ 15,550

We will make use of a range of curricula, workbooks and other materials from NYCUF (Kid's Cash Kit & Caboodle) and the National Federation of Credit Unions (*Your Path to Financial Freedom*).

USFCU and Union Settlement will also contribute, in kind, staff time (USFCU CEO/Manager, Program Directors), space, security and utility expenses.