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Financial literacy annual report



Consumer Financial
Protection Bureau

Message from Gail Hillebrand

Associate Director for Consumer
Education and Engagement



The Consumer Financial Protection Act of 2010 directs the CFPB to report annually on our activities and strategy to improve financial literacy. The CFPB's work in financial literacy is designed to enhance financial capability by educating and empowering consumers to address the types of financial decisions, opportunities, and challenges that arise throughout the financial life cycle. We intend to help people to be prepared as consumers and to equip themselves to make informed financial choices in order to reach their own life goals and to enhance their own financial well-being. We do this by offering:

- Information and tools addressing money management and other money topics.
- Ways to build skills in financial decision-making. These skills can support people as they identify and respond to the opportunities and challenges of their financial lives, build individual wealth, and prepare for ongoing and later life financial security.
- Steps to take to prepare the next generation for financial success by developing money management habits and skills for youth.

To help people to thrive in the many stages of their own financial lives, we use two main strategies. First, we provide direct-to-consumer information and online tools to help people navigate financial choices. This includes just-in-time answers to common questions, tools to assist in navigating financial decisions associated with major life changes such as borrowing to become a homeowner, and online and print publications on a wide variety of money topics. Second, we bring financial education and financial capability skill-building opportunities to the public through places where people already go in their local communities. These community

channels include military recruiters, Army ROTC host colleges and universities, libraries, workplaces, social service agencies, financial services providers, and financial educators.

We apply these strategies 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 people who are economically vulnerable. Because financial literacy should start well before adulthood, we also help others as they work to build the financial skills of the next generation. We provide 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 communities across the nation. Finally, we seek to amplify the impact of financial educators in America through research on what contributes to effective financial education and financial well-being for adults and for young people.

The CFPB's financial education efforts are reaching and serving American consumers. For example, the online resource *Ask CFPB* provides answers to common consumer questions about financial products and services. Since the CFPB began offering *Ask CFPB*, it has served more than 17 million visitors. Over 17 million CFPB print publications addressing financial topics have been distributed to librarians, financial educators, individuals, and others. Library staff in more than 1,600 communities across all 50 states have joined our project to help librarians make their libraries the go-to place for people to obtain reliable, unbiased financial education. We have also facilitated the training of more than 20,000 frontline staff and volunteers in social service agencies and other local entities across all 50 states on how to use the *Your Money, Your Goals* financial empowerment toolkit. These organizations then use the program to help the people they serve to strengthen their own money management skills.

A well-functioning marketplace for consumer financial products and services needs prepared consumers who can navigate it. A financially capable consumer is prepared to manage money, obtain and evaluate information about financial choices, set goals, make plans, and act upon those plans to serve the individual's own life goals. These actions and skills can help people to realize their own hopes and dreams. The CFPB's financial education work benefits individuals and families, strengthens the economy, and fosters a brighter future for the next generation.

Sincerely,



Gail Hillebrand

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Executive summary

An essential part of the Consumer Financial Protection Bureau’s (CFPB) mission is to empower consumers to make informed financial choices so they may reach their own life goals and enhance their own financial well-being. Many consumers face financial difficulties in their lives and studies show there are ways in which consumers could benefit from more effective habits and skills in money management in order to reach their life goals.¹ Moreover, an assessment of 15-year-olds around the world developed by the Organisation for Economic Co-operation and Development (OECD) and released in 2017 by the Department of Education showed that one in five students in the U.S. sample did not reach the baseline level of proficiency in financial literacy.² These results indicate a need for financial education in America.

The federal *National Strategy for Financial Literacy* sets the guiding vision for financial education in America as “sustained financial well-being for all individuals and families in the U.S.”³ To implement this vision and the CFPB’s financial education mission, the CFPB creates opportunities for people to obtain reliable information and tools to help them navigate the

¹ See, e.g., FINRA Investor Education Foundation, *Financial Capability in the United States 2016* (July 2016), available at usfinancialcapability.org/downloads/NFCS_2015_Report_Natl_Findings.pdf.

² See OECD, *PISA 2015 Results, Students’ Financial Literacy (Volume IV)* (2017) at 76, available at oecd.org/finance/financial-education/pisa-2015-results-volume-iv-9789264270282-en.htm.

³ See Financial Literacy & Education Commission, *Promoting Financial Success in the United States: National Strategy for Financial Literacy 2016 Update* (2016), available at treasury.gov/resource-center/financial-education/Documents/National%20Strategy%20for%20Financial%20Literacy%202016%20Update.pdf (first adopted in 2011).

money choices they face in their lives. The CFPB's resources are offered to help consumers build financial capability skills they can use to make informed financial choices and transform their choices into actions and their own desired results. In short, the CFPB works to prepare and equip consumers in their economic lives.

The CFPB implements a four-fold strategy to fulfill this vision and mission:

- Offering web and print financial education resources directly to consumers.
- Developing people's financial skills through local community resources.
- Supporting those who are building the next generation's financial skills.
- Amplifying the impact of financial educators and others who support consumers in taking charge of their financial lives.

OFFERING WEB AND PRINT FINANCIAL EDUCATION RESOURCES DIRECTLY TO CONSUMERS

In its direct-to-consumer approaches, the CFPB works to answer common questions and address common issues that people have as they make financial choices or take action to manage their financial lives. These approaches include *Ask CFPB*, which provides short answers to over 1,000 common questions about financial products and money decisions, such as what affects a credit score, and how to understand annual percentage rates. They include online money topic portals that provide easy access to key information and "how-to" guides on topics such as auto loans, credit reports and scores, debt collection, mortgage servicing, and student loans. They include a catalog of numerous print publications available for download or order at no charge that consumers can use to help manage their financial lives, such as a checklist for opening a bank or credit union account, a guide for checking a credit report, worksheets for making a budget or setting a money goal, and a disaster recovery checklist.

For larger life decisions that have a financial component, such as going to college, buying a home, and planning for retirement, the CFPB provides interactive online guides that people can use to help identify the questions to ask and the factors to consider as they navigate those decisions. The CFPB also offers guides that focus on financial issues that can impact consumers at different stages of life. Through *Money as You Grow*, the CFPB provides guides to support parents and caregivers who want to help their children to develop financial capability skills through each stage of the child's growth. Through the series of *Managing Someone Else's Money* guides, the CFPB supports 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.

DEVELOPING PEOPLE'S FINANCIAL SKILLS THROUGH LOCAL COMMUNITY RESOURCES

Complementing its efforts to reach consumers directly, the CFPB develops and supports local community channels that offer opportunities for adult consumers to obtain financial education information and to develop financial capability skills. This means that the CFPB works to integrate financial education into places people already turn to in their local communities, such as libraries, workplaces, social service organizations, military recruiters, other government agencies, and financial institutions. This approach allows the CFPB to reach and serve people more effectively, and also supports and grows the local infrastructure for financial education.

Several examples illustrate the community channel approach. Through local military recruiters and Army ROTC host colleges and universities, the CFPB has provided over 16,000 future servicemembers with training in how they can avoid mistakes that could cause future problems with their personal finances. Using a train-the-trainer approach, the CFPB has used *Your Money Your Goals* to equip social service agencies and other types of organizations and businesses in all 50 states to train over 20,000 frontline staff and volunteers to help the people they serve to identify their own financial challenges and goals and strengthen their personal money management skills to achieve their own financial goals. By providing resources and periodic training, the CFPB is supporting librarians in more than 1,600 communities across 50 states, the District of Columbia, and Puerto Rico in helping their libraries to become community hubs for financial education.

SUPPORTING THOSE WHO ARE BUILDING THE NEXT GENERATION'S FINANCIAL SKILLS

Starting financial education early with age-appropriate and relevant information gives young people more chances to develop the key building blocks of financial capability for adulthood. It also gives them the opportunity to build their financial capability before they begin making financial decisions that could affect their financial well-being for years to come. The CFPB works to increase opportunities for children and youth to develop the skills that contribute to financial capability as they grow. The CFPB is doing this by developing tools and resources for families and for community and school providers of financial education. The CFPB also offers expertise and resources to teachers and local policymakers who want to integrate financial education into K-12 classrooms.

For example, the CFPB's *Money as You Grow* webpage offers practical, age-appropriate activities and conversation starters designed to help parents and caregivers learn techniques for encouraging children to develop positive financial knowledge, skills, and attitudes. The CFPB's website also hosts the *Money as You Grow* book club, a family financial education program that uses children's books to help families talk about money-related skills. For youth educators, the

CFPB offers a resource guide that local leaders can use to advance financial education in their schools, a pedagogy teachers can use in teaching personal finance in their classrooms, and a curriculum review tool educators can use to select promising or appropriate financial education curricula to use in their classrooms.

AMPLIFYING THE IMPACT OF FINANCIAL EDUCATORS AND OTHERS WHO SUPPORT CONSUMERS IN TAKING CHARGE OF THEIR FINANCIAL LIVES

A central aspect of the CFPB's work to achieve its financial literacy mission is identifying what makes financial education effective in helping consumers in their financial lives. The CFPB pursues rigorous research to provide evidence of financial education practices that work. These research findings then inform the CFPB's work to develop practical tools and resources that financial educators can use to help consumers achieve their financial goals. The CFPB shares the research, tools, and resources broadly among financial educators and others interested in helping consumers. This approach is aligned and consistent with the *National Strategy* as called for in the Consumer Financial Protection Act of 2010. One of the core goals of the *National Strategy* is to identify and facilitate implementation of evidence-based programs and practices, in support of the *National Strategy* vision of sustained financial well-being for all individuals and families in the U.S.⁴

Four key elements of the CFPB's work to amplify effective financial education are: (1) the CFPB's foundational research on financial well-being and the factors that influence it; (2) research projects that identify and test specific practical approaches that people may find useful in handling financial decision-making challenges; (3) research projects that support innovations in financial services that can support financial capability; and (4) the CFPB's principles of effective financial education, which provide a framework financial educators can use in tailoring effective approaches for the particular adult consumers they serve.

⁴ See Financial Literacy & Education Commission, *Promoting Financial Success in the United States: National Strategy for Financial Literacy 2016 Update* (2016) at 15, 17, available at treasury.gov/resource-center/financial-literacy/Documents/National%20Strategy%20for%20Financial%20Literacy%202016%20Update.pdf. The *National Strategy* is discussed further in Section 1.2.1, below.

This report is organized as follows. Section 1, the Introduction, describes the need for financial education and the CFPB's strategy to enhance financial literacy in the U.S. Section 2 describes the CFPB's financial education initiatives. Section 3 describes the CFPB's work to amplify the impact of financial educators' work through research on what contributes to effective financial education and financial well-being: this foundational research undergirds all of the CFPB's financial literacy work. The Appendix provides a list of the CFPB's current tools and resources for consumers and for those who work with consumers. It also lists the CFPB's research reports related to financial capability and effective financial education practices.

1. Introduction

The CFPB is pleased to submit this fifth Financial Literacy Annual Report. The report describes the CFPB's ongoing financial literacy work, with an emphasis on work during October 2016 through September 2017. The Consumer Financial Protection Act of 2010 (CFPA) mandates that the Director of the CFPB submit an annual report on the CFPB's financial literacy activities and strategy to improve the financial literacy of consumers.⁵ The report is addressed to the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Financial Services of the House of Representatives. It provides an overview of the CFPB's work in this area for any interested reader.

The CFPB's mission is to make markets for consumer financial products and services work for consumers. The CFPB does this in three ways: by making rules more effective, by consistently and fairly enforcing those rules, and by empowering consumers to take more control over their economic lives. In its financial literacy work, the CFPB seeks to empower consumers to make informed financial choices to reach their own life goals and enhance their own financial well-being. The CFPB does this by creating opportunities for people to obtain financial education information and build financial capability skills that they can use to take more control over their economic lives. That work is the subject of this report.

The CFPB's financial literacy work is centered in its Division of Consumer Education and Engagement. This division includes the Office of Financial Education, the Consumer Engagement Office, and the four offices that address the financial well-being of particular

⁵ Consumer Financial Protection Act of 2010, Pub. L. No. 111-203, § 1013(d)(4), 124 Stat. 1955, 1971 (codified at 12 U.S.C. § 5493(d)(4)).

segments of consumers identified by the CFPB. These four special population offices are the Office of Servicemember Affairs, the Office for Students, the Office of Financial Protection for Older Americans (Office for Older Americans), and the Office of Financial Empowerment, which focuses on “traditionally underserved” consumers and communities. Other parts of the CFPB also contribute to the financial literacy aspect of the CFPB’s mission.

1.1 The need for financial literacy and capability

Many people in America face financial challenges. According to the Federal Reserve, nearly one in four adults in America are not able to pay all of their current month’s bills on time.⁶ The same survey found that 44 percent of adults either could not cover an emergency expense of \$400 or would cover it by selling something or borrowing money.⁷

The FINRA 2015 National Financial Capability Study illustrates ways in which consumers could benefit from more effective habits and skills in money management. Many Americans say they did not comparison shop before obtaining financial products such as a credit card.⁸ While many say they compared prices when shopping for a car, almost half of American adults surveyed say they did not compare loan prices or terms before taking an auto loan.⁹ According to FINRA, the study findings suggest that many student loan borrowers did not

⁶ See Board of Governors of the Federal Reserve System, *Report on the Economic Well-Being of U.S. Households in 2016* (May 2017) at 2, available at [federalreserve.gov/publications/files/2016-report-economic-well-being-us-households-201705.pdf](https://www.federalreserve.gov/publications/files/2016-report-economic-well-being-us-households-201705.pdf).

⁷ See Board of Governors of the Federal Reserve System, *Report on the Economic Well-Being of U.S. Households in 2016* (May 2017) at 264, available at [federalreserve.gov/publications/files/2016-report-economic-well-being-us-households-201705.pdf](https://www.federalreserve.gov/publications/files/2016-report-economic-well-being-us-households-201705.pdf).

⁸ See FINRA Investor Education Foundation, *Financial Capability in the United States 2016* (July 2016) at 22, available at [usfinancialcapability.org/downloads/NFCS_2015_Report_Natl_Findings.pdf](https://www.usfinancialcapability.org/downloads/NFCS_2015_Report_Natl_Findings.pdf).

⁹ 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, available at [federalreserve.gov/2015-report-economic-well-being-us-households-201605.pdf](https://www.federalreserve.gov/2015-report-economic-well-being-us-households-201605.pdf).

fully understand what they were getting into when they took out their loans.¹⁰ A majority of student loan borrowers said they did not try to estimate monthly payments when obtaining their most recent student loan, and a majority said that if given the chance to do it all over again they would take a different course of action. More than half of American adults surveyed in the FINRA study indicated they had not tried to figure out how much they need to save for retirement.¹¹ The FINRA study also found that many American adults use credit in ways that increase the cost of that credit.¹²

Not surprisingly, the need for financial literacy and capability is apparent for youth as well as adults. An assessment of the financial literacy of 15-year olds in countries around the world released in May 2017 by the Organisation for Economic Co-operation and Development (OECD) found that students in the U.S. ranked between seventh and ninth in financial literacy among the 15 participating OECD countries and economies. For the U.S. sample, 21.6 percent, or just over one in five 15-year olds, did not reach the baseline level of proficiency in financial literacy.¹³ The assessment is called the Programme for International Student Assessment (PISA).¹⁴

Research released by the CFPB in 2013 found that the amount spent in the U.S. on financial education of all types is dwarfed by the amount spent on consumer financial marketing. For every dollar spent on financial education in a year, \$25 is spent on consumer financial

¹⁰ See FINRA Investor Education Foundation, *Financial Capability in the United States 2016* (July 2016) at 23, available at usfinancialcapability.org/downloads/NFCS_2015_Report_Natl_Findings.pdf.

¹¹ See FINRA Investor Education Foundation, *Financial Capability in the United States 2016* (July 2016) at 3, available at usfinancialcapability.org/downloads/NFCS_2015_Report_Natl_Findings.pdf.

¹² These costly ways include paying only the minimum amount due each billing cycle, making late payments, thereby triggering late fees, or using the cards for cash advances and other costly nonbank borrowing methods. See FINRA Investor Education Foundation, *Financial Capability in the United States 2016* (July 2016) at 31, available at usfinancialcapability.org/downloads/NFCS_2015_Report_Natl_Findings.pdf.

¹³ See OECD, *PISA 2015 Results, Students' Financial Literacy (Volume IV)* (2017) at 71, available at oecd.org/finance/financial-education/pisa-2015-results-volume-iv-9789264270282-en.htm.

¹⁴ Recognizing the growing importance of and need for financial literacy in the current financial marketplace, financial literacy was added as an assessment subject in 2012 and again in 2015, alongside the traditionally assessed subjects of reading, math, and science. See OECD, *PISA 2015 Results, Students' Financial Literacy (Volume IV)* (2017) at 3, available at oecd.org/finance/financial-education/pisa-2015-results-volume-iv-9789264270282-en.htm.

marketing.¹⁵ These results highlight the need for high-quality sources of unbiased financial information and effective, scalable methods for providing financial education to consumers.

1.2 The CFPB's financial literacy strategy

As noted above, a central goal of the CFPB's work is to empower consumers to make informed financial choices that support their ability to reach their own life goals and enhance their own financial well-being. Throughout their lives, consumers make financial choices to provide for themselves and their families, achieve financial security and independence, build wealth, and prepare future generations for success. Through its financial literacy efforts, the CFPB seeks to prepare and equip consumers in their financial lives and to support them in their individual aspirations. The CFPB works to create opportunities for people to obtain the financial education information and build the financial capability skills they can use to make informed financial choices and transform their choices into actions and the results they desire in their own lives.

The CFPB has a four-fold strategy to achieve this goal:

- Offering web and print financial education resources directly to consumers.
- Developing people's financial skills through local community resources.
- Supporting those who are building the next generation's financial skills.
- Amplifying the impact of financial educators and others who support consumers in taking charge of their financial lives.¹⁶

¹⁵ See CFPB, *Navigating the Market: A comparison of spending on financial education and financial marketing* (Nov. 2013), available at consumerfinance.gov/data-research/research-reports/navigating-the-market/.

¹⁶ This financial literacy strategy is reflected in goal two of the CFPB's strategic plan, which is to empower consumers to live better financial lives. See CFPB, *Consumer Financial Protection Bureau Strategic Plan FY 2013 - FY 2017* (Apr. 2013) at 16-23, available at consumerfinance.gov/strategic-plan/#goal2.

In implementing this strategy, the CFPB works to address the needs and challenges of consumers in various stages of their financial lives, as well as the needs and challenges of specific consumer populations. These populations include students pursuing higher education and young adults; servicemembers, veterans, and their families; older adults and their caregivers; people who are economically vulnerable; people with limited English proficiency; and people with disabilities.

Direct-to-consumer approaches

In its direct-to-consumer approaches, the CFPB offers digital and print resources and tools that focus on providing just-in-time answers to questions that may arise for consumers as they make financial choices or take action to manage their financial lives. This includes answers to frequently asked questions about issues such as what affects a credit score or what is an annual percentage rate. The CFPB's resources and tools include information on things such as fixing credit reports, working with debt collectors, or setting a savings goal. They also address financial questions that may arise for specific populations such as new military recruits, older adults, parents and caregivers of children, and students and younger consumers.

