

# Financial Literacy Annual Report



# Table of contents

<b>Table of contents</b> .....	<b>2</b>
<b>1. Introduction</b> .....	<b>3</b>
<b>2. Financial education strategy and implementing activities</b> .....	<b>7</b>
2.1 Strategy Part 1: Provide financial education to the public .....	8
2.2 Strategy Part 2: Share research on effective financial education and financial well-being with financial educators .....	17
2.3 Strategy Part 3: Address needs for inclusion and financial security of servicemembers, older Americans, traditionally underserved consumers and communities, and students.....	22
<b>3. Conclusion</b> .....	<b>30</b>
<b>Appendix A: FY18 performance measures</b> .....	<b>31</b>

# 1. Introduction

The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) mandates that the Director of the Bureau of Consumer Financial Protection (Bureau) submit to Congress an annual report on the Bureau’s financial literacy activities and strategy to improve the financial literacy of consumers.<sup>1</sup> The Bureau is pleased to submit this sixth Financial Literacy Annual Report. The report covers fiscal year 2018 (FY18), the period from October 2017 through September 2018.

Financial education is a core component of the Bureau’s mission under the Dodd-Frank Act. The first of the Bureau’s five statutory objectives is to ensure that “consumers are provided with timely and understandable information to make responsible decisions about financial transactions,” and the first of the Bureau’s statutory functions is “conducting financial education programs.”<sup>2</sup> The statute also delineates more specific responsibilities in this area. Congress directed the Bureau to develop and implement initiatives to “educate and empower consumers to make better informed financial decisions,”<sup>3</sup> to “develop and implement a strategy to improve the financial literacy of consumers,” and to provide “opportunities for consumers to access” activities and information on a broad range of financial capability topics.<sup>4</sup> The statute also directs the Bureau to conduct programs and activities focused on financial security and inclusion for special populations: servicemembers, older Americans, traditionally underserved consumers and communities, and students.<sup>5</sup>

Within its broad statutory mandate, the Bureau identifies areas of focus based on understanding Americans’ financial experiences. The Bureau does this through analyzing consumer complaint data and public responses to Requests for Information, conducting user testing of tools and materials, talking to consumers and the organizations that serve them in focus groups and listening sessions, and conducting research. For example, the Bureau’s Office of Servicemember Affairs interacts with active-duty servicemembers through leadership roundtables and town hall-style listening sessions at military

---

<sup>1</sup> Pub. L. No. 111-203 (2010), § 1013(d) (4), codified at 12 U.S.C 5493(d) (4).

<sup>2</sup> 12 U.S.C. 5511(b)(1), (c)(1).

<sup>3</sup> 12 U.S.C 5493(d)(1).

<sup>4</sup> 12 U.S.C. 5493(d)(2).

<sup>5</sup> 12 U.S.C. 5493(e)(servicemembers); 5493(g) (older Americans), 5493(b)(2) (traditionally underserved consumers and communities); 5535 (students).

installations around the country. In these sessions, the Bureau hears directly about the financial challenges facing military personnel, and provides educational information and resources that can promote informed decisionmaking.

The Bureau hears from many consumers about areas where they are experiencing difficulty in their financial lives. In 2016, the Bureau fielded a national survey using its Financial Well-Being Scale and items related to individual characteristics and financial circumstances. Of the nationally representative sample of consumers surveyed, 43% reported struggling to pay bills. Additionally, over one third—34%—of the consumers surveyed reported experiencing material hardships in the past year.<sup>6</sup> The survey also found that certain financial and demographic characteristics are associated with financial well-being: educational attainment, income, and employment status all appear to have a strong relationship with financial well-being, but none of these factors determines financial well-being on its own.<sup>7</sup> Further analysis of the survey data suggests that financial education can affect financial circumstances, and therefore financial well-being, and points to the value of financial education focused on developing people’s skills and providing targeted and timely information.<sup>8</sup> The further analysis also highlights the importance of a habit of savings for financial well-being.

Accordingly, the Bureau focuses its efforts on a broad range of financial literacy and capability areas within its statutory mandate and relevant to consumers’ financial lives. This includes areas of specific need as reflected in consumer complaint and inquiry data, such as debt collection, credit and credit reporting, home ownership and mortgages, and student loan repayment.<sup>9</sup> Other topics relate to helping people to prepare in their financial lives and to avoid financial difficulties, including general money management, savings, building children’s financial capability, and preparing for a secure retirement.

---

<sup>6</sup> “Material hardships” for purposes of the survey included running out of food, not being able to afford a place to live, or lacking the money to seek medical treatment.

<sup>7</sup> BCFP, *Financial well-being in America* (Sept. 2017), <http://www.consumerfinance.gov/data-research/research-reports/financial-well-being-america/>.

<sup>8</sup> BCFP, *Pathways to financial well-being: The role of financial capability* (Sept. 2018), [https://s3.amazonaws.com/files.consumerfinance.gov/f/documents/bcfp\\_financial-well-being\\_pathways-role-financial-capability\\_research-brief.pdf](https://s3.amazonaws.com/files.consumerfinance.gov/f/documents/bcfp_financial-well-being_pathways-role-financial-capability_research-brief.pdf).

<sup>9</sup> The Dodd-Frank Act requires the Bureau to collect, investigate, and respond to consumer complaints regarding consumer financial products and services. *See* 12 U.S.C. 5493(b)(3), 1021(c)(2).

Some topics address financial challenges facing particular segments of the population, such as preventing elder financial exploitation.<sup>10</sup>

Pursuant to the Dodd-Frank Act, the Bureau’s work to improve the financial literacy of consumers is also informed by its work with the Financial Literacy and Education Commission (FLEC, or the Commission).<sup>11</sup> Congress established the Commission in 2003 with the mandate to improve the financial literacy of Americans and to coordinate financial education efforts in the federal government through, among other things, the development of a national strategy to promote financial literacy and education.<sup>12</sup> The Commission comprises representatives from 22 federal agencies and the White House Domestic Policy Council, and is chaired by the Secretary of the Treasury. The Dodd-Frank Act amended the 2003 law by designating the Bureau’s Director as Vice-Chair.<sup>13</sup>

FLEC’s *National Strategy for Financial Literacy (National Strategy)* establishes a guiding vision of “sustained financial well-being for all individuals and families in the United States” and identifies ways to help move the nation toward that guiding vision.<sup>14</sup> The Bureau coordinates actively with FLEC to identify areas for collaboration,<sup>15</sup> and works with other FLEC member agencies to amplify the ability of both the Bureau and the other agencies to reach the public. Many of these collaborations are also highlighted in this report.

---

<sup>10</sup> The terms financial literacy, financial capability, and financial-well-being may be used in this report, and in the field of financial education, to mean something specific, and may be used interchangeably. In brief, financial literacy can be thought of as knowledge and understanding of financial concepts and choices; financial capability as the ability to use that knowledge through understanding, confidence, and access to financial products; and financial well-being as the state in which people can meet their financial obligations, feel secure in their future, and are able to make choices that allow enjoyment of life. Financial education can refer to a range of strategies intended to strengthen these outcomes for consumers.

<sup>11</sup> See 12 U.S.C. § 5493(d)(2).

<sup>12</sup> 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.

<sup>13</sup> See 20 U.S.C. § 9702(d).