In addition to just-in-time answers to consumers' money questions, the CFPB provides guides that equip consumers to navigate the financial aspects of large, multi-step decisions such as paying for college, buying a home, financing an auto, and retiring. The CFPB also provides guides to support parents and caregivers of growing children seeking to help their children to develop financial capability skills through each stage of their growth; and to support 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.

Community-based approaches

In its community-based approaches, the CFPB brings financial education and financial capability into consumers' lives through places they already turn to in their local communities. The CFPB offers expertise and resources through a broad range of community channels, including:

- Teachers and local policymakers who want to integrate financial education into K-12 classrooms;
- Workplaces that want to help their employees achieve better financial health;
- Librarians who want to help their patrons with financial questions;

- Tax preparers who want to help their clients to build savings;
- Military recruiters and Army ROTC host colleges and universities that want to help future servicemembers learn to avoid financial problems;
- Frontline staff and volunteers in social service agencies and other entities who want to help those they serve to develop money management skills or to address financial challenges they may face;
- Financial services providers who want to help consumers better understand their financial situation or particular financial decisions; and
- Financial educators who help consumers develop the knowledge and financial capability skills to manage their financial lives and reach their goals.

Supporting those who are building the next generation's financial skills

The CFPB works to prepare the next generation for financial well-being by providing tools and resources and building the knowledge and confidence of parents, caregivers, and teachers to help children develop the building blocks of financial capability. The CFPB also works to support educators and others seeking to help children and youth to develop financial capability and skills by providing them with information and resources to use as they implement financial education in their communities.

Amplifying the impact of financial education

The CFPB analyzes, implements, and encourages adoption of financial education practices that work. This approach is aligned and consistent with the U.S. *National Strategy for Financial Literacy (National Strategy)* as called for in the CFPA.¹⁷ One of the core goals of the *National Strategy* is to identify and facilitate implementation of evidence-based programs and practices,

¹⁷ See Financial Literacy & Education Commission, *Promoting Financial Success in the United States: National Strategy for Financial Literacy 2016 Update* (2016), available at [treasury.gov/resource-center/financial-literacy/Documents/National%20Strategy%20for%20Financial%20Literacy%202016%20Update.pdf](https://www.treasury.gov/resource-center/financial-literacy/Documents/National%20Strategy%20for%20Financial%20Literacy%202016%20Update.pdf) (first adopted in 2011).

in support of the *National Strategy* vision of sustained financial well-being for all individuals and families. This work includes: conducting foundational research to increase and measure the effectiveness of financial education; conducting research to identify effective practical approaches to consumer financial challenges; supporting innovation in financial services that support consumer financial capability and financial well-being; and disseminating the knowledge obtained to advance financial education and capability.

The CFPB has worked to define financial well-being as the ultimate goal of financial education efforts of all kinds. The CFPB's foundational research in financial well-being provides a means to measure the success of financial education efforts and identify what factors can support people in achieving financial well-being. Based on this research, the CFPB offers actionable strategies that financial educators, other community-based institutions and organizations, industry, and others can use in their work to help consumers build the financial capability that can support their own life goals.

1.2.1 Alignment with the FLEC National Strategy

The CFPB's strategy to improve the financial literacy of consumers has been informed by its work with the Financial Literacy and Education Commission (FLEC, or the Commission). Congress established the Commission in 2003 with the mandate to improve the financial literacy and education of Americans and to coordinate financial education efforts in the federal government through, among other things, the development of a national strategy to promote financial literacy and education.¹⁸ The Commission comprises representatives from 22 federal agencies and the White House Domestic Policy Council.¹⁹ The Commission provides a forum through which the CFPB and its fellow members can collaborate and coordinate their diverse work to enhance financial literacy and capability, and share approaches, research findings, and knowledge to inform that work.

¹⁸ 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).

¹⁹ 20 U.S.C. § 9702(c); see Department of the Treasury, *Resource Center: Financial Literacy and Education Commission*, treasury.gov/resource-center/financial-education/Pages/commission-index.aspx.

By statute, the Commission is chaired by the Secretary of the Treasury and the CFPB's Director serves as Vice-Chair.²⁰ The CFPB is also an active member of the Commission's committees.²¹ In these capacities and in its own work, the CFPB is engaged in furthering the U.S. *National Strategy for Financial Literacy (National Strategy)*.²² The *National Strategy* establishes a guiding vision of "sustained financial well-being for all individuals and families in the United States" and identifies four goals to help move the nation toward that guiding vision. The strategy was updated in 2016, with this vision and goals remaining in place. The CFPB's financial education work reflects this vision and goals.²³

The first goal of the *National Strategy* is to "increase awareness of and access to financial education." To that end, the CFPB seeks to provide individuals and families with access to reliable, clear, timely, relevant, and effective financial education information and other resources. The CFPB disseminates these resources directly and through many other channels, such as schools, employers, libraries, financial educators, military recruiters, social workers, financial services providers, and others who serve consumers.

The second goal of the *National Strategy* is to "determine and integrate core financial competencies." Core competencies are basic topic areas in financial management: earning,

²⁰ 20 U.S.C. § 9702(d); see Department of the Treasury, *Resource Center: Financial Literacy and Education Commission*, treasury.gov/resource-center/financial-education/Pages/commission-index.aspx.

²¹ These committees are the Financial Capability, College and Career Readiness for Young People Committee, Starting Early for Financial Stability and Long-Term Savings & Investing Committee, and Research and Evaluation Committee.

²² See Financial Literacy & Education Commission, *Promoting Financial Success in the United States: National Strategy for Financial Literacy 2016 Update* (2016), available at treasury.gov/resource-center/financial-education/Documents/National%20Strategy%20for%20Financial%20Literacy%202016%20Update.pdf; Financial Literacy & Education Commission, *Promoting Financial Success in the United States: National Strategy for Financial Literacy 2011*, available at [treasury.gov/resource-center/financial-education/Documents/NationalStrategyBook_12310%20\(2\).pdf](https://treasury.gov/resource-center/financial-education/Documents/NationalStrategyBook_12310%20(2).pdf).

²³ In 2016, the CFPB worked with the Department of the Treasury and the other Commission members to update the *National Strategy*. The update highlights progress in financial education since the release of the *National Strategy* in 2011; and the actions the Commission has taken to advance financial literacy through policy, education, practice, research, and coordination, and next steps in these areas. Financial Literacy & Education Commission, *Promoting Financial Success in the United States: National Strategy for Financial Literacy 2016 Update* (2016), available at treasury.gov/resource-center/financial-education/Documents/National%20Strategy%20for%20Financial%20Literacy%202016%20Update.pdf.

spending, saving and investing, borrowing, and protecting. The CFPB provides online guides and informational resources, such as *Ask CFPB*, *Money as You Grow*, *Paying for College*, *Owning a Home*, *Planning for Retirement*, and *Getting an Auto Loan* on its website, as well as a catalog of print publications available for download and order. These resources can help consumers develop and enhance their knowledge and skills in these core areas of managing their personal finances.

The third goal of the *National Strategy* is to “improve financial education infrastructure.” The CFPB works with other governmental, private, and nonprofit organizations to reach consumers in their communities. In this way, the CFPB helps to develop or enhance existing infrastructure for delivering financial education to diverse constituencies. For example, the CFPB has a youth employment pilot with the Department of Labor, called Youth Employment Success (YES). This pilot provides technical assistance to municipal youth employment programs for capacity-building activities around financial capability. Since 2015, the local entities that are part of the YES collaboration have provided timely financial education to over 20,000 young workers as they receive their first paychecks. The CFPB also supported the infrastructure goal through its resource guide, *A Guide for Advancing K-12 Financial Education*, updated in 2017, which financial education leaders can use to advance financial education in their local schools.

The fourth goal of the *National Strategy* is to “identify, enhance, and share effective practices.” The CFPB conducts rigorous research and evaluation of financial education approaches and shares the results of this research widely to support implementation of evidence-based programs and practices. For example, to support the *National Strategy* vision and growing consensus that individual financial well-being is the ultimate goal of financial literacy, the CFPB has examined how children and youth develop the skills, attitudes, and habits that lay the foundation for financial well-being later in life, and has translated the developmental model identified in the research into practical information for use by teachers and parents.²⁴ In 2016-

²⁴ See CFPB, *Building Blocks to Help Youth Achieve Financial Capability: A new model and recommendations* (Sept. 2016), available at consumerfinance.gov/data-research/research-reports/building-blocks-help-youth-achieve-financial-capability/; CFPB, *Money as You Grow*, consumerfinance.gov/educational-resources/money-as-you-grow/.

2017, the CFPB released the results of several research projects, including approaches to managing money, the impact of financial services provider innovations on savings, and ways to improve decision-making about managing funds in retirement.²⁵ The CFPB also released a report entitled *Effective financial education: Five principles and how to use them*, which offers a framework for effective financial education derived from the CFPB's effective practices research.²⁶

Consideration of the feasibility of designations for qualified institutions

The CFPB has consulted with FLEC regarding the feasibility of a designation for qualified institutions such as universities, state and local educational agencies, nonprofit agencies, and financial institutions as centers of excellence to develop and implement effective financial literacy programs. For example, a 2015 FLEC report surveyed existing campus-based and non-campus-based financial education programs for postsecondary students.²⁷

In 2015, the CFPB and FLEC members also discussed examples of centers of excellence within existing federal programs, potential criteria for such centers, and examples of universities and organizations already doing important work around financial literacy. A 2011 study and report by the Government Accountability Office (GAO) on the feasibility of certifying organizations that provide financial literacy programs underscored the challenges and resource costs that would be involved.²⁸ The report concluded that such a process would likely pose its own significant

²⁵ See CFPB, *Consumer insights on managing spending* (Feb. 2017), available at consumerfinance.gov/f/documents/201702_cfpb_Consumer-Insights-on-Managing-Spending.pdf; CFPB, *Consumer insights on managing funds at the time of retirement* (June 2017), available at consumerfinance.gov/data-research/research-reports/consumer-insights-managing-funds-retirement/.

²⁶ See CFPB, *Effective financial education: Five principles and how to use them* (June 2017), available at consumerfinance.gov/data-research/research-reports/effective-financial-education-five-principles-and-how-use-them/.

²⁷ See Financial Literacy & Education Commission, *Opportunities to Improve the Financial Capability and Financial Well-being of Postsecondary Students* (2015), available at treasury.gov/resource-center/financial-education/Documents/Opportunities%20to%20Improve%20the%20Financial%20Capability%20and%20Financial%20Well-being%20of%20Postsecondary%20Students.pdf.

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

challenges, including burden and cost on the covered institutions and agencies.²⁹ The report recognized the difficulty of creating a single process for certifying such a diverse field.³⁰

The CFPB works to serve and strengthen the broad field of financial education by pursuing a rigorous program of research to provide evidence of financial education practices that work and sharing research and effective practices among financial educators and others, as discussed in Section 3 of this report. Further, the CFPB has created a network through which financial education practitioners can share information and learn more about ways they can apply the CFPB's research findings, consumer tools, and other resources to their day-to-day work with consumers, as discussed in Section 2.2.5, below. The CFPB also continues to work with FLEC members to share ideas and best practices for standards of quality for the financial education field.

²⁹ *Id.*; see 12 U.S.C. § 5493(d)(7).

³⁰ A Department of Education effort to rate colleges encountered similar challenges. The Department opted in favor of putting information and tools in the hands of consumers and others so they can make informed comparisons and choices, and developing meaningful metrics to measure outcomes. See Department of Education, *Helping families navigate their higher education options* (June 2015), blog.ed.gov/2015/06/helping-families-navigate-their-higher-education-options/-families-navigate-their-higher-education-options/.

2. Empowering consumers to make informed financial choices

The CFPB's financial education efforts are designed to prepare and equip consumers in their financial lives. A guiding principle of effective financial education is that efforts should be tailored to consumers' circumstances, including their particular financial challenges, goals, and situational factors.³¹ The CFPB offers a broad range of resources and programs that people can use to reach their financial goals and build their financial well-being, both directly and through community channels that serve consumers. Through this dual approach, the CFPB aims to meet the great range of consumers and needs in consumers' financial lives. These initiatives are discussed below.

2.1 Consumer guides and tools to build knowledge and skills

Financial education information can be most effective when it is delivered in ways that are actionable, relevant, and timely. Often, this means providing information when it is connected

³¹ See CFPB, *Effective financial education: Five principles and how to use them* (June 2017) (Principle 1), available at consumerfinance.gov/data-research/research-reports/effective-financial-education-five-principles-and-how-use-them/.

to an upcoming decision that matters to people, at the time when they can put it to use, with concrete steps they can follow. Beyond having information, the CFPB also has identified certain skills that can help people apply what they know to make individual financial decisions: knowing how to do financial research, how to make a plan, how to put that plan into action, and how to sustain the intended action through managing ongoing money matters.

In accordance with these principles, the CFPB has developed resources to provide consumers with impartial just-in-time answers to money questions and to prepare and equip them to navigate the financial decisions and challenges that ultimately can impact their ability to achieve their own life goals. The CFPB's website, consumerfinance.gov, and a catalog of print publications available for download or order are two key delivery mechanisms for direct-to-consumer financial education. Highlights of these resources are described below.

2.1.1 Just-in-time answers to money questions

The CFPB offers resources that focus on providing just-in-time answers to questions that may arise for consumers as they make financial choices or take action to manage their financial lives.

Ask CFPB, money topic portals, consumer advisories

In March 2012, the CFPB launched *Ask CFPB*, a resource that gives consumers short answers to over 1,000 common questions about financial products or money decisions. Since then, *Ask CFPB* has served more than 17 million web users, with over 5 million in FY17 alone. *Ask CFPB* provides answers on topics including credit cards, debt collection, mortgages, student loans, auto loans, bank accounts, and credit reports. *Ask CFPB* is available at consumerfinance.gov/askcfpb/. Consumers can navigate *Ask CFPB* by typing in search terms or choosing a financial product category and subcategory.

For most of the topics mentioned above, consumerfinance.gov now includes money topic portals that organize the content from *Ask CFPB* and related materials into accessible, easy-to-understand sections. These sections include getting started, common issues, key terms, and “how-to” guides that consumers can use to connect their knowledge to taking action. Consumers also can get information about financial issues applicable to specific populations, such as servicemembers and veterans, students, older adults, or parents. Answers to common questions also are available in Spanish, at consumerfinance.gov/es/obtener-respuestas/.

The CFPB also offers consumer advisories and blogs that provide help with particular consumer financial issues or challenges. For example, in September 2017 the CFPB issued a series of

advisories in the wake of the Equifax data breach affecting millions of Americans, explaining steps consumers can take to protect themselves and their credit from identity theft; and a financial toolkit for victims of hurricanes Maria, Irma, and Harvey, which are discussed further in the Appendix under *Consumer advisories*. These advisories and others can be found by going to consumerfinance.gov/about-us/blog/, clicking “show” in the Filter Posts box, and choosing the topic “consumer advisory.”

Service to the public in Spanish and other languages

According to 2016 census data, 40 million people in the U.S. speak primarily Spanish at home.³² To better serve this population, the CFPB offers *CFPB en Español*. This set of web resources provides Spanish-speaking consumers a portal to the CFPB’s most-used consumer resources available in Spanish. *CFPB en Español* is available at consumerfinance.gov/es/. The CFPB’s website also includes selected financial education resources in Chinese, Vietnamese, Korean, Tagalog, Russian, Arabic, and Haitian Creole. These are available at consumerfinance.gov/language/.

Financial well-being questionnaire

This consumer tool allows people to answer 10 questions and see a financial well-being score. People can compare their score to national averages, overall and by age, income, and employment status, and see selected resources that may help them to address money issues that support their own life goals. The tool is available at consumerfinance.gov/consumer-tools/financial-well-being/.

³² U.S. Census Bureau, *2016 American Community Survey 1-Year Estimates, Table S1601: Language Spoken at Home* (2016), available at https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_16_1YR_S1601&prodType=table.

2.1.2 Consumer guides for navigating financial decisions and life stages

The CFPB offers a robust set of consumer guides on consumerfinance.gov. Consumers can use these guides to help them navigate big life decisions with a financial component. These guides include *Paying for College*, *Getting an Auto Loan*, *Owning a Home*, and *Planning for Retirement*. Each guide is discussed in more detail below. The CFPB also has developed guides to support people in different life stages, such as the CFPB's *Money as You Grow* resources for parents and caregivers of growing children (discussed in Section 2.3, below) and the *Managing Someone Else's Money* series of guides for the millions of Americans who are financial caregivers for someone who is unable to manage money, pay bills, or make their own financial decisions (discussed in Section 2.7, below).

Paying for College

Paying for College is a guide that students and families can use when evaluating their options for financing a higher education. The resources address the entire life cycle of financing college, from shopping for a loan through assessing options to repay student loan debt after graduation. These *Paying for College* resources, described further below, are available at consumerfinance.gov/paying-for-college/.

STUDENT FINANCIAL GUIDES

- ***Choosing a loan*** helps students and families understand their options for financing the cost of college. This resource helps consumers to make informed choices by providing a plain-language explanation of the terms, conditions, future costs, and risks of different financing options. A printable one-page action sheet details steps that students and families can take to evaluate financing options.
- ***Student banking: Managing your college money*** provides guidance for current and prospective college students through what may be their first major set of choices in the financial services marketplace. Users can learn about financial aid disbursement options, bank accounts, and the costs and risks of different options for receiving financial aid or loan funds even before they get to campus.

COMPARE FINANCIAL AID OFFERS

Compare financial aid offers allows prospective students to make apples-to-apples comparisons among financial aid offers from different colleges and universities. Users can take the financial

aid offer letters provided by their schools and build a personalized comparison of future costs of particular college and financial aid package choices, including an estimate of the monthly payment upon graduation that would be required to pay back the combined types of student loans. The tool uses data from the Department of Education to fill in information that may not be included in the applicant's financial aid offer letter, giving users a more complete picture of their options.

REPAY STUDENT DEBT

Approximately 44 million Americans collectively owe more than \$1.4 trillion in federal and private student loan debt.³³ Many student loan borrowers are eligible for alternative repayment plans and other consumer protections. *Repay student debt* walks users through a series of questions and identifies a set of repayment options based on their answers. Borrowers can learn about repayment options that may lower their monthly payment or provide short-term relief if they are facing financial difficulties. Borrowers in default can learn about options that might hold the key to repairing their credit, going back to school, or bringing their loans back into good standing.

Repay student debt also features sample letter or message text that student loan borrowers can send to their student loan servicers for specific purposes. These purposes include seeking a lower monthly payment on a private student loan due to financial distress, requesting that a cosigner be released from a private student loan obligation, and directing a student loan servicer on how to apply a prepayment.³⁴

³³ See Department of Education, *Federal Student Aid Portfolio Summary*, available at studentaid.ed.gov/sa/sites/default/files/fsawg/datacenter/library/PortfolioSummary.xls.