<sup>14</sup> See Financial Literacy & Education Commission, *Promoting Financial Success in the United States: National Strategy for Financial Literacy 2011*, [treasury.gov/resource-center/financial-education/Documents/NationalStrategyBook\\_12310%20\(2\).pdf](https://www.treasury.gov/resource-center/financial-education/Documents/NationalStrategyBook_12310%20(2).pdf); Financial Literacy & Education Commission, *Promoting Financial Success in the United States: National Strategy for Financial Literacy 2016 Update*, [treasury.gov/resource-center/financial-education/Documents/National%20Strategy%20for%20Financial%20Literacy%202016%20Update.pdf](https://www.treasury.gov/resource-center/financial-education/Documents/National%20Strategy%20for%20Financial%20Literacy%202016%20Update.pdf).

<sup>15</sup> During FY18 the Bureau also participated in a FLEC Reform Initiative by participating in its Steering Committee.

In April 2018 the Bureau published a Request for Information (RFI) about consumer financial education.<sup>16</sup> The RFI sought comment and information from interested parties to assist the Bureau in assessing the efficiency and effectiveness of its consumer financial education programs.

The Bureau's financial well-being research indicates that helping people to develop financial skill can make a positive difference in their financial lives. This report provides an update on the Bureau's strategy and work to improve the financial capability of Americans. This includes descriptions of the Bureau's FY18 financial education activities, and the Bureau's progress in meeting its FY18 performance goals and measures in this work.

---

<sup>16</sup> 83 Fed. Reg. 15131 (Apr. 9, 2018). This was the 11th in a series of RFIs issued by the Bureau to gather public feedback about its work.

## 2. Financial education strategy and implementing activities

To carry out its financial education mandate, the Bureau seeks to enhance the financial knowledge and skills of all Americans, from childhood to later life, so that individuals build their financial well-being. The Bureau is using a three-part strategy that includes measurable goals and objectives to accomplish this task. The three elements of the strategy are:

- Providing financial education to the public, directly and by expanding and augmenting the local delivery of financial education.
- Sharing research on effective financial education and financial well-being with financial educators.
- Addressing needs for inclusion and financial security of servicemembers and veterans, older Americans, traditionally underserved consumers and communities, and students.

Each of the elements of this strategy, and the Bureau’s activities aligned with each element of the strategy, are discussed in the sections below, along with the Bureau’s progress in meeting performance goals and measures in each area in FY18.<sup>17</sup> Taken together, this work can create opportunities for people to make decisions about money that better meet their own life goals.

The Bureau’s major performance measures reflect the broad reach of the Bureau’s work. For example, over 9.9 million people used the Bureau’s web or print educational resources in FY18. Of the people who used the Bureau’s Ask CFPB tool for answers to money questions, 84.1% rated the questions and related answers as “helpful.” In its work to support others in providing financial education to the people they serve, the Bureau trained 26,815 staff of local and regional social service and other organizations to assist the people they serve with financial information. The Bureau also had 2,106 libraries signed up to be local centers of financial education. Adult financial educators downloaded 39,595 Bureau tools, papers, or other materials to use as they provide financial education services. Over 2,100 individuals

---

<sup>17</sup> Performance goals, performance measures, and targets for each strategic goal and objective under the Bureau’s Strategic Plan are identified in the Bureau’s FY18 Annual Performance Plan and Report (APP). See BCFP Strategic Plan, FY2018-2022, [www.consumerfinance.gov/about-us/budget-strategy/strategic-plan/](http://www.consumerfinance.gov/about-us/budget-strategy/strategic-plan/); BCFP, FY 2018 Annual performance plan and report, [www.consumerfinance.gov/about-us/budget-strategy/budget-and-performance/](http://www.consumerfinance.gov/about-us/budget-strategy/budget-and-performance/).

downloaded the Bureau’s recommendations about age-friendly account features for financial institutions.

The Bureau measures results in a number of ways. The Bureau measures outputs such as numbers of individuals served, staff trained, or people who use resources developed by the Bureau. As programs continue over time or expand to reach more people, the Bureau is able to implement intermediate outcome measures such as user satisfaction, gains in participant knowledge, or changes in conduct after using a particular financial education tool, as appropriate and feasible. While these measures provide some indication of effectiveness, the Bureau has sought, and continues to seek, to develop and apply ways to measure change in consumers’ financial well-being or financial circumstances as a result of financial education. The Bureau does so in order to identify effective practices to guide its own work and to help others who provide financial education in their program to help consumers. For example, the Bureau undertook foundational research to define financial well-being and develop a scale to measure it, as well as a scale to measure financial skill released in FY18 (discussed below). These are two measurement tools that can help to identify and quantify effective financial education approaches.<sup>18</sup>

## 2.1 Strategy Part 1: Provide financial education to the public

The Bureau’s consumer financial education programs and resources are designed to empower people to make better informed financial decisions to serve their own life goals and build their financial well-being. The Bureau provides these programs and resources both directly and through trusted and established community channels where people may go for other services.

Performance goal: Help people build the knowledge and skills to make money decisions through direct financial education from the Bureau and through community channels providing other services.<sup>19</sup>

---

<sup>18</sup> BCFP, *Measuring financial well-being*, [www.consumerfinance.gov/data-research/research-reports/financial-well-being-scale/](http://www.consumerfinance.gov/data-research/research-reports/financial-well-being-scale/); BCFP, *Measuring financial skill: A guide to using the Bureau of Consumer Financial Protection’s Financial Skill Scale*, <https://www.consumerfinance.gov/data-research/research-reports/measuring-financial-skill/>; [www.consumerfinance.gov/consumer-tools/financial-well-being/](http://www.consumerfinance.gov/consumer-tools/financial-well-being/). See Section 2.2.1, below for discussion of other federal agencies that are using the Financial Well-Being Scale.

<sup>19</sup> BCFP, *Annual performance plan and report*, Performance goal 1.1.1, see fn 17.



The Bureau undertakes to support development of both knowledge and skills to address the types of financial decisions, opportunities, and challenges that arise throughout the financial life cycle. The Bureau provides financial capability materials, tools, and programs to serve both the general adult population and the needs of specific populations. These specific populations include servicemembers and veterans, students and young adults, older adults and financial caregivers for seniors, and economically vulnerable people who are traditionally underserved.

Because financial literacy needs to start well before adulthood, the Bureau also helps those who are working to build the financial skills of the next generation. The Bureau provides information for educators of youth, information for parents who want to have money conversations with their children, and financial capability program resources to people who work with youth in local communities.

The Bureau's principal direct-to-consumer and community channel programs are highlighted below.

### 2.1.1 Direct to consumers

The Bureau offers consumers self-help resources, online and in print, to help them make more informed decisions. These resources focus on common financial situations such as debt collection, improving or fixing credit reports and scores, and getting or refinancing a mortgage, as well as money management, including saving, which can help people avoid problems down the road.<sup>20</sup> Some of the Bureau's principal direct-to-consumer financial education offerings are:

- **Ask CFPB and money topic web pages.** Ask CFPB is a digital resource that provides consumers with answers to common money questions. Other Bureau web pages provide information and “how-to” guides on specific money topics such as auto loans, credit reports and scores, debt collection, mortgage servicing, and student loans. In FY18, 4.57 million people visited Ask CFPB. Of the FY18 visitors who rated answers, 84.1% chose the “helpful” rating. [www.consumerfinance.gov/ask-cfpb/](http://www.consumerfinance.gov/ask-cfpb/)

Performance measure: Percentage of Ask CFPB users who rate questions and related answers as helpful. Target: 86%; Actual: 84.1%

- **Financial Well-Being Scale.** The Bureau's Financial Well-Being Scale is a set of 10 questions people can use to measure their own financial well-being, with links to Bureau resources that can help to improve it. These include resources for taking control of day-to-day money

---

<sup>20</sup> These reflect common areas of consumer complaints received by the Bureau. In FY18, the highest complaint categories were: debt collection, credit reporting, and mortgages.

management, and resources for getting on track for one’s financial future. In FY18, more than 44,000 people visited the scale and more than 17,000 received their financial well-being score, after which 60% of them engaged with other resources on the Bureau’s website.