³⁴ See CFPB, *Struggling private student loan borrowers are still searching for help* (2014), consumerfinance.gov/about-us/blog/struggling-private-student-loan-borrowers-still-searching-for-help/; CFPB, *Consumer advisory: Co-signers can cause surprise defaults on your private student loans* (2014), consumerfinance.gov/about-us/blog/consumer-advisory-co-signers-can-cause-surprise-defaults-on-your-private-student-loans/; CFPB, *Consumer advisory: Stop getting sidetracked by your student loan servicer* (2013), consumerfinance.gov/about-us/blog/consumer-advisory-stop-getting-sidetracked-by-your-student-loan-servicer/.

Getting an Auto Loan

Automobile lending is the third largest category of household debt for consumers in America, after mortgages and student loans.³⁵ In June 2016, the CFPB launched an online guide consumers can use in making informed auto financing decisions. The guide seeks to empower consumers to 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. The guide is available at consumerfinance.gov/consumer-tools/getting-an-auto-loan/.³⁶ This webpage also includes *Take control of your auto loan: A step-by-step guide*, which provides more detail on navigating the auto financing process in a downloadable format; and an *Auto loan worksheet*, which is a downloadable form that consumers can use to compare loan offers, see the total cost of a loan, and negotiate the best deal on an auto loan. Additional auto loan resources are available at consumerfinance.gov/consumer-tools/auto-loans/.

Owning a Home

Recent research shows that close to half of consumers do not shop before taking out a mortgage; they “seriously consider” only one lender. The result is that consumers end up paying a sizable amount more for their mortgage for each year they are making their mortgage payments.³⁷ *Owning a Home* is a guide to educate, support, and empower consumers to make more informed decisions throughout the mortgage process. It includes information, tips, and action

³⁵ See CFPB, *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), available at newyorkfed.org/medialibrary/interactives/householdcredit/data/pdf/HHDC_2015Q4.pdf.

³⁶ The guide is grounded in research, including consumer focus groups and analysis of over 2,000 consumer complaints, on how consumers approach the auto financing decision and what challenges they face in navigating the process. See CFPB, *Consumer Voices on Automobile Financing* (June 2016), available at consumerfinance.gov/data-research/research-reports/consumer-voices-automobile-financing/.

³⁷ 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 CFPB, *Consumers' mortgage shopping experience: A first look at results from the National Survey of Mortgage Borrowers* (2015), available at consumerfinance.gov/data-research/research-reports/consumers-mortgage-shopping-experience/.

steps that people can use from the beginning of the process when they are preparing to borrow to buy a home, through closing when they sign for their mortgage loan. The *Owning a Home* guide includes several sections:

- ***Prepare to shop*** provides action steps that people can take before shopping for a home and a mortgage to set themselves up for success. These include steps to check credit, assess finances, and set a home-price budget. *Prepare to shop* is available at consumerfinance.gov/owning-a-home/process/prepare/.
- ***Explore loan choices*** is a consumer guide to the basics of mortgage loans and the key elements of a home loan, such as loan term, loan type, and interest rate type. Knowing about the kinds of loan options can prepare a consumer for talking to lenders and getting the best deal. This feature is available at consumerfinance.gov/owning-a-home/process/explore/.
- ***Compare loan offers*** provides a guide to the steps to get and compare Loan Estimates from different lenders. A Loan Estimate is a standardized form that tells consumers important details about their loan offer. The feature explains what to look for when comparing loan offers and is available at consumerfinance.gov/owning-a-home/process/compare/.
- ***Get ready to close*** provides consumers with action steps for the closing phase of their mortgage journey. It includes a closing checklist and a guide to key closing documents. Both resources are available at consumerfinance.gov/owning-a-home/process/close/ under action step 6, *Review documents before closing*.

The *Owning a Home* guide is complemented by the CFPB's consumer information booklet *Your home loan toolkit*, which is described below.

HOME LOAN TOOLKIT

The CFPB offers a consumer information booklet, *Your home loan toolkit: A step-by-step guide (Toolkit)*. The *Toolkit* offers information about key steps in preparing for, understanding,

shopping for, and closing on a mortgage. Lenders can provide the *Toolkit* to consumers to satisfy the requirement under the Real Estate Settlement Procedures Act that lenders provide a special information booklet to home loan applicants, and help consumers better understand the nature and costs of real estate settlement services.³⁸

The *Toolkit* contains worksheets, checklists, research tips, terms, and conversation starters to prepare homebuyers so they can shop with confidence for the home loan that suits their needs. It includes a sample closing disclosure to help homebuyers become comfortable with the document. The *Toolkit* provides an opportunity to provide educational information at a time when consumers are entering into a major financial transaction.³⁹ The *Toolkit* is available in print-ready and web-ready versions, in English and Spanish, at consumerfinance.gov/learnmore/ under the heading Real Estate Settlement Procedures Act (RESPA).

HOUSING COUNSELOR RESOURCE AND TOOL

In connection with CFPB rules that provide various rights and protections to consumers who already have home mortgages, the CFPB developed a detailed resource for housing counselors who help consumers who are already borrowers struggling with their mortgage. *Help for Struggling Borrowers* is available at consumerfinance.gov/f/201402_cfpb_mortgages_help-for-struggling-borrowers.pdf. The CFPB also developed a tool that both lenders and consumers can use to generate a list of 10 housing counseling agencies in the consumer's geographic area that are approved by the Department of Housing and Urban Development (HUD). The tool can be found at consumerfinance.gov/find-a-housing-counselor/. The CFPB published the tool in

³⁸ See 12 U.S.C. § 2604(a); 12 C.F.R. § 1024.6. In addition to the special information booklet, the CFPB has responsibility for two other informational publications that lenders are required to deliver to consumers when they apply for these loans: *Shopping for your home loan: Consumer handbook on adjustable-rate mortgages* (CHARM); and *What you should know about home equity lines of credit* (HELOC). These publications and the *Toolkit* are available at consumerfinance.gov/learnmore/.

³⁹ According to Home Mortgage Disclosure Act data, 13.9 million loan applications were made in 2016. See Federal Financial Institutions Examination Council, *Federal Financial Institutions Examination Council Announces Availability of 2016 Data on Mortgage Lending* (Sept. 28, 2017), consumerfinance.gov/about-us/newsroom/ffiec-announces-availability-2016-data-mortgage-lending/.

open source code so lenders, as well as their vendors and developers, can design applications that incorporate HUD's housing counselor data.

Planning for Retirement: Before you claim

Each year, more than 2 million people make the important financial decision about when to claim Social Security retirement benefits. Many people start collecting benefits at the earliest possible age without understanding that claiming early may reduce their total lifetime payments, and thereby decrease their financial security in retirement. *Planning for Retirement* is an interactive online guide to help people make an informed decision about when to claim Social Security. The guide 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. The guide is available in English at consumerfinance.gov/retirement/before-you-claim/ and in Spanish at consumerfinance.gov/retirement/before-you-claim/es/. The guide has these features:

- ***Estimates of Social Security benefits at different claiming ages:*** The guide allows people to get estimates of their monthly benefits at different claiming ages between age 62 and age 70, based on current formulas from the Social Security Administration (SSA). The user does not have to supply or tap into his or her actual earnings record.
- ***Cumulative value of Social Security retirement benefits:*** By selecting different claiming ages consumers can use this feature to see how the one-time decision may affect them in the long run. The guide shows the estimated cumulative value of benefits by age 85. People can see that waiting several years to begin claiming their monthly benefits can result in more money each year later in life.
- ***Impact of different life factors on Social Security benefits:*** The guide provides tips to help users consider the relationship between a claiming age and other related factors, such as marital status, other expected sources of income, plans for working after age 60, and general expectations of longevity.

2.1.3 Publications

The CFPB offers print publications that provide unbiased, up-to-date information about a broad range of common financial issues. These publications include brochures about checking a credit report, setting and budgeting for goals, choosing and opening checking accounts, saving at tax

time, how to avoid foreclosure, what to do if unable to pay credit card bills, and many other topics. The CFPB makes many of these resources available in Spanish, and some in eight other languages, and provides them for download or bulk ordering at pueblo.gpo.gov/CFPBPubs/CFPBPubs.php. A list of current publications is provided in [Appendix A](#).

Between October 2016 and September 2017, the CFPB distributed over 5 million copies of its publications addressing financial topics. Among the most-ordered publications during that period were two financial education placemats focused on helping older adults avoid being defrauded, *Behind on Bills* action booklet, *My new money goal* worksheet, *Understand your credit score*, and *Check your credit report at least once a year*. Roughly 1.9 million of these publications, or 40 percent, were ordered by libraries to provide to their patrons. Since the CFPB's inception, more than 17 million of the CFPB's publications have been distributed to individuals, libraries, financial educators, and others.

2.2 Reaching consumers in their communities

The CFPB seeks to make it easier for people to access financial education in their local communities and to foster a lasting financial education infrastructure. An important way to do this is by integrating financial education into trusted and established community channels. These are places consumers already go in their communities, such as libraries, workplaces, social service agencies, and financial institutions. These community channels also include financial education practitioners and organizations, which play a key role in communities by supporting consumers in their financial lives. This section describes the CFPB's programs for community channels that are meant to serve a broad swath of the American public. Some of the CFPB's community-based approaches tailored for specific populations – servicemembers, veterans and their families, older adults, students and young adults, youth, and people who are

economically vulnerable— are highlighted in Section 2.2.6, below, and discussed more fully in the sections of the report addressing the CFPB’s work for particular populations.

2.2.1 Libraries

Libraries are highly trusted as a source of information. They also serve consumers effectively in times of economic stress.⁴⁰ These factors make libraries natural community channels for financial education. The CFPB’s libraries initiative has become a centerpiece of its efforts to reach consumers through those channels.

Since July 2014, the CFPB has worked to help libraries across the country become community hubs for financial education, and thereby increase consumers’ access to reliable, unbiased financial education information and resources in their own communities. As of September 2017, the CFPB was supporting library staff through publications and periodic training on financial education topics in more than 1,600 communities across 50 states, the District of Columbia, and Puerto Rico. The CFPB also provides financial education programming ideas and support for librarians who may choose to implement these ideas locally. The CFPB offers suggestions on how to provide unbiased programs and resources, and suggestions for organizations in the libraries’ communities that can provide services for library patrons such as free credit counseling and free financial planning services.

Librarians’ perspectives and input inform this project. The CFPB consults with librarians to learn about their interests, capabilities, and constraints. The CFPB obtains librarians’ views about what types of programs would serve their patrons’ needs and be realistic for libraries to implement. In implementing this project the CFPB also works with organizations and other

⁴⁰ See, e.g., Pew Research Center, *How Americans Value Public Libraries in Their Communities* (2013) at 18-19, 23, available at libraries.pewinternet.org/files/legacy-pdf/PIP_Libraries%20in%20communities.pdf.

federal agencies that have relationships with libraries and have a presence in local communities.⁴¹

Participating libraries include public, academic, law, government, and school libraries, as well as libraries on military bases and Native American tribal lands. Resources for libraries include program ideas, training, display materials, and a list of CFPB print publications available for order at no charge, and curated especially for libraries. These are available at consumerfinance.gov/library-resources/.

2.2.2 Workplaces

Employees who are going through financial stress are more likely to take time away from work, use retirement savings for non-retirement purposes, and report experiencing health issues caused by financial stress, just to name a few of the possible consequences.⁴² These effects of financial stress are costly for employers. Beyond the bottom-line costs, many employers also understand the human toll of financial stress and are looking for ways to help their employees.

Research has shown that meaningful improvements in employees' financial well-being can be achieved when employers provide straightforward, cost-effective financial education resources to employees.⁴³ For example, many employers provide their employees with retirement benefits. This positions workplaces to be an effective channel for providing timely financial education information and resources that consumers can use when making the complex choices involved

⁴¹ These organizations include the FINRA Investor Education Foundation, the American Library Association, the Association of Rural and Small Libraries, Chief Officers of State Library Agencies, the Institute of Museum and Library Services, the Federal Reserve Bank of Chicago, the National Foundation for Credit Counseling, the Foundation for Financial Planning, and the National Endowment for Financial Education, as well as other federal agencies such as the Department of Agriculture National Institute of Food and Agriculture, the Federal Trade Commission, the Federal Deposit Insurance Corporation, the Securities and Exchange Commission (SEC), and SSA.

⁴² PwC, *Employee Financial Wellness Survey: 2017 Results* (Apr. 2017) at 4-5, available at [pwc.com/us/en/private-company-services/publications/assets/pwc-2017-employee-wellness-survey.pdf](https://www.pwc.com/us/en/private-company-services/publications/assets/pwc-2017-employee-wellness-survey.pdf).

⁴³ Edmiston, Kelly D., et al., *Weighing the Effects of Financial Education in the Workplace*, Fed. Reserve Bank of Kan. City (2009) at 3-5, 16-19, available at [kansascityfed.org/publicat/cap/carwp09-01.pdf](https://www.kansascityfed.org/publicat/cap/carwp09-01.pdf).

in planning for their retirement.⁴⁴ The CFPB continues to build on the foundation laid in its 2014 report, *Financial wellness at work*, to support financial wellness at work programs.⁴⁵

Workplace financial wellness program guide

In 2017, the CFPB, in collaboration with the Financial Services Roundtable, a leading organization in the financial services industry, created a resource guide to help employers who want to launch a workplace financial wellness program. While each workplace is unique, the guide identifies important elements of workplace programs to help employees improve financial well-being. The guide includes links to financial education resources and programs that could be offered by employers and are available at low or no cost from nonprofits and through federal, state, and local governments. These resources and programs can complement programs offered by an employer through its existing benefit providers. The guide and an illustrated summary of the guide, called *Eight steps to launch a workplace financial wellness program*, are available at consumerfinance.gov/about-us/blog/how-help-employees-improve-their-financial-well-being/.

Retirement financial literacy and education strategy: Office of Personnel Management

The federal Office of Personnel Management (OPM) is required to develop and implement a retirement financial literacy and education strategy for federal employees on how to plan for retirement and calculate what their retirement investment should be in order to meet their retirement goals.⁴⁶ This requirement comes from the Thrift Savings Plan Open Elections Act of 2004 (TSP Open Elections Act). OPM's strategy calls for federal agencies to develop and submit to OPM a retirement financial education plan based on the educational model in the strategy, as

⁴⁴ For recent CFPB research about effective approaches employers could use for simplifying retirement planning for their employees, see CFPB, *Consumer insights on managing funds at the time of retirement* (June 2017), available at consumerfinance.gov/data-research/research-reports/consumer-insights-managing-funds-retirement/. This research is discussed further in Section 3.2, below.

⁴⁵ See CFPB, *Financial wellness at work* (Aug. 2014), available at consumerfinance.gov/data-research/research-reports/financial-wellness-at-work/.

⁴⁶ Pub. L. No. 108-469, § 2(c), 118 Stat. 3891, 3892 (2004) (codified at 5 U.S.C. § 8350 note).

well as an annual report describing their activities.⁴⁷ The CFPB submitted financial education plans to OPM from 2014 through 2017 and received “exceptional” ratings each year, meaning its plans “can be used as a model for others to use and can be demonstrated as a best practice by an agency.”

Foundations: Building a model financial workplace

The CFPB has implemented a workplace financial education program that seeks to provide its own employees with just-in-time financial education for key life events and decision points in their financial lives. This program includes providing retirement financial education addressing OPM’s guidance under the TSP Open Elections Act. The program, called *Foundations*, also aligns with FLEC’s *Starting Early for Financial Success* strategic focus, which includes an early career and retirement component. This component is designed to help people plan and act for long-term financial well-being early in their careers by promoting financial education to support financial well-being through the workplace.

2.2.3 Social service and other local service providers: Financial empowerment toolkit

Over the last five years, the Office of Financial Empowerment developed, field-tested, and released *Your Money, Your Goals: A financial empowerment toolkit*. The toolkit provides information and tools that frontline staff and volunteers in a broad range of local organizations and businesses can use to incorporate financial capability into their work with the economically vulnerable people they serve, and to make referrals to specialized providers in their communities. These organizations and businesses include, for example, federal, state, and local government agencies, legal aid, faith-based, and worker organizations, banks and credit unions, organizations working in Native communities, and organizations serving people with disabilities. The CFPB uses a train-the-trainer approach that equips organizations to prepare their staff and volunteers to use the toolkit to help the people they serve to identify their own

⁴⁷ See OPM, Benefits Administration Letter 11-104, Agency Retirement Financial Education Plans (Mar. 25, 2011).

financial challenges and goals, and to strengthen their personal money management skills so as to achieve their own financial goals.⁴⁸

The toolkit can be used in a wide variety of settings with many different populations. The CFPB has developed companion guides that provide tailored tools and information for organizations serving Native communities, justice-involved individuals, and people with disabilities. For example, *Focus on People with Disabilities* contains specialized tips, information, tools, and skill-building resources that organizations can use to support the financial capability of people with disabilities. These include information about paying for assistive technology and understanding how income from work impacts Supplemental Security Income (SSI) benefits. This companion guide is based on insights from people with disabilities and from organizations that serve the disability community. This companion guide, along with the other companion guides, *Focus on Reentry* and *Focus on Native Communities*, is available at consumerfinance.gov/practitioner-resources/your-money-your-goals/companion-guides/.

The CFPB is also developing action booklets to help consumers with specific money management topics. The first in this series is *Behind on bills?*, which provides tools for tracking income and expenses and managing cash flow. A person can use the booklet in a one-on-one setting with a financial coach, credit counselor, social worker, or other service provider. *Behind on bills?* is available for order from pueblo.gpo.gov/CFPBPubs/CFPBPubs.php?NavCode=XB&Sub2ID=238&CatID=36.

The CFPB provides training and technical assistance on how to use the toolkit, companion guides, and booklets, as well as how to integrate financial empowerment work into an organization's existing service delivery model. Thirty new organizations joined the 2017 *Your Money, Your Goals* cohort, which will bring *Your Money, Your Goals* training to communities in 38 states and territories. As of September 30, 2017, over 20,000 frontline staff and volunteers have been trained on the toolkit. These staff and volunteers in turn reach more than 658,000 consumers. More information, including links to the toolkit, companion guides, and training

⁴⁸ A report describing the national launch of the *Your Money, Your Goals* toolkit is available at consumerfinance.gov/f/documents/201608018_cfpb_report_ymyg_national-launch.pdf.

materials, is available at consumerfinance.gov/practitioner-resources/your-money-your-goals/. Service providers can sign up through this webpage to get more information about the toolkit and training.

2.2.4 Financial services providers

Financial services providers routinely connect with consumers at important times in their financial lives. The CFPB has worked to find ways to support consumers in building their financial capability to achieve their financial goals and well-being by supporting innovations in the consumer financial services marketplace, and by providing resources that financial services providers can offer to their customers. Some of these efforts aimed at supporting consumers with information or resources they can use as they navigate financial decisions are described below. Other efforts, involving pilot research projects, are discussed in Section 3.3, below.

Understanding credit scores

To reach their financial goals, consumers need a baseline understanding of their current financial position, including how financial services companies may assess their credit standing. The CFPB estimated in 2012 that less than 20 percent of people in the U.S. checked their credit reports in any given year.⁴⁹ In fall 2013, some credit card companies began making credit scores and related educational information available to their customers at no charge on their monthly statements or through online access. The CFPB identified this publicly as an industry best practice and encouraged other credit card companies to follow suit.⁵⁰ By July 2017, over 100 lenders – including a significant share of the largest credit card issuers – were doing so. As a result, holders of more than 200 million consumer credit accounts have the opportunity to see

⁴⁹ See CFPB, *Key Dimensions and Processes in the U.S. Credit Reporting System* (2012) at 27, available at consumerfinance.gov/f/201212_cfpb_credit-reporting-white-paper.pdf; U.S. Census Bureau QuickFacts, census.gov/quickfacts/fact/table/US/PST045216.

⁵⁰ See CFPB, *CFPB Calls on Top Credit Card Companies to Make Credit Scores Available to Consumers* (Feb. 27, 2014), consumerfinance.gov/about-us/newsroom/cfpb-calls-on-top-credit-card-companies-to-make-credit-scores-available-to-consumers/.

their credit scores at no charge, and the numbers continue to grow.⁵¹ A growing number of lenders are now making credit scores easily available at no cost to all consumers, not just to their existing customers.

The CFPB also has taken steps to make it easier for individuals who receive services from nonprofit housing, credit, or other types of financial counselors to get a copy of the credit scores and credit reports that these organizations purchase on their behalf for consumer education purposes. By July 2017, over 65,000 credit scores had been shared with consumers through over 70 organizations participating in this program.⁵²

The CFPB is working to build consumer awareness of this service and to highlight these positive efforts by industry to expand access to free credit scores. In March 2017 the CFPB published a list of companies that responded to a request for information and told the CFPB that they offer their existing credit card customers free access to one of their credit scores.⁵³ The list and accompanying educational content is available at consumerfinance.gov/about-us/blog/check-our-new-list-see-if-your-credit-card-offers-you-free-access-one-your-credit-scores/. The CFPB also offers a number of educational resources to help consumers understand and act on their credit reports and scores, including a *Credit Reports & Scores* information portal available at consumerfinance.gov/consumer-tools/credit-reports-and-scores/; many frequently asked questions on *Ask CFPB* at consumerfinance.gov/ask-cfpb/category-credit-reporting/; and publications that include *Check your credit report*, *Understand your credit score*, *You have*

⁵¹ The number of lenders was obtained from FICO based on lenders who have signed on to sharing FICO® Scores with their customers through the FICO® Score Open Access program. See also ficoscore.com/where-to-get-fico-scores/; prnewswire.com/news-releases/fico-score-open-access-reaches-milestone-of-200-million-consumer-financial-credit-accounts-300437729.html. VantageScore further reports that a growing number of personal finance websites, which have subscriber bases as high as 60 million consumers, provide their users with free VantageScores. See vantagescore.com/free.

⁵² This number was obtained from FICO based on the number of organizations that have signed on to provide FICO® Scores to the people they serve through the FICO® Score Open Access for Credit and Financial Counseling program. See ficoscore.com/where-to-get-fico-scores/.

⁵³ See CFPB, *Notice of a Public List of Companies Offering Existing Customers Free Access to a Credit Score*, 81 Fed. Reg. 69046 (Oct. 5, 2016).

many credit scores, and a list of consumer reporting companies.⁵⁴ Ask CFPB questions and CFPB publications related to credit reports and scores are perennially among the most commonly accessed or distributed.

Managing someone else's money guides

Banks and credit unions are uniquely positioned to provide financial education resources to customers looking for guidance in their financial lives. This can include making available the CFPB's *Managing Someone Else's Money* series of guides that assist people who are managing money or property for a family member or friend who is unable to manage his or her own bill-paying or make financial decisions. These guides are discussed further in Section 2.7.1, below.

Home loan toolkit

The CFPB offers a consumer information booklet, *Your home loan toolkit: A step-by-step guide*. The booklet offers information about key steps in preparing for, understanding, shopping for, and closing on a mortgage. Lenders can provide the *Toolkit* to consumers to satisfy the requirement under the Real Estate Settlement Procedures Act that lenders provide a special information booklet to home loan applicants, and helps consumers better understand the nature and costs of real estate settlement services. The *Toolkit* is discussed further in Section 2.1.2, above.

Your Money, Your Goals

A number of banks and credit unions have participated in *Your Money, Your Goals* financial empowerment toolkit training to enable staff to help their customers to identify their own financial challenges and goals and strengthen their personal money management skills. *Your Money, Your Goals* is discussed further in Section 2.2.3, above.

⁵⁴ See CFPB, *List of consumer reporting agencies* (2016), available at consumerfinance.gov/f/201604_cfpb_list-of-consumer-reporting-companies.pdf. The other publications mentioned are available for download or order at pueblo.gpo.gov/CFBPubs/CFBPubs.php?NavCode=XA&CatID=33.

2.2.5 Financial education practitioners: CFPB FinEx

Financial education practitioners comprise a broad range of individuals and organizations that help consumers take charge of their financial lives. They may be housing counselors, credit counselors, bank and credit union employees, financial advisers or financial coaches, librarians, tax preparers, K-12 teachers. They may be financial educators or may provide services related to financial education such as research, evaluation, policy analysis, training and technical assistance, funding, and social and human services. They may be in financial institutions, universities, state and local education agencies, nonprofit organizations, or technology companies.

The CFPB's early outreach efforts revealed widespread demand from the financial education community for a mechanism to learn about the CFPB's consumer financial education initiatives and research. There was also a clear desire for a platform to share and learn about best practices from the CFPB and from each other.⁵⁵ In May 2015, the CFPB established the *CFPB Financial Education Exchange (CFPB FinEx)*. *CFPB FinEx* provides this mechanism and platform, and furthers the CFPB's mandate to educate and empower consumers by supporting financial educators who work with consumers in local communities.

CFPB FinEx is an online and in-person information exchange that provides an efficient means for the CFPB to share access to its tools, research on consumer financial behavior and effective financial education practices, and other resources for financial educators. It also allows the CFPB to gather feedback, and facilitates discussion among financial educators. It has become a key vehicle for getting CFPB financial education information into the hands of organizations that work directly with people seeking help regarding financial issues, as well as to hear from those organizations about the financial issues facing consumers and effective practices. As of August 2017, over 2,600 financial educators have signed up for *CFPB FinEx*.

⁵⁵ See CFPB, *Feedback from the financial education field* (May 2013) at 11, available at consumerfinance.gov/data-research/research-reports/feedback-from-the-financial-education-field/.

To sign up for *CFPB FinEx*, financial educators can send an email to the CFPB at CFPB_FinEx@cfpb.gov. Financial educators who sign up for *CFPB FinEx* receive monthly e-newsletters with information on the CFPB's research, tools, and resources relevant to financial educators, and have the opportunity to participate in monthly webinars on CFPB resources. As part of *CFPB FinEx*, the CFPB also convenes in-person listening sessions in which it shares research findings, gathers input, and encourages peer learning among local financial educators. Starting in spring 2017, the CFPB began user testing focus groups with *CFPB FinEx* participants in order to gather additional feedback on the CFPB's tools and materials.

Financial educators can access the CFPB's financial education resources through the *Resources for financial educators* webpage, which is available at consumerfinance.gov/adult-financial-education/. The webpage includes a printable, shareable inventory of these resources, which is available at consumerfinance.gov/f/documents/cfpb_fin-ex_resource-inventory.pdf.

2.2.6 Reaching special populations

In addition to the CFPB's programs through community channels described above, which serve a broad swath of the American public, the CFPB has developed community-based approaches tailored for specific populations – servicemembers, veterans and their families, older adults, students and young adults, youth, and people who are economically vulnerable. For example:

- Local military recruiters and Army ROTC host colleges and universities offer the CFPB's series of online videos designed to teach future servicemembers how they can avoid mistakes that could cause future problems with their personal finances.
- Tax preparers at Volunteer Income Tax Assistance sites across the country use resources developed by the CFPB to encourage the low-income consumers they serve to save part of their tax refund as a seed to grow savings.
- Meals on Wheels volunteers and other senior service providers distribute the CFPB's consumer education placemats to older adults who receive meal services, whether at home or at congregate sites. The placemats provide targeted consumer financial education information, such as how to avoid being defrauded.
- Public service organizations can use the CFPB's toolkit to help their employees learn about their options for tackling student debt and how their employees may qualify for the federal loan forgiveness program for public service employees.

- Teachers, administrators, and community leaders who want to integrate financial education into the K-12 experience can use the CFPB's resource guide for K-12 education, building blocks research, personal finance pedagogy, and curriculum review tool to inform their efforts.

These community channels are discussed further in the sections of the report below that address the CFPB's work for these populations.

2.3 Financial capability for children and youth

In the recently released results of the triennial assessment of the financial literacy of 15-year olds around the world, U.S. students ranked in the middle among the 15 participating OECD countries and economies.⁵⁶ The assessment, the Programme for International Student Assessment (PISA), is the only nationally representative assessment of financial literacy conducted in the U.S. PISA found that of students assessed in the U.S., 21.6 percent, or just over one in five, did not even reach the baseline level of proficiency in financial literacy.⁵⁷ A FLEC public meeting on May 24, 2017 featured the release of these international and U.S. results and their implications.

The CFPB has conducted research to identify the developmental origins in children of financial capability and well-being in adulthood, and the most promising strategies to position youth for a life of adult financial capability. This research has found that financial capability involves a broad set of attributes that are developed and honed over time as individuals gain new

⁵⁶ See OECD, *PISA 2015 Results, Students' Financial Literacy (Volume IV)* (2017) at 71, available at [oecd.org/finance/financial-education/pisa-2015-results-volume-iv-9789264270282-en.htm](https://www.oecd.org/finance/financial-education/pisa-2015-results-volume-iv-9789264270282-en.htm).

⁵⁷ *Id.*

experiences and encounter new environments.⁵⁸ Therefore, starting financial education early with age-appropriate and relevant information gives young people more chances to develop the key building blocks of financial capability for adulthood. It also gives them the opportunity to build their financial capability before they begin making financial decisions that could affect their financial well-being for years to come.

This research identified a developmental framework for how young people develop the building blocks of financial capability through the different stages of their growth. The research provides the basis for approaches financial educators can use to apply the financial capability developmental model in their work.⁵⁹ These approaches involve the development of skills, not just teaching financial facts.

Building on this research, the CFPB is working to increase opportunities for children and youth to develop the skills that contribute to financial capability as they grow. Families, community organizations, and schools all have important opportunities to advance the various building blocks of money skills for children and youth. The CFPB is putting the research findings into practice by developing tools and resources for families and for community and school providers of financial education. The CFPB's tools and resources supporting youth financial education are discussed below and can be found at consumerfinance.gov/practitioner-resources/youth-financial-education/.

⁵⁸ See Anita I. Drever et al., *Foundations of Financial Well-Being: Insights into the Role of Executive Function, Financial Socialization, and Experience-Based Learning in Childhood and Youth*, 49 *Journal of Consumer Affairs*, Special Issue on Starting Early for Financial Success 13 (Spring 2015), available at onlinelibrary.wiley.com/doi/10.1111/joca.12068/full.

⁵⁹ See CFPB, *Building blocks to help youth achieve financial capability: A new model and recommendations* (Sept. 2016), available at consumerfinance.gov/data-research/research-reports/building-blocks-help-youth-achieve-financial-capability/.

2.3.1 Support for educators of youth

Research suggests that financial education in high school is linked with higher savings rates and net worth later in life.⁶⁰ Some researchers have found that in states with carefully implemented high school financial education requirements, students have improved credit scores and a lower probability of becoming delinquent on debts in young adulthood.⁶¹ The CFPB is working to support educators and others seeking to help children and youth to develop financial capability skills by providing them with information and resources to use as they implement financial education in their communities. The CFPB also is leveraging its role as a convener to foster information sharing and collaboration among those interested in youth financial education. For example, in the last year, the CFPB held roundtables with financial education practitioners in Dallas, Texas, Charleston, West Virginia, and Raleigh, North Carolina. The roundtable discussions included ways the CFPB can help advance youth financial education. Participants were invited to share promising practices and ideas for collaboration. During these roundtables, the CFPB also shared tools and resources, including the CFPB's resource guide for K-12 financial education, a youth personal finance pedagogy for teachers, and the curriculum review tool, which are discussed below.

Resource guide for K-12 financial education

In 2017, the CFPB updated and re-released a resource guide, *A Guide for Advancing K-12 Financial Education*, developed with input from state policymakers and financial education leaders. The resource guide features case studies and resources that describe innovative efforts for integrating financial education in K-12 schools. The CFPB shares this guide through webinars, national and state conference presentations, and targeted meetings with stakeholders. The guide is available at consumerfinance.gov/data-research/research-reports/guide-advancing-k-12-financial-education/.

⁶⁰ B. Douglas Bernheim, Daniel M. Garrett, and Dean M. Maki, *Education and Savings: The Long-Term Effects of High School Financial Curriculum Mandates* (1997).

⁶¹ FINRA Investor Education Foundation, *State Financial Education Mandates: It's All in the Implementation* (2015).

The CFPB also hosts periodic webinars in conjunction with national financial literacy coalitions featuring new research, insights, and promising practices in K-12 financial education for community leaders. The webinars this year have featured the CFPB's building blocks research and have highlighted how families, educators, and youth organizations working with young people can use the building blocks to increase financial capability.

Personal finance pedagogy for teachers

In formal education, each subject area normally has a framework, or pedagogy, that teachers consult as they decide how to teach specified topics. For example, in math, younger children may focus on counting and move to adding and subtracting at a later age. These skills build on one another. Personal finance is a relatively new area of K-12 instruction, and teachers have not had a pedagogy to consult. In response to this need, the CFPB developed a *Youth Personal Finance Pedagogy* for youth financial capability skill development. The pedagogy is informed by the CFPB's research into the childhood developmental origins of adult financial well-being and by common teaching strategies used in other subjects. The youth personal finance pedagogy and related resources are available at consumerfinance.gov/data-research/research-reports/personal-finance-teaching-pedagogy/.

The pedagogy guides K-12 educators in developing three youth financial capability components at appropriate stages of child development: executive function skills, financial habits and norms (also called financial socialization), and financial knowledge and decision-making skills. The pedagogy takes into account the fact that children's behaviors, skills, and attitudes continue to develop as they mature. Incorporating these strategies into lesson plans for children and youth is designed to ease students' transition to a financially capable adulthood and, ultimately, their ability to achieve and maintain financial well-being as adults.⁶²

⁶² See also discussion of the Teacher Online Resource Center developed with the FDIC (Section 2.3.2, below).

Youth financial education curriculum review tool

Educators who wish to teach financial education have few resources to help them select the most promising or appropriate financial education curriculum from the wide range of available curricula and curriculum providers. The CFPB offers the *Youth financial education curriculum review tool* to help fill this gap. The tool was built upon information about curriculum effectiveness. It does not recommend or endorse any particular curricula or approach, but instead provides criteria for analyzing and selecting curricula to inform interested K-12 administrators and educators as they make decisions for their districts and classrooms. The tool also can help those who are creating financial education curricula to identify strengths of current curricula and areas for further development. The curriculum review tool is also designed to inspire more discussion about financial education curriculum for the K-12 classroom and offer clues about future avenues for exploration. The tool is available at consumerfinance.gov/data-research/research-reports/youth-financial-education-curriculum-review-tool/.

2.3.2 Support for parents and caregivers who want to talk to their children about money

Parents and caregivers are in a powerful position to help children develop skills, habits, and attitudes that can lead to financial well-being in adulthood. CFPB research indicates that most people get their money habits and skills from their parents and caregivers. Children learn from watching parents earn, shop, save, and borrow, as well as from what parents consciously teach. Parents do not need to be financial experts to help youth start out strong. PISA, the international financial literacy assessment mentioned above, found that youth who talk to their parents once or twice a week or once or twice a month about money and saving tend to have higher financial literacy than those who do not.⁶³ The CFPB provides information and tools that parents and caregivers can use to help them have money conversations with children at different ages.

⁶³ See OECD, *PISA 2015 Results, Students' Financial Literacy (Volume IV)* (2017) at 3, 107, available at oecd.org/finance/financial-education/pisa-2015-results-volume-iv-9789264270282-en.htm.

Money as You Grow

The CFPB has created a dedicated webpage for parents and caregivers who want to help their children develop money skills. The webpage identifies the key stages of childhood financial capability development. It offers practical, age-appropriate activities and conversation starters designed to help parents and caregivers learn techniques for encouraging children to develop positive financial knowledge, skills, and attitudes.⁶⁴ The webpage is available in English at consumerfinance.gov/money-as-you-grow/ and in Spanish at consumerfinance.gov/es/el-dinero-mientras-creces/. The page also offers the Federal Deposit Insurance Corporation's (FDIC) *Money Smart for Young People* guides for parents and caregivers, in English and Spanish, described in more detail below.

The CFPB's website also hosts the *Money as You Grow* book club. This is a family financial education program that uses children's books to help families talk about money-related skills. The CFPB designed and updated the book club based on a pilot program originally developed under the Cooperative Extension System of the Department of Agriculture's National Institute of Food and Agriculture (USDA-NIFA) in 1993. The book club provides resources for parents to help younger children learn key money concepts through reading, play, and quiet one-on-one talks between children and their parents and caregivers. The book club provides a curated list of books readily available at libraries and bookstores, along with a guide to discussing the money themes in each book. This program is available at consumerfinance.gov/money-as-you-grow/book-club/.

The CFPB also offers a set of *Ask CFPB* questions and answers for parents and caregivers, which is available by visiting consumerfinance.gov/askcfpb/ and clicking "Families and Money." These questions and answers are also available in Spanish by visiting consumerfinance.gov/es/obtener-respuestas/ and clicking "Enseñar a otros."

⁶⁴ The activities and conversation starters are based in large part on the *Money as You Grow* website originally developed by Beth Kobliner, chair of the *Money as You Grow* working group of the President's Advisory Council on Financial Capability, and transferred to the CFPB in 2014. It offered essential, age-appropriate financial lessons – with corresponding activities – that children need to know as they grow. See President's Advisory Council on Financial Capability, *Final Report* (Jan. 29, 2013) at 14, available at treasury.gov/resource-center/financial-education/Documents/PACFCYA%20Final%20Report%20June%202015.pdf.