[www.consumerfinance.gov/consumer-tools/financial-well-being/](http://www.consumerfinance.gov/consumer-tools/financial-well-being/)

- **Money decision tools.** The Bureau’s website provides digital tools and information that help consumers prepare and plan for specific money decisions such as borrowing to become a homeowner, paying for college, getting an auto loan, and planning for retirement.
  - **Buying a House.** Buying a House<sup>21</sup> provides tools and resources to help people know what to expect and what questions to ask in the process of buying a house and choosing a home loan. In particular, Buying a House seeks to show prospective homebuyers the benefits of shopping for a mortgage. The Bureau’s Office of Research found that consumers who received Bureau messaging encouraging shopping for a mortgage were 10% more likely to talk with more than one lender than those who received no messaging.<sup>22</sup> The Bureau’s research found that close to half of consumers do not shop before taking out a mortgage, “seriously consider[ing]” only one lender. Researchers estimated that such consumers ended up paying hundreds of dollars more for their mortgage for each year they made their mortgage payments.<sup>23</sup> Of the FY18 visitors who rated the Buying a House tool, 83% chose the “helpful” rating. [www.consumerfinance.gov/owning-a-home/](http://www.consumerfinance.gov/owning-a-home/)
  - **Paying for College.** Paying for College provides digital tools and resources to help students and former students make informed decisions about financing their college education and repaying their loans. This includes a tool to help students make comparisons between financial aid offers, tailored to their individual circumstances; student financial guides for comparing student loan options and for managing college money; and a tool that provides information and advice for optimizing how students or former students repay their

---

<sup>21</sup> The digital tool Buying a House was formerly titled Owing a Home. The name was changed during FY18 to better reflect the tool focus.

<sup>22</sup> BCFP, *Know Before You Owe: Mortgage shopping study* (May 2018), [www.consumerfinance.gov/data-research/research-reports/know-before-you-owe-mortgage-shopping-study/](http://www.consumerfinance.gov/data-research/research-reports/know-before-you-owe-mortgage-shopping-study/).

<sup>23</sup> See Alexandrov, Alexei and Sergei Koulayev, *No Shopping in the U.S. Mortgage Market: Direct and Strategic Effects of Providing Information* (2017) at 3-4, citing BCFP, *Consumers’ mortgage shopping experience: A first look at results from the National Survey of Mortgage Borrowers* (2015), [www.consumerfinance.gov/data-research/research-reports/consumers-mortgage-shopping-experience/](http://www.consumerfinance.gov/data-research/research-reports/consumers-mortgage-shopping-experience/).

student loans based on some basic information about their situation. Paying for College had 137,656 users in FY18.

[www.consumerfinance.gov/paying-for-college/repay-student-debt/](http://www.consumerfinance.gov/paying-for-college/repay-student-debt/)

- **Getting an Auto Loan.** Automobile lending is the third largest category of household debt for consumers in America, after mortgages and student loans.<sup>24</sup> Yet, almost half of adults surveyed in 2015 said they did not compare loan prices or terms before taking an auto loan.<sup>25</sup> Getting an Auto Loan is an online guide consumers can use in making informed auto financing decisions. The guide seeks to help consumers shop for and compare financing options when purchasing a vehicle. Consumers can use the guide to look beyond the monthly payment to consider the total cost of financing when choosing an auto loan, and to be aware of financing features and other factors that could lead to costly surprises down the road.

[www.consumerfinance.gov/consumer-tools/getting-an-auto-loan/](http://www.consumerfinance.gov/consumer-tools/getting-an-auto-loan/)

- **Planning for Retirement.** Each year, more than 2 million people make the financial decision about when to claim Social Security retirement benefits. Nearly 40% of eligible people start collecting benefits at the earliest possible age without understanding that claiming early often reduces their total lifetime payments. This may decrease their financial security in retirement.<sup>26</sup> Planning for Retirement is an interactive online tool to help people make an informed decision about when to claim Social Security. The tool helps people understand how claiming at a particular age affects their benefits, provides tips relevant to their situation, and prompts consideration of retirement needs and goals. Over 80% of users in FY18 who rated the tool found the tool information to be helpful and say they are considering claiming later than the earliest possible benefit claiming age (age 62).

[www.consumerfinance.gov/consumer-tools/retirement/](http://www.consumerfinance.gov/consumer-tools/retirement/)

---

<sup>24</sup> See BCFP, *Consumer Voices on Automobile Financing* (June 2016) at 3, citing Federal Reserve Bank of New York, *Quarterly Report on Household Debt and Credit* (Feb. 2016), [newyorkfed.org/medialibrary/interactives/householdcredit/data/pdf/HHDC\\_2015Q4.pdf](http://newyorkfed.org/medialibrary/interactives/householdcredit/data/pdf/HHDC_2015Q4.pdf).

<sup>25</sup> See Board of Governors of the Federal Reserve System, *Report on the Economic Well-Being of U.S. Households in 2015* (May 2016) at 44, [federalreserve.gov/2015-report-economic-well-being-us-households-201605.pdf](http://federalreserve.gov/2015-report-economic-well-being-us-households-201605.pdf).

<sup>26</sup> See, e.g., Gary V. Engelhardt, et al., *Early Social Security Claiming and Old-Age Poverty: Evidence from the Introduction of the Social Security Early Eligibility Age*, NBER Working Paper No. 24609 (2018) <http://www.nber.org/papers/w24609>; see also Wei Sun & Anthony Webb, *How Much Do Households Really Lose by Claiming Social Security at Age 62?*, SSRN (2009), <http://dx.doi.org/10.2139/ssrn.1408729>; see also Courtney Coile, et al., *Delays in Claiming Social Security Benefits*, J. of Pub. Econ. Issue 84 (2002), <http://economics.mit.edu/files/635>.