FDIC collaboration to develop youth financial capability

The CFPB has collaborated with the FDIC since 2014 on an initiative to help youth build skills to make better financial decisions to achieve their own goals throughout the stages of their lives. As the FDIC developed an updated and revised edition of its *Money Smart for Young People* curriculum, the CFPB worked with the FDIC in extending the curriculum series to youth from preschool through age 20 and in developing guides for parents and caregivers. The CFPB contributed content expertise and tactics for communicating directly with consumers to build financial decision-making skills. The resources and initiatives developed to date are:

- **Teacher Online Resource Center:** The CFPB and FDIC launched a *Teacher Online Resource Center* webpage on the FDIC website, at fdic.gov/teachers/. The webpage offers resources and activities teachers can use to bring financial education into their classrooms. With consultation from the CFPB, the FDIC produced a series of videos on financial education topics, which are available at fdic.gov/consumers/education/torc/videos.html under “Financial Education Topics.” The videos illustrate activities teachers can use with middle school students, and include discussion of ways to adapt the activities for elementary and high school students.
- **Money Smart guides for parents and caregivers:** *Money Smart for Young People* features guides for parents and caregivers that can accompany the lessons given by a teacher to reinforce learning at home. They also can be used on a stand-alone basis by the parent or caregiver. The parent and caregiver guides are available on the CFPB’s website at consumerfinance.gov/money-as-you-grow/;⁶⁵ and through *Money Smart for Young People* download links on the FDIC website at fdic.gov/consumers/education/torc/curriculumtools.html.

⁶⁵ These guides can be found under the heading *Money Smart for Parents and Caregivers* at the bottom of the webpages related to each of the three developmental stages: consumerfinance.gov/consumer-tools/money-as-you-grow/early-childhood/ (early childhood); consumerfinance.gov/consumer-tools/money-as-you-grow/middle-childhood/ (middle childhood); consumerfinance.gov/consumer-tools/money-as-you-grow/young-adulthood/ (teen years and young adulthood).

As part of this project, the FDIC invited banks to participate in its Youth Savings Pilot, a program designed to encourage youth financial education through the opening of safe, low-cost savings accounts by school-age children. This project supports the CFPB's recommended approach of building opportunities for experiential learning. The FDIC has released the findings from its pilot program and continues to stress the importance of banking opportunities for young people.⁶⁶ The 2015 PISA data also demonstrate the value of this approach. In the U.S., students who have a bank account performed better in financial literacy by over 20 score points than students of similar socioeconomic status who do not have a bank account.⁶⁷

Financial education in youth employment programs

Youth employment programs in local communities can provide young people with opportunities to build financial capability habits to serve them throughout their working lives.⁶⁸ Building on key takeaways from a 2013 roundtable convened with fellow FLEC members, the CFPB developed resources to help communities that want to include financial capability skills in their youth employment programs. The CFPB worked with several communities to pilot the new resources. In the past year, the CFPB worked with municipal leaders and local workforce boards in 23 communities who are integrating financial capability services into their youth employment programs. Innovations and lessons from this program are being shared with municipal leaders and with the Department of Labor's broader workforce system.

⁶⁶ See FDIC, *Linking Youth Savings with Financial Education: Lessons from the FDIC Pilot* (Feb. 2017), available at [fdic.gov/consumers/assistance/protection/depaccounts/youthsavings/documents/lessons-from-the-fdic-pilot.pdf](https://www.fdic.gov/consumers/assistance/protection/depaccounts/youthsavings/documents/lessons-from-the-fdic-pilot.pdf). The CFPB highlighted the importance of experiential learning in its recommendations for youth financial education in 2013, and in its recent report on building blocks to help youth achieve financial capability. See CFPB, *Investing in Our Future: Conference Summary: National Conference on Youth Financial Education & Capability* hosted by CFPB on April 30, 2013, available at consumerfinance.gov/f/201312_cfpb_summary_youth-financial-capability-conference.pdf; CFPB, *Building blocks to help youth achieve financial capability: A new model and recommendations* (Sept. 2016), available at consumerfinance.gov/data-research/research-reports/building-blocks-help-youth-achieve-financial-capability/.

⁶⁷ See OECD, *PISA 2015 Results, Students' Financial Literacy (Volume IV)* (2017) at 16, available at oecd.org/finance/financial-education/pisa-2015-results-volume-iv-9789264270282-en.htm.

⁶⁸ See CFPB, *Building financial capability in youth employment programs* (Aug. 2014), available at consumerfinance.gov/data-research/research-reports/building-financial-capability-in-youth-employment-programs/.

2.4 Financial capability for students and young adults

In less than a decade, the volume of outstanding student debt has more than doubled, rising from less than \$600 billion in 2007 to more than \$1.4 trillion in 2017.⁶⁹ Young adult students and other young adult consumers may also be at a stage of life when they are entering the financial marketplace for the first time. The CFPB develops tools and resources that young adult consumers can use as they make choices about managing their money, with a focus on paying for college, making smart financial decisions when banking on campus, taking action when they encounter problems with any consumer financial product or service, and for those who have left college, repaying student debt.

In working to enhance the ability of students and young adult consumers to make financial decisions, the CFPB handles and monitors complaints about student loans⁷⁰ and collaborates with federal and state agencies to identify and address issues with special impact on students and young adult consumers.⁷¹ More information about the CFPB's initiatives and tools that address student and young adult financial challenges can be found at consumerfinance.gov/students/. In addition to the resources discussed below, the CFPB offers *Paying for College*, an interactive guide for people applying to college and people who are repaying student loans. This guide is discussed in Section 2.1.2, above.

⁶⁹ See Department of Education, *Federal Student Aid Portfolio Summary*, available at studentaid.ed.gov/sa/sites/default/files/fsawg/datacenter/library/PortfolioSummary.xls.

⁷⁰ The CFPB publishes periodic analyses of student loan complaints handled by the CFPB. See, e.g., CFPB, *Midyear Update on Student Loan Complaints* (Aug. 2016), available at consumerfinance.gov/data-research/research-reports/midyear-update-student-loan-complaints/.

⁷¹ 12 U.S.C. § 5535(c). The CFPA directed the Secretary of the Treasury, in consultation with the CFPB's Director, to designate a Private Education Loan Ombudsman within the CFPB "to provide timely assistance to borrowers of private education loans." 12 U.S.C. § 5535(a). The Private Education Loan Ombudsman position is currently held by the Assistant Director of the Office for Students.

2.4.1 Financial Aid Shopping Sheet

Beginning in 2011, the CFPB worked with the Department of Education to develop a *Financial Aid Shopping Sheet* to help students and their parents make informed decisions about how to finance higher education expenses. Financial aid offers from colleges and universities often fail to make basic information clear, such as how much of a particular aid offer is made up of loans that need to be paid back and how much comes from grants that do not need to be paid back. The *Financial Aid Shopping Sheet* is a standardized, easy-to-read financial aid award letter that colleges and universities can send to prospective students. It is designed to allow college applicants to better understand the debt implications of their college financing choices and to compare the costs and financial aid offers of the schools to which they apply. As of July 2017, 3,244 colleges and universities, with a combined enrollment of 13.4 million students, had agreed to adopt it.⁷² The *Financial Aid Shopping Sheet* is available at collegecost.ed.gov/shopping_sheet.pdf.

2.4.2 Public service employers and student debt

Federal student loans include a loan forgiveness program that allows certain federal student loans to be forgiven after 10 years of payment during public service employment.⁷³ Public service employees who may be eligible for this program if they meet certain criteria include teachers, librarians, firefighters, military personnel, law enforcement, first responders, nurses, and social workers.

In August 2013, the CFPB launched a workplace initiative focused on empowering public service organizations to help their employees tackle their student loan debt. As part of this initiative, the CFPB developed a toolkit that public service organizations can use to help their employees learn about loan repayment options and qualify for the federal loan forgiveness program. The toolkit

⁷² See Department of Education, *Financial Aid Shopping Sheet* webpage, <https://www2.ed.gov/policy/highered/guid/aid-offer/index.html>.

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

contains action guides, frequently asked questions, and information on best practices when implementing a workplace initiative on student debt. The toolkit is available at consumerfinance.gov/f/201308_cfpb_public-service-toolkit.pdf. The CFPB provides training and technical assistance on how to use the toolkit for human resources professionals at public service organizations. The CFPB also has a report that analyzes many of the loan repayment choices available for employees of public service organizations. The report is available at consumerfinance.gov/data-research/research-reports/public-service-and-student-debt/.

2.4.3 Consumer advisories for students

The CFPB has published a series of consumer advisories related to student loan repayment. One advisory helps borrowers spot pitfalls in student loan “debt-relief.”⁷⁴ Another alerts student loan borrowers to problems that can arise when borrowers submit alternative documentation of income as part of the application process for certain alternative repayment options.⁷⁵ Another highlights repayment problems driven by incorrect, incomplete, or untimely data about college enrollment status.⁷⁶

2.5 Financial capability through the military lifecycle

Those who serve in the military face unique challenges, such as deployment and frequent moves, that can have powerful financial repercussions. The Office of Servicemember Affairs works to

⁷⁴ See CFPB, *Consumer Advisory: Student loan debt relief companies may cost you thousands of dollars and drive you further into debt* (2014), consumerfinance.gov/about-us/blog/consumer-advisory-student-loan-debt-relief-companies-may-cost-you-thousands-of-dollars-and-drive-you-further-into-debt/.

⁷⁵ See CFPB, *Trying to enroll in an income-driven repayment plan? Avoid #ApplicationAbyss with our student loan tips and resources* (2016), consumerfinance.gov/about-us/blog/trying-enroll-income-driven-repayment-plan-avoid-applicationabyss-our-student-loan-tips-and-resources/.

⁷⁶ See CFPB, *Consumer Advisory: Bad information about your college enrollment status can cost you* (2017), consumerfinance.gov/about-us/blog/consumer-advisory-bad-information-about-your-college-enrollment-status-can-cost-you/.

help servicemembers, veterans, and their families address the consumer financial circumstances and challenges affecting them. The Office does this by working to ensure that military personnel and their families receive financial education that equips them to make informed decisions to meet their own financial goals. This includes leading the CFPB's work with the Department of Defense (DoD) to offer financial education resources for servicemembers and their families at key stages of the military lifecycle.

The Office also monitors servicemember and veteran complaints about consumer financial products and services submitted to the CFPB, and coordinates with efforts of other federal and state agencies to improve consumer protection measures related to financial products and services for military families.⁷⁷ The Office works to ensure that others understand the unique challenges facing the military community, and identifies ways that financial markets can work better for servicemembers, veterans, and their families.

A May 2017 CFPB report by the Office of Servicemember Affairs highlights the common financial events and issues servicemembers face through their military careers, and ways the CFPB can assist servicemembers along their financial journey. The report is available at consumerfinance.gov/data-research/research-reports/office-servicemember-affairs-charting-our-course-through-military-lifecycle/. More information about the CFPB's initiatives and tools for the military community can be found at consumerfinance.gov/consumer-tools/military-financial-lifecycle/.

2.5.1 Future servicemembers: Delayed Entry Program

Many young people entering the military may buy their first automobile or make a large consumer purchase as soon as they begin receiving their military paychecks. Some may have

⁷⁷ The CFPA mandated the establishment of an Office of Servicemember Affairs to "be responsible for developing and implementing initiatives for service members and their families," including initiatives intended to (A) educate and empower service members and their families to make better-informed decisions regarding consumer financial products and services; (B) monitor complaints by service members and their families and responses to those complaints by the CFPB or other appropriate federal or state agencies; and (C) coordinate consumer protection efforts among federal and state agencies related to consumer financial products and services offered to, or used by, military families. 12 U.S.C. § 5493(e)(1)(A).

significant consumer debt from before they entered the military. While the military provides a financial education class during basic training, that can be a hectic and stressful time. For many future servicemembers, the time between initial enlistment and the beginning of basic training can be weeks or even up to 12 months. The *Delayed Entry Program* financial education initiative seeks to address the needs of future servicemembers during this period before they enter basic training.

Specifically, the Office of Servicemember Affairs created an online series of videos designed to teach young people waiting to begin their military service how they can avoid mistakes that could cause future problems with their personal finances. The program covers topics including consumer financial decision-making, choosing a financial institution, understanding protections under the Servicemembers Civil Relief Act, avoiding impulse purchases, and understanding how debt can affect a military career.

The program is currently in use by all of the military services: the Army, Navy, Air Force, Marines, Coast Guard, and National Guard. As of September 2017, over 16,000 new recruits had utilized the program, with an overall completion rate of over 65%. In April 2017, the CFPB Office of Servicemember Affairs launched a second iteration of the platform customized to support the Reserve Officers' Training Corps (ROTC) for the Army, Navy, and Air Force. This was developed in conjunction with the U.S. Army Cadet Command. The Army ROTC rolled out the program to senior cadets for the 2017-2018 academic year.

2.5.2 Active duty servicemembers: Military installation visits

The Office of Servicemember Affairs conducts sessions at military installations that provide a forum to hear from military personnel and their families about their financial challenges and concerns. At these sessions, CFPB personnel describe available financial educational resources and the CFPB's complaint process. Between October 1, 2016 and September 30, 2017, the Office delivered consumer financial educational information and materials to more than 5,700 servicemembers, veterans, military family members, and other stakeholders through live events. This included interacting with more than 2,500 active-duty servicemembers and National Guard personnel through leadership roundtables and town hall-style listening sessions at 32 military installations or units. The installations visited included five service branches of the armed forces. They included regional commands, senior leadership development schools, and military entrance processing stations.

Along with installation visits, the Office of Servicemember Affairs conducted events across the U.S. to engage various stakeholder groups and deliver consumer resources to the military community. These events engage a diverse field of leaders, educators, financial education practitioners, and military consumer protection advocates in the armed services, academia, law, the financial services industry, federal and state government, and others.

2.5.3 Transitioning veterans: Financial coaching

Financial aspects of a servicemember's transition to veteran status and civilian life are often challenging. According to the DoD Manpower Data Center, approximately 250,000 servicemembers leave active duty each year. Financial coaching is a service that can assist veterans with taking the actions needed to address the financial challenges that veterans face in times of transition, including the transition from military to civilian life. This initiative complements the DoD's pre-discharge Transition Assistance Program. It provides a continuum of service following discharge.

In 2015 the CFPB launched a program that integrates financial coaching into existing organizations and programs where people come to receive other services, such as job training, education, housing, and social services. Financial coaching is a method of providing financial education in which coaches give one-on-one advice and encouragement, in a process largely driven by the individual consumer's own financial goals. These services help people be more proactive in taking control of their finances at crucial moments in their lives.

For the veteran population served, the financial coaching is provided primarily at Department of Labor American Job Centers, plus some nonprofit organization locations that serve veterans' needs. The financial coaching program also provides coaching services to economically vulnerable consumers through local community organizations (discussed in Section 2.6.4, below). As of September 2017, the combined financial coaching program for servicemembers and economically vulnerable consumers had provided service to over 13,000 consumers through over 28,000 coaching sessions. The most common financial goals for both segments of

consumers receiving coaching were money management and budgeting, improving credit, and paying down debt.⁷⁸

2.5.4 Training for military service providers

The Office of Servicemember Affairs provides subject matter expertise and consumer financial resources to the military legal community. CFPB staff have provided instruction at military consumer legal protection briefings at the Army Judge Advocate General (JAG) Law Center and School. The CFPB also provides training to legal assistance attorneys on military installations. These efforts help to extend the CFPB's educational reach by leveraging the extensive consumer law mission of the JAG Corps and helping to provide JAG legal assistance attorneys with up-to-date information on federal laws and policies affecting servicemembers in the consumer marketplace.

The CFPB's Office of Servicemember Affairs offers an archived series of virtual *Military financial educator forums* on consumer financial topics for service providers who deliver financial, educational, or legal counseling to servicemembers and their families worldwide. The forums are available as on-demand video training on the CFPB's website at consumerfinance.gov/servicemembers/on-demand-forums-and-tools/. The series includes issues in credit reporting and the military, student loan issues, veteran consumer issues, understanding the CFPB's consumer complaint process, resources and tips for dealing with debt collectors, and solutions for a troubled mortgage. A forum focused on financial well-being for servicemembers and their families can be found on the CFPB's YouTube channel at <https://www.youtube.com/watch?v=9zH3u8ssJCI>.

⁷⁸ The financial coaching program is the CFPB's first consumer education program funded with Civil Penalty Fund money. The CFPA authorizes the CFPB to use civil penalty funds collected by the CFPB that remain after eligible victims have been compensated, for consumer education and financial literacy programs. The federal procurement process is used to deploy such programs. The rule and other information about the Civil Penalty Fund are available on the CFPB's website at consumerfinance.gov/about-us/payments-harmed-consumers/civil-penalty-fund/.

2.6 Financial capability for economically vulnerable people

Many people face financial vulnerability as a result of their income level. According to the Census Bureau, 43.1 million people were below the federal poverty level in 2015. According to research by the FDIC, 33.5 million U.S. households were “unbanked” or “underbanked.” This means that either no one in the household had a checking or savings account, or the household lacked a consistent financial institution relationship.⁷⁹

The CFPB’s financial empowerment work seeks to support people’s ability to make informed choices that support their own life goals, and their ability to transform those choices into actions and the results they desire in their own lives. In the case of economically vulnerable people, the CFPB works to integrate financial empowerment services into existing public-sector and nonprofit programs that assist economically vulnerable people.⁸⁰ Some of these programs help people find housing, jobs, or emergency assistance. Others help people build and achieve financial self-sufficiency or save to build assets. Including financial empowerment in these services can help individuals improve their situations and their own financial well-being. This may also help people address or avoid the issues that prompted them to seek out social services in the first place.

For example, if an individual knows how to get and read their free annual credit report, applying that skill may help them improve their credit score. A better credit record or score may help with getting a job or a new place to live. This, in turn, may empower the individual so they do not

⁷⁹ See U.S. Census Bureau, *Income and Poverty in the United States: 2015*, available at [census.gov/library/publications/2016/demo/p60-256.html](https://www.census.gov/library/publications/2016/demo/p60-256.html); FDIC, *FDIC National Survey of Unbanked and Underbanked Households* (2015), available at [fdic.gov/householdsurvey/2015/2015report.pdf](https://www.fdic.gov/householdsurvey/2015/2015report.pdf).

⁸⁰ The CFPB mandated that the CFPB include a unit whose functions include providing “information, guidance, and technical assistance regarding the offering and provision of consumer financial products or services to traditionally underserved consumers and communities.” 12 U.S.C. §5493(b)(2). “Traditionally underserved consumers” includes unbanked and underbanked consumers. See 12 U.S.C. § 5493(b)(1)(F). The FDIC’s research shows that lower income consumers are a significant portion of those who are underserved – that is – unbanked or underbanked. FDIC, *FDIC National Survey of Unbanked and Underbanked Households* (2015), available at [fdic.gov/householdsurvey/2015/2015report.pdf](https://www.fdic.gov/householdsurvey/2015/2015report.pdf).

need to rely on job placement or housing services in the future. In this way, integrating financial capability services into social services can help people take more control of their own financial lives and build a more stable future for themselves and their families. More information about the CFPB's initiatives for economically vulnerable consumers can be found at consumerfinance.gov/empowerment/.