- **Credit score access.** Over the last few years, many financial institutions have started to offer consumers free access to one of their credit scores. In May 2018, the Bureau issued an updated list of companies and organizations that said they offer free credit scores. This list is intended to make it easier for people to understand how they can access and use their credit scores to help manage their financial lives. [www.consumerfinance.gov/about-us/blog/new-list-identifies-more-ways-access-credit-scores-free/](http://www.consumerfinance.gov/about-us/blog/new-list-identifies-more-ways-access-credit-scores-free/)
- **Money as You Grow (MAYG).** MAYG provides information, activities, and conversation-starters for parents and caregivers who want to help their children develop financial capability skills. The Bureau developed these resources to foster the building blocks of financial capability identified in the Bureau’s research, discussed below. The MAYG resources include Money as You Grow Bookshelf, a family financial education program that uses children’s books to help families talk about money-related skills. An independent study showed that this approach led parents to talk more with their children about money, with the most significant gains shown among parents with lower household incomes and levels of education.<sup>27</sup> More than 152,625 Money as You Grow Bookshelf parent guides were ordered or downloaded in FY18. [www.consumerfinance.gov/consumer-tools/money-as-you-grow](http://www.consumerfinance.gov/consumer-tools/money-as-you-grow)
- **Print publications.** The Bureau offers print publications on money topics for download or order at no charge. These include publications that consumers can use to help manage their financial lives, and publications that social service and other types of organizations can use with those they serve. For example, the Bureau offers a series of *Managing Someone Else’s Money* guides for the millions of Americans who are financial caregivers for an adult who is unable to manage money, pay bills, or make his or her own financial decisions. In FY18 the Bureau distributed nearly 5.3 million copies of its publications addressing financial topics. Roughly 1.5 million of these publications, or 28 percent, were ordered by libraries to provide to their patrons. <https://pueblo.gpo.gov/CFPBPubs/CFPBPubs.php>

---

<sup>27</sup> Behal, P.A., Bennett, K.K., Crites, A.M., Weigel, D. (2003), *Money on the Bookshelf: Using Children’s Books to Reach Limited Resource Families with Money Management Education*. Journal of Extension, 41: 3. Ideas at Work.

## Performance measures

FY18 performance measures for the Bureau’s Strategy Part 1, direct-to-consumer resources:

**TABLE 1:** NUMBER OF PEOPLE WHO USE THE BUREAU’S EDUCATIONAL RESOURCES ON WEB AND IN PRINT

FY 2018	
Target	8.7M
Actual	9.9M

**TABLE 2:** PERCENTAGE OF ASK CFPB USERS WHO RATE QUESTIONS AND RELATED ANSWERS AS HELPFUL

FY 2018	
Target	86%
Actual	84.1%

### 2.1.2 Community channels

In addition to providing financial education resources that people can access directly, the Bureau works to make it easier for people to access financial education in their local communities. In this way, the Bureau works to foster a lasting local financial education infrastructure. An important way to do this is by integrating financial education into trusted and established community channels where people already go for other services. These community channels include libraries, workplaces, social service organizations, military recruiters, Army ROTC host colleges and universities, government agencies, financial institutions, and financial educators. The Bureau also coordinates actively with the FLEC to identify areas for synergy and collaborates with other federal agencies to amplify each others’ mutual ability to reach the public. Major community channel initiatives in FY18 include the following:<sup>28</sup>

- **Libraries Community Education.** The Bureau’s Libraries program provides librarians with free publications, monthly webinars, and opportunities to connect with local financial education

<sup>28</sup> Most of the programs discussed in this section also serve Strategy Part 3 discussed in Section 2.3: addressing needs for inclusion and financial security for special populations. This is accomplished largely through local community channels.

providers to help their libraries become a go-to resource on financial topics for their patrons. By the end of FY18, 2,016 library locations were signed up to participate in this project.

Performance measure: Number of library locations engaged to be local centers of financial education. Target: 2000; Actual: 2,106

- **Your Money, Your Goals (YMYG) train-the-trainer program and tools.** YMYG offers training and materials to enable local service providers help the people they serve to develop financial capability knowledge and skills. The program has trained 26,814 frontline staff and volunteers nationwide in social service organizations, faith-based organizations, and other types of local service organizations over the life of the program. The 2018 training cohort participants reported that staff increased their confidence to discuss financial topics in the course of delivering social services by 38 percentage points (from 48% pre-training to 86% post-training), and increased their confidence to provide the right information at the right time to the people they serve by 50 percentage points (from 34% pre-training to 84% post-training).

Performance measure: Number of staff trained with local and regional organizations to assist the people they serve with financial information. Target: 6,000; Actual: 3,721  
(The two-year rolling average for staff trained exceeded 6,000 per year.)

- **Misadventures in Money Management.** The Bureau offers an online financial education training program for future servicemembers, Reserve Officers' Training Corps (ROTC), and active duty servicemembers reporting to their first duty station. The program focuses on early-career financial choices faced by the newest members of the military and on avoiding costly mistakes in one's personal finances. The program is currently in use for future servicemembers by all of the military services: the Army, Navy, Air Force, Marines, Coast Guard, and National Guard. It is also in use by future leaders in the Army ROTC, and was rolled out for first duty station servicemembers in the last quarter of FY18. By the end of FY18 over 22,000 new recruits had used the program, with an overall completion rate of over 62%. Tests of participant knowledge before and after the training showed the following positive changes: 11 point increase in knowledge of availability of free credit reports; 12 point increase in knowledge of the Servicemembers Civil Relief Act (SCRA) and 11 point reduction in mistaken belief that SCRA puts a hold on debt; 31 point reduction in focus on just the monthly payment in buying a car and 40 point increase in understanding that total price matters when buying and financing a car.
- **Youth Employment Success (YES).** Through the YES program, the Bureau has worked with municipal leaders and Department of Labor-funded youth employment programs in 23 communities to integrate financial capability skill-building into their programs. Five of these communities received more comprehensive technical assistance to improve financial literacy

offerings for participants. Between FY 2015 and FY 2017 these five sites provided financial capability services to over 11,000 young people. In FY18 the Bureau convened leadership from youth employment programs, federal partners, and national nonprofits to discuss progress and identify future priorities. The Bureau also worked with sites and partners to identify lessons learned.

- **Money Smart for Older Adults (MSOA).** MSOA is an instructor-led curriculum program on preventing elder financial exploitation. The Bureau developed and offers the program jointly with the Federal Deposit Insurance Corporation (FDIC). It is designed for use by older consumers, caregivers, law enforcement, financial institutions, faith-based organizations, organizations serving seniors, and other local community providers. The curriculum focuses on common issues facing seniors, including how to identify a potential scam or fraud and other forms of elder financial exploitation.
- **Tax-Time Savings.** The Bureau provides technical assistance and materials to Volunteer Income Tax Assistance (VITA) sites and private tax preparers that want to encourage consumer savings at tax time. This annual effort supports the mandate in the Dodd-Frank Act “to provide opportunities for consumers to access wealth building and financial services during the preparation process to claim earned income tax credits and Federal benefits.”<sup>29</sup> In the 2018 tax season, people served in the 68 participating VITA programs split their tax refunds into savings at a rate of 3% (nearly three times the national average of 1.1%). They bought savings bonds at a rate of 0.6% (three times the national average of 0.2%). The Bureau’s report on the results from the 2018 tax season includes promising practices used by the VITA programs to engage consumers in saving opportunities.<sup>30</sup>
- **Financial coaching.** The financial coaching program integrates financial coaching into existing programs where transitioning veterans and people who are economically vulnerable come to receive other services. These other services include job training, education, housing, and social services. Financial coaching helps people to be more proactive in taking control of their finances. For the veteran population served, financial coaching is provided primarily at Department of Labor American Job Centers, plus some nonprofit organization locations that serve veterans’ needs. For the economically vulnerable consumers served, financial coaching is provided through local community organizations. In addition to number of individuals served

---

<sup>29</sup> 12 U.S.C. 5493(d)(2)(F).

<sup>30</sup> BCFP, Building a brighter future by saving at tax time (Oct. 2018), [https://www.consumerfinance.gov/documents/6959/bcfp\\_tax-time-saving\\_brief.pdf](https://www.consumerfinance.gov/documents/6959/bcfp_tax-time-saving_brief.pdf).

by this program (performance measure below), the Bureau has used a number of other measures of effectiveness. These include: percentage of coaching clients who have established, made progress, or have accomplished their goal (93%), and percentage of coaching clients who have made progress on particular goals as a result of financial coaching. The particular goals included: having a personal budget, spending plan, or financial plan in place (92%), ability to keep living expense below income (84%), not incurring a late fee on a loan or bill in the past two months (82.7%), and confidence in their ability to achieve a financial goal they have set for themselves (77.4%). This program is scheduled for completion at the end of March 2019.

Performance measure: Number of individuals served by financial coaching for transitioning veterans and economically vulnerable consumers. Target: 6,000; Actual: 7,860.

### Performance measures

FY18 performance measures for the Bureau’s Strategy Part 1, work through community channels:

**TABLE 3:** NUMBER OF STAFF TRAINED WITH LOCAL AND REGIONAL ORGANIZATIONS TO ASSIST THE PEOPLE THAT THEY SERVE WITH FINANCIAL INFORMATION

FY 2018	
Target	6000
Actual	3721

**TABLE 4:** NUMBER OF LIBRARY LOCATIONS ENGAGED TO BE LOCAL CENTERS OF FINANCIAL EDUCATION

FY 2018	
Target	2000
Actual	2106

**TABLE 5:** NUMBER OF INDIVIDUALS SERVED BY FINANCIAL COACHING FOR TRANSITIONING VETERANS AND ECONOMICALLY VULNERABLE CONSUMERS (PROGRAM ENDS MARCH 2019)

FY 2018	
Target	6000
Actual	7860



## 2.2 Strategy Part 2: Share research on effective financial education and financial well-being with financial educators

Financial education's overall goal is to improve financial well-being by helping people to make better-informed financial decisions and to take financial steps to achieve their own life goals. The Bureau develops and shares information and tools to amplify the reach and effectiveness of financial education for adults and children to achieve this goal. This includes conducting

research to understand what financial well-being is, how to measure it, and how financial education can effectively support it. It also includes providing financial educators with research, analysis, and tools for understanding and measuring financial well-being, implementing effective practices in adult financial education, and helping children and youth develop the building blocks of adult financial well-being.

Performance goal: Amplify the effectiveness of financial education for adults and for children.<sup>31</sup>

### 2.2.1 Financial education research

In FY18, the Bureau completed the third part of a three-part foundational research project to understand what contributes to people's financial well-being. The goals of this project, and the Bureau's continuing research in this area, are (1) to determine how financial education can help people in making the most of their circumstances to achieve their own life goals and financial well-being, and (2) to share the results widely in order to improve the effectiveness of financial education generally. The Bureau continues to analyze and share the results of this research, and to encourage further financial well-being research by others to help identify effective financial education practices.<sup>32</sup>

The Bureau's three-part research effort aimed at achieving this goal:

- The Bureau formally defined financial well-being and identified the likely personal drivers of financial well-being that may be influenced by financial education and other decision-making

---

<sup>31</sup> BCFP, *Annual Performance Plan and Report*, Performance goal 1.1.2.

<sup>32</sup> Other Bureau research projects related to supporting consumer savings and money management are discussed in Section 2.3, below.

supports. The Bureau used input from consumers and experts in financial education.  
[www.consumerfinance.gov/data-research/research-reports/financial-well-being/](http://www.consumerfinance.gov/data-research/research-reports/financial-well-being/)

- The Bureau developed a validated “scale” that could be used to measure financial well-being and that would allow meaningful comparisons among approaches to achieving financial well-being.  
[www.consumerfinance.gov/data-research/research-reports/financial-well-being-scale/](http://www.consumerfinance.gov/data-research/research-reports/financial-well-being-scale/)
- The Bureau deployed the scale in a national survey to test its hypotheses and identify the specific types of attributes, abilities, and opportunities that help people achieve greater financial well-being. [www.consumerfinance.gov/data-research/research-reports/financial-well-being-america/](http://www.consumerfinance.gov/data-research/research-reports/financial-well-being-america/)

The definition of financial well-being that emerged from the Bureau’s research was: a state of being reflecting a person’s ability to meet current and ongoing financial obligations, feel secure in their financial future, and make choices that allow enjoyment of life. The Financial Well-Being Scale is a self-reported set of questions that reflects a person’s financial well-being, as so defined. The results of the financial well-being survey suggest that financial education can support consumers in improving their financial situations especially through development of financial skill. To enhance the development and study of strategies that enhance financial skill, the Bureau is offering the Financial Skill Scale (discussed below) that was used in the financial well-being national survey.

A number of federal agencies and others have begun to include the Bureau’s Financial Well-Being Scale in established surveys. For example, the Board of Governors of the Federal Reserve System has included the questions that measure financial well-being in its annual Survey of Household Economics and Decisionmaking, the Department of Defense has included the questions in its survey of Servicemembers (Status of Forces Survey), and the University of Southern California included the questions in the Understanding America Study, an online survey panel supported by the Social Security Administration.<sup>33</sup> The Financial Well-Being Scale is also being used in the 2018 National Financial Capability Study conducted tri-annually by FINRA (the Financial Industry Regulatory Authority).

---

<sup>33</sup> Results of these studies also inform the Bureau’s work going forward. For example, the Office of Servicemember Affairs uses the financial well-being data gathered in DoD surveys to inform the military lifecycle financial education resources it develops. Researchers and public authorities in Norway and Brazil have used the scale in their own assessment work.

The Bureau released the following research reports and resources related to financial well-being in FY18:

- **Pathways to Financial Well-Being: Research Brief.** The Bureau published a research brief in September 2018 that summarizes the results of the Bureau’s national survey to test hypotheses about the association between financial well-being and financial capability factors such as financial knowledge, skills, and attitudes, and identifies promising approaches for financial education to support financial well-being. <https://www.consumerfinance.gov/data-research/research-reports/pathways-financial-well-being/>
- **Financial Skill Scale User Guide.** The Bureau published a user guide in September 2018 that describes the research behind the development and testing of the Financial Skill Scale, mentioned above. The scale measures an individual’s self-assessment of their ability to find, process, and act on financial information. The user guide provides detailed steps for using the scale, including how to score individuals’ responses and compare their scores. <https://www.consumerfinance.gov/data-research/research-reports/measuring-financial-skill/>

Performance measure: Number of papers developed to increase understanding of what contributes to financial well-being that can be supported through financial education. Target: 2; Actual: 2

## 2.2.2 Channels for sharing financial education research and resources

The Bureau shares its research, knowledge, insights, and tools with adult financial educators and K-12 teachers and others who want to help children and youth develop financial capability.

### **Financial educators: Financial Education Exchange**

A key channel through which the Bureau distributes its research and resources is the Financial Education Exchange. This exchange is an online and in-person information exchange through which the Bureau shares its research on consumer financial behavior and effective financial education practices, and shares tools and other resources for financial educators. The Bureau also uses the network to gather feedback from and facilitate discussion among financial educators. In a survey of over 3,000 financial education practitioners in FY17, 88% reported that they had used Bureau tools or other resources in their financial education work; and 61% reported that Bureau tools changed how they interacted with their clients. Financial educators can access the Bureau’s financial education resources through the *Resources for financial educators* web page, [www.consumerfinance.gov/adult-financial-education/](http://www.consumerfinance.gov/adult-financial-education/).