2.6.1 Your Money Your Goals: A financial empowerment toolkit and training

A keystone initiative in this area is *Your Money Your Goals: A financial empowerment toolkit*. The toolkit provides information and tools that staff and volunteers in social service and other organizations and businesses can use to incorporate financial capability into their work with economically vulnerable people and to make referrals to specialized providers in their local communities. The CFPB uses a train-the-trainer approach that equips organizations to train their frontline staff and volunteers to help the people they serve to identify their own financial challenges and goals and strengthen their personal money management skills. This initiative is discussed further in Section 2.2.3, above.

2.6.2 Credit reports for youth in foster care

Federal law requires that each child age 14 and older in foster care receive a free copy each year of any credit report about the child until she or he is discharged from foster care.⁸¹ The law also requires that youth in foster care receive assistance in interpreting and resolving any inaccuracies in the report. The CFPB has worked with stakeholders at the Children's Bureau of the Department of Health and Human Services (HHS), the Federal Trade Commission (FTC), and youth advocacy organizations to help streamline the procedures for child welfare agencies to pull the credit reports. The CFPB developed resources and tools for caseworkers who are responsible for pulling and cleaning up credit reports for youth in foster care. These include tip sheets to help detect identity theft, fraud, and errors, and to help resolve inaccuracies in the

⁸¹ See 42 U.S.C. § 675(5)(I).

reports. The CFPB also offers sample letters that a young person who is in foster care, or a person acting for that young person, can use to dispute credit report errors. These materials are available at consumerfinance.gov/about-us/blog/how-to-protect-vulnerable-children-from-identity-theft/#dispute.

2.6.3 Savings at tax time: Volunteer Income Tax Assistance (VITA) sites

In 2017 the CFPB worked with VITA sites nationwide for the fifth year to encourage consumers with low incomes to save part of their tax refund as a seed to grow savings.⁸² Many of the people served by VITA sites are also eligible for the Earned Income Tax Credit (EITC). The EITC is a refundable tax credit. For many low-to-moderate-income families, the combination of the refund on over-withholding of taxes and the EITC is the largest lump sum of money they will receive all year. The CFPB's VITA savings initiative collaborates with community-based organizations that offer free tax preparation services to low- and moderate-income taxpayers through VITA sites to reach EITC-eligible individuals and families. The CFPB consults with the Internal Revenue Service as it works in this area.

Since 2013 the CFPB has worked with expanding numbers of VITA programs to pilot approaches to encourage saving at tax time. The initiative is called "Ready? Set. Save!" Each year, the CFPB updates the approaches based on prior years' experiences. These approaches include certain ongoing key components. VITA site volunteers encourage EITC-eligible taxpayers and other taxpayers with low incomes to pre-commit to saving a portion of their refunds at the time their taxes are being prepared. The CFPB provides training to equip volunteers to have a conversation about saving with taxpayers at the time they learn the amount of their refunds and to inform people about saving options. The CFPB provides materials including worksheets, checklists, and posters to encourage taxpayers to consider saving. All training and consumer materials are available at consumerfinance.gov/tax-preparer-resources.

⁸² This work fulfills a statutory mandate for the CFPB to provide consumers with wealth-building strategies and access to financial services during the preparation process to claim the EITC. See 12 U.S.C. § 5493(d)(2)(F).

The CFPB published a white paper on promising practices employed by VITA programs, based on the experiences of the organizations participating in the project. These practices have shown potential to increase saving rates among taxpayers with low incomes.⁸³ The CFPB used this promising-practice platform to launch a large-scale pilot in 2016. The pilot included 41 community VITA programs located in 25 states to use and provide feedback about the promising practices at greater scale. In aggregate, the pilot programs served over 280,000 taxpayers in 2016. The CFPB continued to focus on these promising practices for the 2017 tax season. The CFPB provided training and technical assistance to 58 community VITA programs of various sizes and capacities located in 26 states. Forty-five of the 58 programs reported results and they served approximately 260,000 taxpayers.

2.6.4 Integrating financial coaching with other services

In 2015 the CFPB launched a program that integrates financial coaching into existing programs at sites serving economically vulnerable consumers and at other sites serving transitioning veterans across the country. Financial coaching for the economically vulnerable consumers served is provided through a diverse set of competitively selected nonprofit organizations.⁸⁴ This population includes people living below the poverty line and people who are financially underserved. With little or no credit history, these consumers may have limited access to mainstream financial services. That limited choice, plus a lack of savings, means even small financial decisions can have outsized impacts on their financial well-being.

As of September 2017, the combined program had provided services to over 13,000 consumers through over 28,000 coaching sessions. The most common financial goals for both segments of consumers receiving coaching include money management and budgeting, improving credit,

⁸³ See CFPB, *Increasing saving at tax time and promising practices for the field* (Aug. 2015), available at consumerfinance.gov/data-research/research-reports/increasing-saving-at-tax-time-and-promising-practices-for-the-field/.

⁸⁴ A complete list of the service delivery locations can be found at consumerfinance.gov/about-us/blog/the-launch-of-the-cfpb-financial-coaching-initiative/.

and paying down debt. The program as it relates to transitioning veterans is discussed in Section 2.5.3, above.

2.6.5 Tracking success: Financial outcomes

As discussed above, a key approach used by both the CFPB Office of Financial Empowerment and the broader field of financial empowerment is to integrate financial capability and empowerment tools into existing programs that help people to meet their financial goals. Practitioners and evaluators of many financial capability and empowerment programs expressed a need for a common framework and language for assessing and demonstrating success across the diverse range of programs that integrate financial empowerment approaches.

One approach to assessing the success of financial education approaches can be to track a common set of program-specific financial outcomes. In its report, *Tracking Success in Financial Capability and Empowerment Programs*, the CFPB identifies a core set of five such financial outcomes that could be broadly relevant across different types of financial capability and empowerment programs. These outcomes are: planning and goals, savings, bill payment, credit profile, and financial well-being (discussed further in Section 3.1, below), and provides sample metrics for each.⁸⁵ This core set of outcomes was developed based on a review of research and of outcomes currently used by organizations providing financial capability and empowerment services, and input from practitioners and other experts. These outcomes can augment other outcomes that programs may be using to track success.⁸⁶

⁸⁵ See CFPB, *Tracking success in financial capability and empowerment programs* (Apr. 2017), available at consumerfinance.gov/data-research/research-reports/tracking-success-financial-capability-and-empowerment-programs/.

⁸⁶ This and other approaches to tracking success are discussed in the CFPB's report *Effective financial education: Five principles and how to use them*, which is available at consumerfinance.gov/data-research/research-reports/effective-financial-education-five-principles-and-how-use-them/ and discussed in Section 3.4, below.

2.7 Financial capability for older adults

Many people face difficult financial choices and challenges in planning for a secure retirement, especially with increasing life expectancies. Many older adults face increasing health and other living expenses in their later years, and are carrying significant amounts of debt.⁸⁷ Some may lose a portion or all of their savings due to bad advice or fraud.⁸⁸

The CFPB helps older adults address these challenges by providing opportunities for them and their families to learn about decisions that may affect the financial security of older adults as they age. The CFPB also helps older adults, their caregivers, aging networks, and service providers, among others, learn about how they can prevent financial exploitation and fraud against older adults. The CFPB works with federal and state agencies, community organizations, and other entities that educate and assist older adults. More information about the CFPB's initiatives, tools, and resources that address financial protection for older adults can be found at consumerfinance.gov/older-americans/.⁸⁹

⁸⁷ See, e.g., CFPB, *Issue Brief: Social Security claiming age and retirement security* (Nov. 2015) at 6-7, available at consumerfinance.gov/data-research/research-reports/issue-brief-social-security-claiming-age-and-retirement-security/; *Snapshot of older consumers and student loan debt* (Jan. 2017) at 4-7, available at consumerfinance.gov/data-research/research-reports/snapshot-older-consumers-and-student-loan-debt/; CFPB, *Snapshot on older consumers and mortgage debt* (May 2014) at 3-4 & 8-9, available at consumerfinance.gov/data-research/research-reports/snapshot-of-older-consumers-and-mortgage-debt/.

⁸⁸ See FINRA Investor Education Foundation, *Financial Fraud and Fraud Susceptibility in the United States* (Sept. 2013), available at finra.org/sites/default/files/Financial%20Fraud%20and%20Susceptibility%20in%20the%20United%20States%202012.pdf; see also CFPB, *Senior Designations for Financial Advisers* (Apr. 2013) at 21-22, available at consumerfinance.gov/data-research/research-reports/senior-designations-for-financial-advisers/.

⁸⁹ The CFPA mandated establishment of an Office of Financial Protection for Older Americans (Office for Older Americans). The functions of the Office for Older Americans include, among other things, “activities designed to facilitate the financial literacy of individuals who have attained the age of 62 years or more ... on protection from unfair, deceptive, and abusive practices and on current and future financial choices, including through the dissemination of materials to seniors on such topics.” 12 U.S.C. § 5493(g)(1). The CFPA also requires the Office to “conduct research that identifies best practices and effective methods, tools, technology and strategies to educate and counsel seniors about personal finance management” 12 U.S.C. § 5493(g)(3).

2.7.1 Resources for financial security as people age

In addition to the resources discussed below, the CFPB offers *Planning for Retirement*, an interactive guide that people can use to make an informed decision about when to claim Social Security retirement benefits. This guide is discussed in Section 2.1.2, above.

Understanding reverse mortgages

Reverse mortgages are a type of mortgage loan available to homeowners aged 62 years and older who have accrued equity in their home. A reverse mortgage is a complex financial instrument. Advertisements for reverse mortgages are found on television, on the radio, in print, and on the Internet. Many of the ads feature celebrity spokespeople discussing the benefits of reverse mortgages without mentioning the risks.⁹⁰

The CFPB offers two guides to address potential consumer confusion and help consumers make informed decisions about reverse mortgage loans. The first is a short, plain-language guide that highlights key decision points to help consumers assess the financial ramifications of taking out a reverse mortgage. The guide is called *Considering a reverse mortgage?* and is available on the CFPB's website in English at

consumerfinance.gov/f/201409_cfpb_guide_reverse_mortgage.pdf and in Spanish at

consumerfinance.gov/f/201411_cfpb_guide_considering-reverse-mortgage-guide_spanish.pdf.

The guide is also available through other federal agencies, nonprofit organizations, and housing counselors throughout the country.⁹¹

⁹⁰ To assess the effect of the ads on consumer understanding of reverse mortgages, the CFPB undertook a study that analyzed reverse mortgage advertisements and conducted focus group interviews. The study found that after viewing the ads, many consumers were confused about reverse mortgages being loans, and were left with false impressions that they are a government benefit or that they would ensure consumers could stay in their homes for the rest of their lives. The CFPB's report and a related consumer advisory concerning reverse mortgage advertising are available at consumerfinance.gov/about-us/blog/consumer-advisory-dont-be-misled-by-reverse-mortgage-advertising/.

⁹¹ The CFPB also has issued two consumer advisories on reverse mortgages: CFPB, *Consumer advisory: Three steps you should take if you have a reverse mortgage*, consumerfinance.gov/blog/consumer-advisory-three-steps-you-should-take-if-you-have-a-reverse-mortgage/, and CFPB, *Consumer advisory: Don't be misled by reverse*

A more comprehensive discussion guide on reverse mortgages with an accompanying video was released in August 2017. The discussion guide provides an overview of the key concepts of reverse mortgages to help prospective borrowers prepare for their required counseling session with a HUD-approved housing counselor, and to help the consumer determine if the product is right for him or her. The CFPB also released an issue brief that assesses the costs and risks of using a reverse mortgage to delay claiming Social Security retirement benefits. The CFPB analyzed different scenarios and found that the costs of a reverse mortgage generally exceed the additional lifetime benefits a person gains by delaying Social Security retirement benefits from age 62 until his or her full retirement age. The discussion guide, video, and issue brief are available at consumerfinance.gov/reversemortgage.

Resources for financial caregivers

MANAGING SOMEONE ELSE'S MONEY

The *Managing Someone Else's Money* series of guides assists people who are managing money or property for a family member or friend who is unable to manage his or her own bill-paying or make financial decisions.⁹² The four guides in the series address four specific roles: agents under powers of attorney; court-appointed guardians and conservators; trustees; and Social Security representative payees and VA fiduciaries. The guides explain the duties and responsibilities of people acting in each of these fiduciary roles, how to watch out for scams and financial exploitation, what to do if a family member or friend is a victim, and where to go for help. The guides are available in English and Spanish. They can be ordered individually or in bulk at pueblo.gpo.gov/CFPBPubs/CFPBPubs.php. They also are available on the CFPB's website in English at consumerfinance.gov/about-us/blog/managing-someone-elses-money/ and in Spanish at consumerfinance.gov/about-us/blog/resources-in-spanish-that-could-help-thousands-of-older-hispanics-spot-financial-exploitation-and-scams/.

mortgage advertising, consumerfinance.gov/blog/consumer-advisory-dont-be-misled-by-reverse-mortgage-advertising/.

⁹² A number of other federal agencies, including SSA, the Department of Veterans Affairs (VA), HHS, the FTC, and the Postal Inspection Service, as well as AARP's Caregiving Resource Center, have posted or discussed the guides or provided links to the guides on their websites, written blog posts, or included information in e-newsletters.

A second phase of the *Managing Someone Else's Money* initiative includes the release of state-specific guides for six states (Arizona, Florida, Georgia, Illinois, Oregon, and Virginia). The CFPB also offers a manual on how organizations in other states can create similar sets of state-specific guides based on the applicable laws and standards of their jurisdiction. The replication manual is called *Tips on adapting the CFPB guides for your state*. Using the CFPB's tips and templates, experts in Texas created Texas-specific guides and released them in March 2017.

All of the *Managing Someone Else's Money* resources can be accessed at consumerfinance.gov/educational-resources/resources-for-older-adults/managing-someone-elses-money/. From October 2016 through September 2017, the CFPB distributed more than 140,000 *Managing Someone Else's Money* guides.

2.7.2 Protecting against fraud and financial exploitation

Fighting elder financial exploitation through community networks

Financial exploitation, the illegal or improper use of a person's funds, property, or assets, is the most common form of elder abuse. Older adults lose billions of dollars annually to financial exploitation. In response to this crisis, many communities across the U.S. have created collaborative networks to prevent and improve community response to elder financial exploitation. Participants in elder financial protection networks may be state and local governments, elder justice advocates, law enforcement agencies, financial services providers, and others. However, thousands of communities that could benefit from a network do not have one.

The CFPB commissioned research and studied the activities undertaken by existing networks, their outcomes, and best practices.⁹³ In August 2016, the CFPB released a report and resource guide based on this research to support stakeholders in creating or expanding local networks.

⁹³ The research for this study was performed for the CFPB by the Federal Research Division of the Library of Congress.

The report and resource guide are available at consumerfinance.gov/data-research/research-reports/report-and-recommendations-fighting-elder-financial-exploitation-through-community-networks/.

Money Smart for Older Adults

The CFPB continues a partnership with the FDIC on *Money Smart for Older Adults* (MSOA). MSOA is an instructor-led training module within the FDIC's *Money Smart* program.⁹⁴ It provides older consumers, their family members and caregivers, and others with information on preventing and responding to elder financial exploitation. The CFPB's Office for Older Americans and the FDIC have developed train-the-trainer materials and offer in-person and webinar training sessions. The CFPB's Office for Older Americans has expanded the reach of MSOA by facilitating delivery of the program through a broad range of other channels that include state and local governments and nonprofit and financial services organizations in 49 states. For example the Office has trained members of the Pro Bono Subcommittee of the American Bar Association's Consumer Financial Services Committee, who have delivered the MSOA program to older adults, in collaboration with local aging network partners, as a community service project. These volunteers have presented MSOA to over 200 older adults in Louisiana and Illinois and efforts are underway to expand the initiative into Maryland.

MSOA materials include a *Resource Guide* that can be used by people who do not attend a local training session. The *Resource Guide* is available for download at consumerfinance.gov/f/201306_cfpb_msoa-participant-guide.pdf or for order at pueblo.gpo.gov/CFPBPubs/CFPBPubs.php in both English and Spanish. Instructor materials are available from the FDIC at fdic.gov/consumers/consumer/moneysmart/olderadult.html and from the CFPB at in-person trainings. During the period from October 2016 through September 2017, the CFPB distributed a combined total of more than 100,000 MSOA *Resource Guides*, *Instructor Guides*, and supplemental instructor materials in English and Spanish.

⁹⁴ *Money Smart* is a financial education curriculum designed to help low- and moderate-income individuals enhance their financial skills. See FDIC, *Money Smart – A Financial Education Program*, fdic.gov/consumers/consumer/moneysmart/index.html.

Financial education placemats

The Office for Older Americans created consumer education placemats for older adults who receive meal services at home or in congregate meal sites. *Meals on Wheels* volunteers and other senior service meal providers distribute the placemats. Since the program began in 2015, the CFPB has distributed over 1 million placemats. Most placemat messages focus on helping elders to avoid being defrauded. Word game placemats were released in September 2017. The placemats are available for download or order at

[pueblo.gpo.gov/CFPBpubs/CFPBpubs.php?NavCode=XA&CatID=39&PHPSESSID=26h6fj4covqqcd9h0b324r8rfl](https://www.consumerfinance.gov/pueblo.gpo.gov/CFPBpubs/CFPBpubs.php?NavCode=XA&CatID=39&PHPSESSID=26h6fj4covqqcd9h0b324r8rfl).

Resources for financial institutions

Banks and credit unions are uniquely positioned to look out for financial abuse of their older customers and take action to protect them. The CFPB has developed a number of resources specifically to assist financial institutions in these efforts, which are described below. In addition, financial institutions can utilize the CFPB's resources and programs described above.

For example, financial institution employees can be trained in *Money Smart for Older Adults* so as to be able to educate older customers, their family members, caregivers, and others on preventing and responding to elder financial exploitation. They can distribute *Managing Someone Else's Money* guides to customers who are financial caregivers, and encourage local meal programs to order and distribute the CFPB's financial education placemats. Financial institutions interested in taking proactive steps to engage local stakeholders in the prevention of elder financial exploitation can use the CFPB's resource guide to support them in establishing or participating in an elder financial protection network in their community.

INTERAGENCY GUIDANCE ON PRIVACY LAWS AND REPORTING FINANCIAL ABUSE OF OLDER ADULTS

In 2012, financial institution officials raised concerns about whether the privacy provisions of the Gramm-Leach-Bliley Act (GLBA) precluded financial institutions from reporting suspected

elder financial exploitation. The CFPB and other federal financial regulators developed interagency guidance for financial institutions to clarify the applicability of the privacy provisions of GLBA to the reporting of suspected financial exploitation of older adults.⁹⁵ The goal of the guidance is to provide financial institutions more certainty about the legality of reporting suspected elder abuse, thereby facilitating financial institutions' timely reporting of suspected abuse. Timely reporting helps law enforcement and adult protective services officials to take appropriate protective action. The CFPB has worked to raise awareness about the guidance and about the importance of reporting suspected elder financial exploitation to appropriate local, state, and federal agencies.