Performance measure: Downloads by adult financial educators of tools/papers/materials. Target: 46,000;  
Actual: 39,595

### **K-12 teachers: Teacher financial education platform and tools**

The Bureau seeks to empower families and schools to build financial skills for the next generation. Research shows that there is demand for financial education in U.S. schools, and that most educators say they are not well equipped to meet this need.<sup>34</sup>

The Bureau's K-12 work in FY18 builds upon its earlier work in this area. Building on its adult financial well-being research described above, the Bureau researched the childhood origins of financial capability and well-being to identify where and when during childhood and adolescence people acquire the foundations of financial capability. The research identified attributes and abilities that provide the building blocks of adult financial capability, which can develop through the stages of a person's growth.<sup>35</sup> Through Money as You Grow resources for parents (discussed above), the teacher pedagogy and other resources for teachers based on the building blocks research, the Bureau has sought to share evidence-based tools with families, K-12 educators, and others interested in supporting youth financial capability. [www.consumerfinance.gov/data-research/research-reports/personal-finance-teaching-pedagogy/](http://www.consumerfinance.gov/data-research/research-reports/personal-finance-teaching-pedagogy/)

The Bureau released the following reports and resources for K-12 financial education in FY18:

- **Building Blocks to Help Youth Achieve Financial Capability: Measurement Guide.**

The Measurement Guide, released in June 2018, provides a means of assessing young people's progress toward each of the building blocks of financial capability identified in the Bureau's research. The Measurement Guide provides age-appropriate questions to evaluate a child's progress toward each building block, a list of existing measurement tools designed to gather answers to the key questions, explanations of how to administer each tool, and background information, sources, and special considerations for use. [www.consumerfinance.gov/about-us/blog/measuring-childs-progress-building-blocks-financial-capability/](http://www.consumerfinance.gov/about-us/blog/measuring-childs-progress-building-blocks-financial-capability/)

---

<sup>34</sup> See Way, Wendy & Karen Holden, *Teachers' Background & Capacity to Teach Personal Finance: Results of a National Study* (2010), [www.fdic.gov/about/comein/mar3.pdf](http://www.fdic.gov/about/comein/mar3.pdf); see also Council on Economic Education, *2018 Survey of the States*, [www.councilforeconed.org/policy-and-advocacy/survey-of-the-states-2/](http://www.councilforeconed.org/policy-and-advocacy/survey-of-the-states-2/).

<sup>35</sup> BCFP, *Building blocks to help youth achieve financial capability* (Sept. 2016), [www.consumerfinance.gov/data-research/research-reports/building-blocks-help-youth-achieve-financial-capability/](http://www.consumerfinance.gov/data-research/research-reports/building-blocks-help-youth-achieve-financial-capability/).

- **Digital Curriculum Review Tool.** In FY18, the Bureau launched an online version of the Curriculum Review Tool first released in 2015. The review tool provides evaluation criteria that teachers may apply as they decide which financial education curriculum best suits the needs of their students and classrooms. The review tool also can help curriculum developers evaluate strengths and gaps in their materials. [www.consumerfinance.gov/practitioner-resources/youth-financial-education/curriculum-review/](http://www.consumerfinance.gov/practitioner-resources/youth-financial-education/curriculum-review/)
- **Teacher guides.** In FY18, the Bureau launched guides designed to assist elementary and middle school teachers who teach personal finance skills. These guides expand upon the Bureau’s Youth Personal Finance Pedagogy previously developed to guide high school teachers engaged in youth financial capability skill development. [www.consumerfinance.gov/data-research/research-reports/personal-finance-teaching-pedagogy/](http://www.consumerfinance.gov/data-research/research-reports/personal-finance-teaching-pedagogy/)

Performance measure: Launch teacher financial education platform (high school teacher platform); Actual: On-line suite of activities and resources for high school teachers launched in Q1 2019.

Performance measure: Number of teachers reached. Target: 2000; Actual: 2,200

## Performance measures

FY18 performance measures for the Bureau’s Strategy Part 2, sharing research on effective practices and resources for financial educators:

**TABLE 6:** NUMBER OF PAPERS DEVELOPED TO INCREASE UNDERSTANDING OF WHAT CONTRIBUTES TO FINANCIAL WELL-BEING THAT CAN BE SUPPORTED THROUGH FINANCIAL EDUCATION

	FY 2018
Target	2
Actual	2

**TABLE 7:** DOWNLOADS BY ADULT FINANCIAL EDUCATORS OF TOOLS/PAPERS/MATERIALS

	FY 2018
Target	46,000
Actual	39,595

**TABLE 8:** LAUNCH TEACHER FINANCIAL EDUCATION PLATFORM

FY 2018	
<b>Target</b>	High school teacher platform
<b>Actual</b>	Launched in Q1 FY19

**TABLE 9:** NUMBER OF TEACHERS REACHED

FY 2018	
<b>Target</b>	2,000
<b>Actual</b>	2,200

## 2.3 Strategy Part 3: Address needs for inclusion and financial security of servicemembers, older Americans, traditionally underserved consumers and communities, and students

The Bureau works to support financial security and access to financial products and services for special populations identified in the Dodd-Frank Act. This includes servicemembers and veterans, older Americans, students, and traditionally underserved consumers and communities. The Bureau also seeks to ensure that its financial education programs serve the needs of people in

Performance goal: Provide information, guidance, and technical assistance for the underserved to participate in financial services and encourage innovation for inclusion.<sup>36</sup>

---

<sup>36</sup> BCFP, *Annual Performance Plan and Report*, Performance goal 1.1.3.

all geographies, including rural communities across the country.

The Bureau does this by providing information, guidance, and technical assistance, often through a broad variety of community channels.<sup>37</sup> Some of these community channels are highlighted below. For example, the Bureau provides technical assistance to civic leaders who are trying to bring more people into the credit reporting system. The Bureau also conducts research about ways to support money management such as increasing savings, particularly for traditionally underserved consumers.

### 2.3.1 Servicemembers and veterans: Enhance financial security throughout the military lifecycle

The Bureau works to support the financial well-being of servicemembers, veterans, and military families as they make decisions at significant stages throughout the military lifecycle. The Bureau also advises the Department of Defense as it fulfills its statutory financial education obligations.

- **Navigating the Military Financial Lifecycle.** This Bureau web page and related materials provide targeted information and links to Bureau tools to help military consumers address the financial challenges that arise at the various stages of their military lives. Some of these challenges are unique to servicemembers, such as frequent and often unanticipated moves, deployments, long periods of separation, difficulty for spouses to maintain career tracks, and mobilization for members of the Reserve and National Guard. The Military Financial Lifecycle model is a representation of a military career beginning at the signing of an enlistment contract or ROTC commitment, through the subsequent steps in both an individual's and family's military career and life. [www.consumerfinance.gov/consumer-tools/military-financial-lifecycle/](http://www.consumerfinance.gov/consumer-tools/military-financial-lifecycle/)
- **Technical assistance.** The Bureau continues to provide the Department of Defense Office of Financial Readiness with technical assistance as it implements its mandate under the National Defense Authorization Act to deliver financial education across the stages of the military lifecycle.<sup>38</sup>

---

<sup>37</sup> Some of the Bureau's financial education work serving these special populations is discussed above in Section 2.1.2, Community Channels.

<sup>38</sup> See National Defense Authorization Act for Fiscal Year 2016, P.L. No. 114-92, § 661, 129 Stat. 726. 857, codified at 10 U.S.C. 992.

## 2.3.2 Older Americans: Strengthen prevention of elder financial exploitation<sup>39</sup>

To improve financial security and protections for older Americans, the Bureau works with service providers, financial institutions, law enforcement, and federal, state, and local government agencies that interact with older adults and their families. Major initiatives include age-friendly banking recommendations to banks and credit unions, assistance to local stakeholders creating elder fraud prevention and response networks, and educational initiatives.

- **Age-friendly banking practices.** In FY16, the Bureau released an Advisory for Financial Institutions, which includes a comprehensive set of voluntary recommendations for age-friendly banking practices. In FY18, the Bureau distributed over 3,000 copies of the Advisory and recommendations and engaged with over 600 financial institutions to provide information about banking products, services, or practices to protect older account holders.

Performance measure: Downloads of recommendations about age-friendly account features for financial institutions to consider. Target: 1,000; Actual: 2,101

- **Elder fraud prevention and response networks.** Elder financial exploitation destroys the financial security of millions of older Americans annually.<sup>40</sup> In response to this crisis, hundreds of communities across the United States have created collaborative networks that bring together key partners like law enforcement, financial institutions, and adult protective services, to protect seniors from financial exploitation. The Bureau conducted research to increase understanding of how elder financial protection networks can grow and endure, and issued a report on its findings and recommendations, along with an accompanying Resource Guide for establishing a protection network. [www.consumerfinance.gov/data-research/research-reports/report-and-recommendations-fighting-elder-financial-exploitation-through-community-networks/](http://www.consumerfinance.gov/data-research/research-reports/report-and-recommendations-fighting-elder-financial-exploitation-through-community-networks/).

---

<sup>39</sup> The Bureau's work to strengthen prevention of elder financial exploitation is discussed in this section on enhancing financial security for older Americans, which is Strategy 3 under Goal 1, Objective 1.1 in the FY18 APP. However, strengthening prevention of elder exploitation (abuse) is addressed more specifically in the APP under Goal 2, Objective 2.1, Strategy 2. The APP refers to prevention of elder "abuse." The term "financial exploitation" is used here to reflect more specifically the nature of the Bureau's work in this area.

<sup>40</sup> See Ron Acierno, et al., *Prevalence and Correlates of Emotional, Physical, Sexual and Financial Abuse and Potential Neglect in the United States: The National Elder Mistreatment Study*, 100 American Journal of Public Health 292-97 (Feb. 2010) (estimated 3.2 million Americans were victims of financial exploitation in 2014 based on prevalence rate of 5.2% of the 60 million Americans age 60 and over), <http://doi.org/10.2105/AJPH.2009.163089>.



In FY17 and FY18, the Bureau convened stakeholders to help them plan and build elder financial protection and response networks in Gainesville, Florida; Muskogee, Oklahoma; Bozeman, Montana; Crossville, Tennessee, and Klamath Falls, Oregon. The Bureau also held a town hall meeting in Topeka, Kansas with the Kansas Attorney General and organized an October 2018 meeting in Baton Rouge, Louisiana with the Louisiana Attorney General to promote the creation of networks; and hosted listening sessions in Vermont, New Hampshire, and Rhode Island to hear from local stakeholders about collaboration efforts in their respective communities.

Performance measure: Number of localities engaged to create networks of law enforcement, financial institutions, and adult protective services to protect older Americans from financial exploitation. Target: 4; Actual: 7

- **Financial education placemats.** The Bureau offers a series of placemats to reach older adults who receive meal services at home or at congregate sites, with targeted financial education information. Varying in topic, but all with a focus on helping elders avoid fraud and scams, there are 10 placemats available in English and six in Spanish. The Bureau releases new placemats quarterly. Some are interactive, and others have corresponding guides for meal site coordinators. Nearly 2 million placemats have been distributed since the program began in 2015; 937,600 in FY18. The placemats are available for download or for bulk orders at [www.consumerfinance.gov/placemats](http://www.consumerfinance.gov/placemats).

### 2.3.3 Traditionally underserved consumers and communities: Support inclusion

**The Bureau helps economically vulnerable consumers who are traditionally underserved build financial capability to access financial products and services and achieve their financial goals. The Bureau provides information and tools to organizations across the country to integrate financial capability into programs where people already are receiving other services.**

- **Enhance credit access for credit invisibles.** “Credit invisibles” refers to the 26 million consumers who do not have a credit history with one of the nationwide credit reporting

companies.<sup>41</sup> An additional 19 million consumers have “unscorable” credit files, meaning that their file is thin and has an insufficient credit history, or have stale files and lack any recent credit history. Consumers who are credit invisible or unscorable make up almost 20% of the U.S. adult population.<sup>42</sup> These consumers may be denied access to credit and may face a range of other issues such as not being able to lease an apartment. The Bureau provides technical assistance to help regional leaders, cities, and community-based organizations address this issue. In FY18, this technical assistance was centered on creating local profiles of credit invisibility from the Bureau’s existing research and identifying ways that localities can help address access to credit by helping people build a credit record.

Performance measure: Number of cities and counties provided baseline information about local levels of credit invisibility and potential responses. Target: 15; Actual: 51

- **Research to support savings and money management.** The Bureau conducts research about ways to support consumer savings and money management. Current research projects include working with private companies to learn more about how to help their customers engage in effective savings and money management, including building a credit record and addressing cash flow. These reports are intended to support community channels in implementing effective practices.
  - **Child saving for postsecondary education.** The Bureau is engaged in a multi-phase project to identify best and promising practices to involve lower-income and economically vulnerable consumers in saving for their children’s post-secondary education. Research has shown that starting savings for future education early in a child’s life increases the likelihood that the child will later attend and complete post-secondary education.<sup>43</sup> In the initial phase, the Bureau conducted a scan of the child savings field to identify current programs and practices, and convened practitioners and researchers in the field. In FY18 the Bureau published a report summarizing the key conversations, insights, principles and next steps identified by participants at a 2018 Child Savings Account Forum.

---

<sup>41</sup> See BCFP, *Data Point: Credit Invisibles* (May 2015), [www.consumerfinance.gov/data-research/research-reports/data-point-credit-invisibles/](http://www.consumerfinance.gov/data-research/research-reports/data-point-credit-invisibles/); see also [www.consumerfinance.gov/data-research/research-reports/who-are-credit-invisibles/](http://www.consumerfinance.gov/data-research/research-reports/who-are-credit-invisibles/); BCFP, *Data Point: Becoming Credit Visible*, [www.consumerfinance.gov/data-research/research-reports/cfpb-data-point-becoming-credit-visible](http://www.consumerfinance.gov/data-research/research-reports/cfpb-data-point-becoming-credit-visible) (June 2017).

<sup>42</sup> See Acierno, et al., *supra* note 40.

<sup>43</sup> See Elliott, William, *Small-Dollar Children’s Savings Accounts and College Outcomes*, Center for Social Development, Washington University in St. Louis (2013) at 7-9, <https://csd.wustl.edu/publications/documents/wp13-05.pdf>.

<https://www.consumerfinance.gov/data-research/research-reports/child-savings-accounts-advancing-field-better-serve-traditionally-underserved-consumers/>.

- **Tax-Time Savings.** As discussed above, the Bureau provides technical assistance and materials to Volunteer Income Tax Assistance (VITA) sites and private tax preparers that want to encourage consumer savings at tax time. The Bureau released a report of results from the 2018 tax season cohort of 68 VITA programs. The results include the savings rates achieved by people served and the best and most promising practices that the VITA programs utilized to engage consumers in saving opportunities.