ADVISORY AND REPORT ON PREVENTING AND RESPONDING TO ELDER FINANCIAL EXPLOITATION

The CFPB's Office for Older Americans identified best practices that banks and credit unions can adopt in their efforts to prevent financial exploitation of older consumers and to intervene effectively when it occurs. In 2016 the CFPB issued an advisory and a report for financial institutions on preventing elder financial abuse. The report includes recommendations for financial institutions to consider as they assess their own practices to protect their older customers from financial abuse. The advisory and report are available at consumerfinance.gov/about-us/newsroom/cfpb-issues-advisory-and-report-for-financial-institutions-on-preventing-elder-financial-abuse/.

MEMORANDUM ON FINANCIAL INSTITUTION AND LAW ENFORCEMENT EFFORTS TO COMBAT ELDER FINANCIAL EXPLOITATION

The CFPB collaborated with the Department of the Treasury and the Financial Crimes Enforcement Network (FinCEN) on a joint memorandum released in August 2017. The memorandum aims to encourage coordination among financial institutions, law enforcement, and adult protective service agencies to help protect older adults from elder financial

⁹⁵ See *Interagency Guidance on Privacy Laws and Reporting Financial Abuse of Older Adults* (Sept. 24, 2013), available at consumerfinance.gov/policy-compliance/guidance/implementation-guidance/interagency-guidance-reporting-financial-abuse-older-adults/. The agencies are the Board of Governors of the Federal Reserve System, the Commodity Futures Trading Commission, the CFPB, the FDIC, the FTC, the National Credit Union Administration, the Office of the Comptroller of the Currency, and the SEC.

exploitation.⁹⁶ Specifically, the memorandum focuses on raising the awareness of law enforcement agencies of the existence of the Suspicious Activity Reports (SARs) filed by financial institutions and how law enforcement agencies can use SARs to assist in investigating elder financial exploitation. The memorandum grew out of collaborative efforts among agencies that are members of the federal Elder Justice Coordinating Council.⁹⁷

⁹⁶ See CFPB, Department of the Treasury, FinCEN, *Memorandum on Financial Institution and Law Enforcement Efforts to Combat Elder Financial Exploitation* (Aug. 2017), available at consumerfinance.gov/policy-compliance/guidance/implementation-guidance/memorandum-financial-institution-and-law-enforcement-efforts-combat-elder-financial-exploitation/.

⁹⁷ See generally Elder Justice Coordinating Council, *Eight (8) Recommendations for Increased Federal Involvement in Addressing Elder Abuse, Neglect and Exploitation*, available at https://www.acl.gov/sites/default/files/programs/2016-09/Eight_Recommendations_for_Increased_Federal_Involvement.pdf.

3. Amplifying effective practices in financial literacy and capability

A central aspect of the CFPB's work to achieve its financial literacy mission is identifying what makes financial education effective in helping consumers in their economic lives. The CFPB analyzes, implements, and works to spread and encourage adoption of financial education practices that work. The CFPB has prioritized research related to the effectiveness of financial education to support effectiveness in its own work and to advance effectiveness in the field of financial education more generally. This approach is aligned and consistent with the *National Strategy*. One of the core goals of the *National Strategy*, discussed in Section 1.2.1, above, is to identify and facilitate the implementation of evidence-based programs and practices that support the *National Strategy* vision of sustained financial well-being for all individuals and families in the U.S.⁹⁸

Four key elements of the work to advance financial education effectiveness are discussed below: (1) the CFPB's foundational research on financial well-being and the factors that influence it; (2) research projects that identify and test specific practical approaches that people may find useful in handling financial decision-making challenges; (3) research projects that support innovations

⁹⁸ See Financial Literacy & Education Commission, *Promoting Financial Success in the United States: National Strategy for Financial Literacy 2016 Update* (2016) at 15, 18, available at [treasury.gov/resource-center/financial-literacy/Documents/National%20Strategy%20for%20Financial%20Literacy%202016%20Update.pdf](https://www.treasury.gov/resource-center/financial-literacy/Documents/National%20Strategy%20for%20Financial%20Literacy%202016%20Update.pdf).

in financial services that can support financial capability; and (4) the CFPB's principles of effective financial education.

3.1 Financial well-being research

When the CFPB began its work in 2011, the driving vision for financial literacy efforts by the federal government already had been identified as “sustained financial well-being for individuals and families.” This vision was articulated by the interagency Financial Literacy and Education Commission in its *National Strategy*.⁹⁹ However, the concept of financial well-being had not been explicitly defined in the context of financial education, nor was there a standard way to measure it. As a foundational step in its work, the CFPB undertook to define and determine how to measure financial well-being for consumers in the U.S. The goal of this effort was 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.

The CFPB undertook a three-part effort aimed at achieving this goal: (1) formally defining financial well-being and identifying the likely personal drivers of financial well-being that may be influenced by financial education and other decision-making supports; (2) developing a “scale” that could be used to measure financial well-being and that would allow meaningful comparisons among approaches to achieving financial well-being; and (3) deploying the scale to identify the specific types of knowledge, skills, and habits that help people achieve greater financial well-being.

In January 2015, the CFPB released a definition of financial well-being and insights into the factors that likely influence it. The definition and insights were based primarily on analysis of in-

⁹⁹ See Financial Literacy & Education Commission, *Promoting Financial Success in the United States: National Strategy for Financial Literacy 2011*, available at [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). This vision reflected a growing consensus that the ultimate measure of success for financial education efforts is individual financial well-being. See, e.g., Organisation for Economic Co-operation & Development, International Network on Financial Education, *Measuring Financial Literacy: Questionnaire and Guidance Notes for Conducting an Internationally Comparable Survey of Financial Literacy* (2011) at 3, available at oecd.org/finance/financial-education/49319977.pdf.

depth interviews with consumers and financial education practitioners across the country. Research from a number of academic disciplines and consultations with leading financial education experts also were considered. The consumers interviewed described varying goals and visions for their lives, and people used varying words to describe their aspirations, yet there were strong common threads. A consistent definition of financial well-being emerged from the research. Financial well-being is a state of being in which a person

- Has control over day-to-day, month-to-month finances;
- Has the capacity to absorb a financial shock;
- Is on track to meet his or her financial goals; and
- Has the financial freedom to make choices that allow him or her to enjoy life.

In other words, people described financial well-being as a sense of both financial security and financial freedom, with today's finances and looking towards the future. The CFPB issued a report describing the results and methodology used in this research, as well as a short digest with information on how financial educators and other professionals can use the research findings to help consumers improve their financial well-being.¹⁰⁰

In December 2015, following the second phase of this research, the CFPB released a set of 10 questions – a “scale” – to measure financial well-being, based on the definition described above. This *CFPB Financial Well-Being Scale* was developed using cognitive interviewing and testing to ensure accurate comprehension of questions, and extensive quantitative testing and validation of the scale to ensure its validity and reliability.¹⁰¹ The scale is designed to allow financial educators and researchers to accurately and consistently quantify and observe

¹⁰⁰ See CFPB, *Financial Well-Being: The Goal of Financial Education* (Jan. 2015) (report); CFPB, *Financial well-being: What it is and how to help* (digest). Both the report and the digest are available at consumerfinance.gov/data-research/research-reports/financial-well-being/.

¹⁰¹ The statistical analysis used to develop the scale and scoring procedures was conducted by Vector Psychometric Groups using Item Response Theory methods. The standard version of the scale contains 10 questions. The CFPB also developed a five-item version that covers the same issues in a more succinct manner, but with less nuance in measurement.

something that is not directly observable: the extent to which people's financial situation and the financial capability they have developed provide them with financial security and freedom of choice. The scale provides a common metric that allows a comparison of scores across consumers and diverse types of programs. The scale can be used by an individual consumer or by a financial educator to assess a consumer's current state of financial well-being and to track his or her progress over time. The scale also can be used to understand how various factors, including financial education approaches, affect financial well-being.

Along with the scale, the CFPB provided detailed information on how to score individuals' responses and compare their scores.¹⁰² In 2017, the CFPB released a technical report further describing the development of the scale. This report is designed to serve as a resource for researchers and others who seek the technical details related to the development of the scale and the scoring procedures.¹⁰³ In 2017, the CFPB also launched a consumer tool on its website that allows consumers to respond to the 10 items in the *CFPB Financial Well-Being Scale* and see their own resulting score, without providing any personal identifying information. Consumers and others who use the tool can look up national averages for comparison purposes: overall, and by age, income, and employment status. Consumers who use the tool also see a selected list of CFPB resources that can help them as they seek to improve their financial lives.

In the third phase of this research, the CFPB deployed the financial well-being scale in a nationwide survey to measure people's own sense of their financial security and freedom in the present and for their future – *i.e.*, their financial well-being – and to study the factors that help people achieve greater levels of financial well-being. The CFPB released its initial report on the findings of this survey in September 2017.¹⁰⁴ Economic and opportunity factors such as

¹⁰² See CFPB, *Measuring financial well-being: A guide to using the CFPB Financial Well-Being Scale* (Dec. 2015), available at consumerfinance.gov/data-research/research-reports/financial-well-being-scale/.

¹⁰³ See CFPB, *CFPB Financial Well-Being Scale: Scale development technical report* (May 2017), available at consumerfinance.gov/data-research/research-reports/financial-well-being-technical-report/.

¹⁰⁴ See CFPB, *Financial Well-Being in America* (Sept. 2017), available at consumerfinance.gov/data-research/research-reports/financial-well-being-america/.

income, education, and employment clearly stand out as important, yet the survey indicates that these economic factors are not the whole story in financial well-being. Some individuals in more economically disadvantaged categories still reported high levels of financial well-being, and some in highly economically advantaged categories reported lower financial well-being. Money management factors, such as having a habit of saving, financial skills, and confidence in one's ability to achieve financial goals (also called financial self-efficacy) were also strong differentiators between people with higher and lower levels of financial well-being. The survey results will be a basis for further learning by the CFPB and by other researchers about what contributes to these initial descriptive findings, and raises important questions for further research about which factors that influence financial well-being can be influenced by financial education.¹⁰⁵

3.2 Strengthening how financial education can equip people to address consumer financial challenges

The second major area of CFPB efforts to amplify effective financial education is identifying approaches that contribute to making financial education effective. People face many tasks and choices in managing their money and their financial lives. These choices include daily spending decisions such as whether to buy a cup of coffee; to larger, more infrequent choices related to homeownership and car loans; to ongoing choices around savings, bill paying, use of credit,

¹⁰⁵ To accompany the report, the CFPB made the survey data available as a fully anonymized public use data file. This makes it possible for other researchers and those interested in the financial education field to explore the data and develop follow-on research and analysis. The public use data file, codebook, and user guide are available at consumerfinance.gov/data-research/financial-well-being-survey-data/.

carrying debt, and more. Effective financial education can make it easier for people to make and follow through on financial decisions that align with their individual intentions.¹⁰⁶

In this work, the CFPB researches and creates practical approaches financial educators can use with the people they serve. Practical approaches may include reminders, simplifying the display of choices, and reducing the “hassle factor” of making certain choices. Educators can use these approaches to help people make and follow through on the financial decisions that will serve an individual’s own goals and intentions.

Rules of thumb

Research on decision-making has explained how people use simple, actionable shortcuts, often known as “rules of thumb” (or “heuristics”), to make both day-to-day and infrequent financial decisions easier. Examples of common financial rules of thumb include “save 10 percent of your income” and “pay down the loan with the highest interest rate first.” The simplicity of such rules can make them easy for people to recall and to apply when needed.

Existing research found rules of thumb to be a successful technique for improving decision-making in fields other than financial education. In addition, some financial rules of thumb were shown to be as effective as, or more effective than, comprehensive financial education. In particular, existing research found that rules-of-thumb-based education could be especially useful with decisions that are repetitive and frequent.

The CFPB added to this body of knowledge by conducting a randomized controlled trial to study whether exposing consumers to simple rules of thumb about credit card use could lead to reduced credit card balances. The study found that exposure to one of the two financial rules of thumb tested led to a modest but statistically significant decrease in revolving debt among consumers who carry a credit card balance. This rule of thumb was “Don’t swipe the small stuff: Use cash when it’s under \$20.”

¹⁰⁶ See CFPB, *Effective financial education: Five principles and how to use them* (June 2017) (Principle 5), available at consumerfinance.gov/data-research/research-reports/effective-financial-education-five-principles-and-how-use-them/.

The findings suggest that rules-of-thumb-type messages hold promise as a cost-effective, scalable method of financial education, particularly when well targeted to the people being served. The findings also suggest that rules of thumb may be promising as a complement to other financial education approaches. Based on findings from the trial, in January 2017, the CFPB published a research brief, a financial educator's digest on helpful shortcuts consumers can use if they want to reduce credit card debt, and a worksheet that consumers can use to develop their own rules of thumb for credit card spending. These materials are available at consumerfinance.gov/data-research/research-reports/power-light-touch-financial-education/.

In a related study, the CFPB conducted focus groups with consumers to learn what consumers know about and how they use rules of thumb.¹⁰⁷ Consumers in the focus groups revealed that there is sometimes a gap between rules of thumb and their actions, and described the challenges they face in applying these rules to their own lives.

The findings of both studies suggest that one way to make financial rules of thumb useful and effective tools is for consumers to develop and adjust their own rules – rules they themselves choose to adopt and live by. In response to these findings, the CFPB developed worksheets consumers can use to create their own customized financial rules to live by in three additional areas: savings, checking credit reports, and spending and budgeting. The CFPB also developed a short digest that financial educators can use in helping people to create their own rules of thumb. These consumer worksheets and educator digest are available at consumerfinance.gov/about-us/blog/creating-your-own-financial-rules-to-live-by/.

Managing spending

Consumers may face challenges in tracking their spending and keeping to a budget. In February 2017, the CFPB issued a report entitled *Consumer Insights on Managing Spending*, which describes its research to better understand consumer spending challenges. The CFPB found that consumers aspire to manage their spending but for various reasons, many consumers spend

¹⁰⁷ See CFPB, *Consumer Voices on Financial Rules to Live By* (Mar. 2016), available at consumerfinance.gov/data-research/research-reports/consumer-voices-financial-rules-live/.

more than they intend and sometimes have difficulty staying within their budgets. In addition, the CFPB found that although many people use budgets and plans, they often do not use them to guide spending decisions in real time.

The CFPB explored whether having real-time budget feedback at the point of purchase could help people deal with these spending challenges. The study found that over 90 percent of the consumers in the study were interested in using a tool or mobile phone application that gave them real-time feedback about how a purchase would affect their budget. In response to this interest, the CFPB developed and tested a prototype of a payment card feature that displays real-time information on how much money is left to spend in a consumer's budget, paired with a mobile phone application with an overview of the consumer's budget. Consumers reported that these prototype tools were likely to help them to curb impulse spending, make it easier to budget and stay within their budget, and reduce uncertainty about their financial situation.

The report on the findings, a brief guide for financial educators on how to apply the findings, and a worksheet that consumers can use on their own or with a financial educator, *Consumer tips for managing spending*, are available at consumerfinance.gov/data-research/research-reports/consumer-insights-managing-spending/.

Managing funds at the time of retirement

According to recent studies, many consumers at or near retirement are unprepared to meet the financial challenges of retirement. To help consumers make informed decisions to achieve their retirement goals, the CFPB commissioned research to better understand solutions to some of the challenges that consumers face in planning for their retirement and in spending their funds during retirement.¹⁰⁸ The CFPB sought to learn how consumers respond to two retirement planning and account management approaches designed to encourage optimal choices: simplification and pre-commitment.

¹⁰⁸ See CFPB, *Consumer insights on managing funds at the time of retirement* (June 2017), available at consumerfinance.gov/data-research/research-reports/consumer-insights-managing-funds-retirement/.

In general, the study found that consumers were interested in straightforward, trustworthy ways to simplify their retirement planning and personal retirement account management.

- When making decisions at age 55 and younger, consumers were interested in an advance planning tool, such as a tool to pre-commit to a conservative strategy for drawing down funds for later use from personal retirement accounts.
- When making decisions over age 55, consumers reported a preference for simplified forms for managing personal retirement account funds and for receiving information about retirement accounts.

The results of the research can inform financial education strategies that could help consumers overcome the barriers to optimal retirement choices and achieve greater financial well-being after they retire.

Approaches to immigrant financial education

According to the 2016 American Community Survey, approximately 43 million foreign-born individuals are living in the U.S.¹⁰⁹ Approximately half of these individuals have limited English proficiency.¹¹⁰ Immigrants, particularly those who are limited English proficient, may face challenges in navigating and fully participating in the U.S. financial system, and thus in achieving financial well-being for themselves and their families. To help financial education practitioners who serve immigrant communities, the CFPB conducted a field scan of financial education programs for immigrant populations and consulted with experts in the field.¹¹¹ In July

¹⁰⁹ See U.S. Census Bureau, *2016 American Community Survey 1-Year Estimates, Table B16005: Nativity by Language Spoken at Home by Ability to Speak English for the Population 5 Years and Older* (2016), available at https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_16_1YR_B16005&prodType=table.

¹¹⁰ *Id.*; see Siegel, Paul, Elizabeth Martin, and Rosalind Bruno, *Language use and linguistic isolation: Historical data and methodological issues* (2001) at 2 (defining limited English proficient), available at census.gov/srd/papers/pdf/ssm2007-02.pdf.

¹¹¹ The field scan is not exhaustive of all financial education approaches that serve immigrant populations. Instead, the field scan identified types of financial education approaches that are adapted in some way to serve immigrant populations and several leading examples of each approach.

2016, the CFPB issued a report to raise the visibility of the challenges that many immigrants face in their financial lives and to share promising strategies that financial education practitioners can use to better serve immigrants in their communities who seek their help. The report is available at consumerfinance.gov/data-research/research-reports/financial-education-programs-serving-immigrant-populations/.

Other consumer challenges

The CFPB identified some of the prevalent financial decision-making challenges that consumers face in managing their financial lives and tested approaches consumers could use for overcoming them. To assist financial educators and researchers, the CFPB developed short videos illustrating two of the challenges that were identified: *Saving for financial shocks and emergencies* and *Organizing and managing finances*. The videos seek to bring the challenges to life in order to inspire educators and innovators to apply the research in their work and to identify avenues for additional research and innovation. The CFPB also developed digests for these and the other consumer financial challenges identified, which provide ideas for how financial educators can provide effective assistance to consumers in these areas. The videos and digests are available at consumerfinance.gov/practitioner-resources/adult-financial-education/tools-and-resources/.

3.3 Supporting financial services innovation

The CFPB has sought to understand how the situations consumers encounter in the marketplace can influence and support them in achieving their financial goals, and works to encourage consumer-friendly innovations by providers of financial products and services that can support consumers in building their financial capability and financial well-being. The CFPB's efforts include working with financial services providers to pilot two approaches to supporting consumers' ability to save. These projects are discussed below.