<https://www.consumerfinance.gov/data-research/research-reports/child-savings-accounts-advancing-field-better-serve-traditionally-underserved-consumers/>.

Performance measure: Number of research reports on effective approaches to savings or money management. Target: 2; Actual: 0

## 2.3.4 Students and young consumers: Support informed financial choices

The Bureau works to empower students and young consumers to make informed financial choices when paying for college, repaying student debt, or making money decisions throughout their financial lives. These efforts include providing assistance to young consumers directly through the Bureau's Paying for College suite of web tools (discussed above), providing training and technical assistance to organizations that serve young consumers, and drawing insights from students and former students about their experiences with student loans.

- **Understanding student loan repayment options.** The Bureau's Paying for College suite of web tools (discussed above) seeks to improve financial security for students with student loan debt. It includes a tool that provides information and advice to help students optimize how they pay off their student loans. The tool walks people through their repayment options based on some basic information about their specific situations.
- **Support for legal services providers, law school clinics, and state and local government agencies.** In FY18, the Bureau provided resources and assistance to a range of organizational stakeholders, including colleges and universities, legal services providers, government agencies, and other organizations that work with young consumers, on their choices when paying for college and repaying student debt. This work includes training front-line providers of financial education and providing technical assistance to organizations designing programs to assist student loan borrowers.

- **Assisting student loan borrowers.** The Bureau provides direct assistance to student loan borrowers who contact the Bureau’s Private Education Loan Ombudsman.<sup>44</sup> In October 2017, the Bureau’s Student Loan Ombudsman released its FY17 annual report required under the Dodd-Frank Act, analyzing the more than 20,000 complaints received by the Bureau in the prior year from consumers with student loan debt. Consumers with student loans submitted complaints about more than 250 companies, including student loan servicers, debt collectors, private student lenders, and companies marketing student loan “debt relief.” These consumers identified a range of payment processing, billing, customer service, borrower communications, and income-driven repayment (IDR) plan enrollment problems.

[www.consumerfinance.gov/data-research/research-reports/annual-report-cfpb-student-loan-ombudsman-2017/](http://www.consumerfinance.gov/data-research/research-reports/annual-report-cfpb-student-loan-ombudsman-2017/)

### 2.3.5 Rural consumers and communities

While the Bureau’s financial education programs cut across all geographies, in FY18 the Bureau further increased its focus on the specific financial education needs of rural communities. The Bureau is doing this through its own programs and also by working with local rural organizations and national networks that serve rural communities.

- **Bureau programs.** Many of the programs discussed in this report reach rural communities across the country. For example, the Bureau’s Libraries program includes libraries in 279 rural communities; the Bureau’s work to support development of elder fraud prevention and response networks has included over 60 rural communities; *Your Money, Your Goals* implementation has included 24 state-wide coalitions that serve rural areas; the Bureau’s tax-time savings initiative has included 45 VITA coalitions serving rural areas; the Bureau’s work for servicemembers includes engaging with servicemembers at military bases, including many in rural areas.
- **Networks and outreach.** The Bureau provides programmatic support to national networks that serve rural communities. For example, the Bureau works with the USDA National Institute for Food and Agriculture Cooperative Extension Service to train rural librarians and engage with youth in the national 4-H program; has participated for the third year in the annual conference of the Association of Rural and Small Libraries; and has held teleconference listening sessions

---

<sup>44</sup> See 12 U.S.C. § 5535(c).

and online webinars that allow aging subject matter professionals in rural communities to learn about the Bureau’s educational materials.

**Performance measures**

FY18 performance measures for the Bureau’s Strategy Part 3, addressing needs for inclusion and financial security for special populations:

**TABLE 10:** NUMBER OF RESEARCH REPORTS ON EFFECTIVE APPROACHES TO SAVINGS OR MONEY MANAGEMENT

FY 2018	
Target	2
Actual	0

**TABLE 11:** NUMBER OF CITIES AND COUNTIES PROVIDED BASELINE INFORMATION ABOUT LOCAL LEVELS OF CREDIT INVISIBILITY AND POTENTIAL RESPONSES

FY 2018	
Target	15
Actual	51

**TABLE 12:** NUMBER OF LOCALITIES ENGAGED TO CREATE NETWORKS OF LAW ENFORCEMENT, FINANCIAL INSTITUTIONS, AND ADULT PROTECTIVE SERVICES TO PROTECT OLDER AMERICANS FROM FINANCIAL EXPLOITATION (NEW MEASURE)

FY 2018	
Target	4
Actual	7

**TABLE 13:** DOWNLOADS OF RECOMMENDATIONS ABOUT AGE-FRIENDLY ACCOUNT FEATURES FOR FINANCIAL INSTITUTIONS TO CONSIDER (NEW MEASURE)

FY 2018	
Target	1,000
Actual	2,101

### 3. Conclusion

Congress tasked the Bureau with substantial responsibility for improving the financial literacy of Americans. This includes educating and empowering people to make better informed financial decisions across a wide range of topics that arise in people’s financial lives; and working to foster financial security and inclusion in the financial marketplace for all. This report described how the Bureau is approaching this task, and the ways it is holding itself accountable.

In FY18, the Bureau reached 9.9 million consumers directly through digital and print resources. This includes consumers in the general population and specific populations: servicemembers, veterans, and their families; parents; college students; student loan borrowers; older Americans and their family caregivers; and traditionally underserved consumers. The Bureau also strengthened the delivery of financial education in the U.S. by providing thousands of diverse professionals with training, tools, approaches, or materials and research to use as they provide financial capability training to the people they serve in their communities. These professionals include financial educators for adults, military leaders, K-12 educators, librarians, tax preparation professionals and volunteers, local leaders, social service providers, persons serving seniors, and persons addressing the prevention of elder abuse.

Through the work described in this report, the Bureau seeks to enhance the financial capability of all Americans to make decisions about money that support their own life goals, and to help them in their efforts to build financial security and independence for themselves and their families.

# APPENDIX A: FY18 PERFORMANCE MEASURES

**TABLE 14: FY18 PERFORMANCE MEASURES**

Table #	Performance measure	Target	Actual
1	Number of people who use the Bureau's educational resources on web and in print	8.7M	9.9M
2	Percentage of Ask CFPB users who rate questions and related answers as helpful	86%	84.1%
3	Number of staff trained with local and regional organizations to assist the people that they serve with financial information	6,000	3,721
4	Number of library locations engaged to be local centers of financial education	2,000	2,106
5	Number of individuals served by financial coaching for transitioning veterans and economically vulnerable consumers (program ends March 2019)	6,000	7,860
6	Number of papers developed to increase understanding of what contributes to financial well-being that can be supported through financial education	2	2
7	Downloads by adult financial educators of tools/papers/materials	46,000	39,595
8	Launch teacher financial education platform	High school teacher platform	Launched in Q1 of FY19
9	Number of teachers reached	2,000	2,200
10	Number of research reports on effective approaches to savings or money management	2	0
11	Number of cities and counties provided baseline information about local levels of credit invisibility and potential responses	15	51
12	Number of localities engaged to create networks of law enforcement, financial institutions, and adult protective services to protect older Americans from financial exploitation	4	7
13	Downloads of recommendations about age-friendly account features for financial institutions to consider	1,000	2,101