Tax time savings

A tax refund can be the single largest lump sum payment that consumers receive all year. Saving a portion of federal income tax refunds can better prepare people to handle financial emergencies in the short term, or to achieve longer-term goals such as saving for retirement, college, a down payment on a house, or a car. Most people do not formally save any portion of their tax refund. People already may have mentally committed the money for other purposes,

often to pay prior bills, make major purchases, or cover immediate needs. Many people also are not aware that it is relatively easy to have all or a portion of their tax refund deposited into a savings account while filing their return.

The majority of consumers, including those eligible for the EITC, file their taxes through tax preparation companies. The CFPB's Project Catalyst and Office of Financial Empowerment have been conducting a multiyear pilot project with H&R Block to identify best practices to encourage savings at tax time.¹¹² The CFPB's research associated with this pilot is exploring two principal questions: 1) whether certain strategies by tax preparation companies can encourage saving at tax time; and 2) in what ways saving at tax time is associated with better outcomes for consumers.

Based on incremental learnings from the first two years of this research, for the 2017 tax season H&R Block focused on two approaches to encourage saving: 1) using email to contact certain customers about the opportunity to save a part of the refund; and 2) timing the emails to arrive just before tax season starts and just after tax filers receive their refund.

Prepaid cards and savings habits

The CFPA charges the CFPB with providing “opportunities for consumers to access ... savings, borrowing, and other services found at mainstream financial institutions.”¹¹³ Building savings may be particularly challenging for consumers who are living paycheck to paycheck, or who have irregular income flows that do not match the timing of their expenses. Many consumers, especially those with lower incomes, may not have access to or may not use a traditional savings account. Instead they often rely on a checking or prepaid account as both their primary transactional account and savings vehicle. These consumers have to mentally allocate their funds to spending and saving, which may make saving more challenging.

¹¹² For more information about the CFPB's Project Catalyst, see CFPB, *Project Catalyst Report: Consumer-Friendly Innovation* (Oct. 2016), available at consumerfinance.gov/data-research/research-reports/project-catalyst-report-promoting-consumer-friendly-innovation/.

¹¹³ 12 U.S.C. § 5493(d)(2)(C).

The CFPB's Project Catalyst, Office of Financial Empowerment, and Office of Research worked with American Express on a research study to identify best practices for encouraging saving and to determine whether saving is associated with better outcomes for consumers, particularly for lower-income and underserved consumers. The research used the American Express "Serve" prepaid card. That card has a feature called Reserve, which allows Serve cardholders to create a subaccount within their main prepaid account dedicated to savings. Cardholders can save money in their Reserve subaccounts until they are ready to use the money. Then cardholders manually transfer the funds to their main Serve account. The Serve prepaid card also has built-in automatic transfer functions, which allow cardholders to schedule regular fund transfers from a main Serve account to individuals' Reserve savings subaccounts.

Results from the pilot indicate that offering customers a \$10 incentive for using the savings subaccount on the prepaid card was highly effective at encouraging enrollment in the savings subaccount feature. The results showed that for those who saved, savings balances remained relatively constant through the remainder of the year.¹¹⁴

This pilot suggests that the combination of providing incentives to prepaid card customers to save, and providing an account feature that offers the opportunity to save in a separate subaccount dedicated for saving could provide tangible financial benefits. Consumers in this pilot demonstrated a willingness to take up the savings feature, indicating interest in alternative savings vehicles, and also reported changes in their actual savings and other financial choices.¹¹⁵

¹¹⁴ The results also showed that participants who were sent an incentive offer as part of the messaging reported statistically significant less payday loan use compared to those who were not.

¹¹⁵ See CFPB, *Tools for Saving: Using Prepaid Cards to Set Aside Funds* (Sept. 2016), available at consumerfinance.gov/data-research/research-reports/tools-saving-using-prepaid-accounts-set-aside-funds/.

3.4 Principles for effective financial education

There is no single right way to help adult consumers improve their financial decision-making skills, just as there is no single right way everyone should conduct their financial lives. There are many approaches that work, reflecting the diversity of people's circumstances, opportunities, and aspirations. However, programs that succeed have some common practices in how they deliver financial education and financial capability services. The CFPB has developed a framework of five principles for effective financial education, derived from its financial well-being and other effectiveness research. The principles build on insights about how people make financial decisions, marshalled from many fields of study; on what the CFPB has learned about consumers' own experiences in the financial marketplace; and on input from the financial education field.¹¹⁶

In particular, the CFPB has learned that financial education to support financial well-being is about action: equipping people to take positive action to improve their financial situation. Each principle reflects a factor that influences financial well-being and underlies financial action, and that can be influenced by financial education. Financial educators can implement these principles in their programs to help people as they work to bridge the gap between intentions and goals, and take actions that can help them to achieve those goals. The framework provides strategies that financial educators can use in tailoring effective approaches for the particular adult consumers they serve.¹¹⁷

¹¹⁶ See CFPB, *Effective financial education: Five principles and how to use them* (June 2017), available at consumerfinance.gov/data-research/research-reports/effective-financial-education-five-principles-and-how-use-them/. As described in the report, to develop the principles, the CFPB also scanned the growing body of financial education program evaluation and related research available to date. The CFPB identified programs and approaches that have put the ideas reflected in the principles into practice and have been demonstrated to be effective. The CFPB also sought input from leaders in the financial education field, which were incorporated into the design of the principles. Finally, financial education practitioners from around the country provided feedback on the principles and shared other promising financial education approaches for putting the principles into practice. *Id.* at 14-15.

¹¹⁷ The CFPB also has focused on strategies for supporting the development of financial capability from early childhood through adolescence, discussed in Section 2.3, above. For more information, see the CFPB's report,

The principles, along with tested strategies and practitioner tips for putting them into practice, are described in a report entitled *Effective financial education: Five principles and how to use them*. The report, along with a two-page summary, is available at consumerfinance.gov/data-research/research-reports/effective-financial-education-five-principles-and-how-use-them/. The five principles are described briefly below.

Principle 1: Know the individuals and families to be served

Different types of programs aimed at boosting financial well-being will be effective for consumers in different situations. This means that rather than adopting a one-size-fits-all approach, financial education programs should be matched to the specific circumstances, challenges, goals, and situational factors (discussed in *Principle 5*) of the people served. Tailoring programs in this way can make a meaningful difference for the individuals served through their actions and financial outcomes.

Principle 2: Provide actionable, relevant, and timely information

This principle recommends connecting consumers to knowledge in ways that stick. People are more likely to absorb information if it is connected to an upcoming decision that matters to them, at the time when they can put it to use, with concrete steps they can follow.

Principle 3: Improve key financial skills

To help consumers put financial knowledge to use, consumers also need to build financial skills. Key skills include knowing when and how to find reliable information to make financial decisions; knowing how to process information to make financial decisions; and knowing how to execute on financial decisions.

Building blocks to help youth achieve financial capability: A new model and recommendations (Sept. 2016), available at consumerfinance.gov/data-research/research-reports/building-blocks-help-youth-achieve-financial-capability/.

Principle 4: Build on motivation

Knowledge, skills, and opportunity do not necessarily lead to action when a person does not feel strongly that the action is important. In those circumstances, financial education can strengthen and reinforce personal attitudes that help people to stay motivated to pursue their financial goals. This can be done by supporting people to focus on their own standards and values rather than on external influences, persevere in the face of obstacles, and build confidence that they can achieve their financial goals.

Principle 5: Make it easy to make good decisions and follow through

The situations that a person encounters can strongly influence financial decisions and actions. This principle recommends making it easier for people to achieve their goals by considering situational factors in the program and product design process. Financial education can more effectively help people carry out their intentions by helping them learn to navigate and leverage the influences at work in their surroundings.

The CFPB developed these principles in order to help more consumers achieve their own financial goals and financial well-being by supporting those who help consumers in this endeavor.

4. Conclusion

A central goal of the CFPB's work is to empower consumers to make informed financial choices to reach their own life goals and enhance their own financial well-being. The CFPB seeks to do this by: offering web and print financial education resources, developing opportunities for Americans to build their own financial skills through local community channels, supporting those who are building the next generation's financial skills, and amplifying the impact of those who provide financial education and other services to consumers through research on what contributes to effective financial education and financial well-being.

The CFPB is working side by side with other government agencies, the private and nonprofit sectors, schools, workplaces, and community organizations, and is developing opportunities to integrate financial capability into existing programs and services. Financially capable consumers are essential to harnessing the financial system's tremendous capacity to enhance economic stability and opportunity and to help people in America to reach their life goals.

Appendix A:

CFPB financial education resources

The CFPB has developed digital tools and guides and a catalog of print publications that consumers can use to answer money questions and build financial skills to make informed financial choices. Those who work with consumers also can use these resources with the consumers they serve. The CFPB also has developed resources specifically for financial educators and others interested in financial education. A list of these resources is provided below, along with hyperlinks to where they can be found online.¹¹⁸

Consumerfinance.gov

The CFPB's website, consumerfinance.gov, contains financial education content aimed at distinct audiences. *Consumer Tools* contains money topic portals people can use to find just-in-time answers to common money questions, and guides people can use to help navigate big financial decisions and life stages with a financial component. *Practitioner Resources* includes materials and programs geared to specific consumer populations and those who work with them, such as servicemembers, older adults, and youth; and materials and programs geared to specific types of practitioners, such as librarians, tax preparers, and social services providers.

¹¹⁸ A listing of these resources designed specifically for financial educators and organized by topic area is available at consumerfinance.gov/practitioner-resources/adult-financial-education/.

Web-based resources and tools for consumers

- **Ask CFPB**

Ask CFPB is an online resource that gives short answers to common questions about financial products and services and money choices. The topic areas include credit cards, mortgages, student loans, bank accounts, credit reports, payday loans, and debt collection, among others.

consumerfinance.gov/askcfpb/

- **CFPB en Español**

CFPB en Español provides Spanish-speaking consumers a central point of access to the CFPB's most-used consumer resources, translated into Spanish.

consumerfinance.gov/es/

- **Tell your story**

The CFPB encourages consumers to relate their experiences, good or bad, with consumer financial products. Through these stories, the CFPB gains insight into consumer experiences in the consumer financial marketplace. No login is required.

consumerfinance.gov/your-story/

- **Submit a complaint**

To submit a complaint about a consumer financial product or service, consumers can visit consumerfinance.gov/complaint/ or call toll-free at 855-411-CFPB (2372). The CFPB accepts complaints in more than 180 languages. Consumers who are deaf, have hearing loss, or have speech disabilities can call toll-free at 855-729-CFPB (2372) TTY/TTD. The CFPB forwards the complaint to the company and works to get the consumer a response – generally within 15 days.

consumerfinance.gov/complaint/

- **Financial well-being questionnaire**

This interactive consumer tool allows people to answer 10 questions and see a financial well-being score. They can compare their score to national averages, overall and by age,

income, and employment status, and see selected resources that may be able to help them address money issues that support their own life goals.

consumerfinance.gov/consumer-tools/financial-well-being/

The findings of the CFPB's foundational research on financial well-being that underlie or use this tool are available in a series of reports.

Financial well-being: The goal of financial education (January 2015)

consumerfinance.gov/data-research/research-reports/financial-well-being/

Measuring financial well-being: A guide to using the CFPB Financial Well-Being Scale (December 2015)

consumerfinance.gov/data-research/research-reports/financial-well-being-scale/

CFPB Financial Well-Being Scale: Scale development technical report (May 2017)

consumerfinance.gov/data-research/research-reports/financial-well-being-technical-report/

Financial well-being in America (September 2017)

consumerfinance.gov/data-research/research-reports/financial-well-being-america/

▪ **Identity theft**

The CFPB has a number of web and print resources to answer consumers' questions about identity theft, provide steps consumers can take to protect their personal information from being misused, and explain what consumers can do if they think they have been the victim of identity theft. These resources include a series of September 2017 consumer advisories listed in the consumer advisories section of this Appendix (the first of which is also linked below) and the *Credit reports and scores* web portal linked below. The CFPB also offers *Ask CFPB* questions and answers on identity theft, and print publications including *Watch accounts closely when card data is hacked* listed in the publications section of this Appendix.

consumerfinance.gov/about-us/blog/identity-theft-protection-following-equifax-data-breach/

consumerfinance.gov/ask-cfpb/category-credit-reporting/fraud-or-identity-theft/

- **Money as You Grow: Resources for parents and caregivers**

Based on the building blocks of youth financial development, the CFPB's webpage for parents and caregivers provides activities, conversation starters, and tips for parents and caregivers who want to help their children develop money skills. Parents and caregivers can use these age-appropriate resources to support their children as they develop financial skills, habits, and knowledge that can serve them in their future financial lives. This is also the home of the *Money as You Grow* book club, a program that offers a list of popular children's books along with guides for parents and caregivers who are looking for help in having conversations about money choices like saving, spending, and more.

consumerfinance.gov/consumer-tools/money-as-you-grow/

- *Parent reading guides and a Program facilitator's implementation guide for the Money as You Grow book club*

pueblo.gpo.gov/CFPBPubs/CFPBPubs.php?NavCode=XA&CatID=34

STUDENTS

- **Student loans portal**

The *Student loans* portal on the CFPB's website provides tools and resources to help make financial decisions related to preparing for college, attending college, or repaying student loans. These include links to the *Paying for College* tools and resources listed below.

consumerfinance.gov/consumer-tools/student-loans/

- **Paying for College**

Paying for College is an online guide that students and families can use to evaluate their options for financing higher education by comparing college costs and financial aid, learning about college money and loan options, and assessing repayment options.

consumerfinance.gov/paying-for-college/

- Student financial guides

- Student loans

consumerfinance.gov/paying-for-college/choose-a-student-loan/

- Student banking

consumerfinance.gov/paying-for-college/manage-your-college-money/

- Compare financial aid

consumerfinance.gov/paying-for-college/compare-financial-aid-and-college-cost/

- Repay student debt

consumerfinance.gov/paying-for-college/repay-student-debt/

- **Resources for students and young adults**

This webpage provides links to the CFPB's *Paying for College* tools and resources, including information about student loan repayment options and comparing financial aid offers, and a link for submitting student loan complaints. The webpage also contains resources for understanding student banking and credit card options, and the CFPB's reports on student loan policy issues.

consumerfinance.gov/students/

GETTING AND MAINTAINING A MORTGAGE

- **Owning a Home**

Owning a Home is an online guide that consumers can use to understand the steps as they shop for a mortgage and to make more informed decisions throughout the home mortgage process.

consumerfinance.gov/owning-a-home/

- Prepare to shop

consumerfinance.gov/owning-a-home/process/prepare/

- Explore loan choices

consumerfinance.gov/owning-a-home/process/explore/

- Compare loan offers

consumerfinance.gov/owning-a-home/process/compare/

- Get ready to close

consumerfinance.gov/owning-a-home/process/close/

- Customized landing pages for key moments in the process

- Loan Estimate

consumerfinance.gov/mortgage-estimate

- Closing Disclosure

consumerfinance.gov/owning-a-home/mortgage-closing/

- Interactive sample disclosure forms

consumerfinance.gov/owning-a-home/loan-estimate/

consumerfinance.gov/owning-a-home/closing-disclosure/

- Closing resources

Downloadable closing checklist and guide to closing forms

consumerfinance.gov/owning-a-home/process/close/

The *Owning a Home* resources are further supported by a series of six long-form blogs released in 2017 to address some specific questions that may arise when considering buying a home.

consumerfinance.gov/about-us/blog/?filter1_topics=homebuying

- **Mortgage servicing portal**

The *Mortgages* portal on the CFPB's website provides resources and answers to common questions about maintaining a mortgage for consumers who already have bought a home and have a mortgage. It includes the basics of maintaining a mortgage, what consumers can do if they are having trouble paying their mortgage, and action guides for how to find a HUD-approved housing counselor, get information, or dispute an error.

consumerfinance.gov/consumer-tools/mortgages/

SERVICEMEMBERS

- **Navigating the military financial lifecycle**

The *Navigating the military financial lifecycle* webpage provides tools and resources that military personnel and their families can use to help them navigate financial issues throughout their military career. It includes financial basics for new and current servicemembers and tools and resources for financial issues related to Permanent Change of Station and deployments, life transitions and events, leaving the service, and veterans' issues.

consumerfinance.gov/consumer-tools/military-financial-lifecycle/

- **Resources for servicemembers and veterans**

This webpage provides resources for servicemembers, veterans, and their families, and describes the work the CFPB is doing to enhance protections for servicemembers, veterans, and their families. Consumers can submit a complaint about consumer financial products and services and access information and resources on military education benefits and student loans, safeguarding veterans' benefits, and state resources.

consumerfinance.gov/servicemembers/

OLDER ADULTS

- **Planning for Retirement**

Planning for Retirement is an online guide that consumers can use to see the impact of claiming Social Security retirement benefits at different ages. The guide gives consumers a rough estimate of their monthly benefit, shows how their monthly benefit changes depending on the age at which they claim, shows what they can expect to receive at different ages, and provides tips relevant to their situation.

consumerfinance.gov/retirement/before-you-claim/

Planifique para su Jubilación (Spanish version of *Planning for Retirement*)

consumerfinance.gov/retirement/before-you-claim/es/

- **Managing Someone Else's Money**

The *Managing Someone Else's Money* webpage includes the CFPB's series of guides to help the millions of Americans who manage money or property for loved ones who are unable to pay bills or make financial decisions for themselves.

consumerfinance.gov/consumer-tools/managing-someone-elses-money/

- **Resources for older adults**

This webpage offers resources to help older consumers navigate financial challenges, including avoiding financial exploitation and protecting what is theirs. It also offers resources for financial caregivers, including agents under powers of attorney, court-appointed guardians, trustees, and government fiduciaries.

consumerfinance.gov/practitioner-resources/resources-for-older-adults/

OTHER MONEY TOPIC PORTALS

- **Auto loans portal**

The *Auto loans* portal on the CFPB's website provides resources and answers to common questions to help prepare consumers to shop for an auto loan that is right for them. The portal includes the *Getting an Auto Loan* guide, which helps people navigate the steps and decisions in getting an auto loan, and the *Auto loan shopping sheet*, which helps consumers see the costs and make direct comparisons between potential loan options.

consumerfinance.gov/consumer-tools/auto-loans/

- **Bank accounts and services portal**

The *Bank accounts and services* portal on the CFPB's website provides information and resources consumers can use for choosing, opening, and using a bank or credit union account.

consumerfinance.gov/consumer-tools/bank-accounts/

- **Credit reports and scores portal**

The *Credit reports and scores* portal on the CFPB's website provides resources to help consumers better understand their credit reports and scores, learn how to correct inaccuracies, and improve their credit record over time.

consumerfinance.gov/consumer-tools/credit-reports-and-scores/

- **Debt collection portal**

The *Debt collection* portal on the CFPB's website provides resources to help answer consumers' questions about how debt collection works and what consumers' rights are in the debt collection process. The portal includes five sample action letters consumers can consider using when responding to debt collectors. These letters can help consumers get the information they need about claims being made against them or protect themselves from inappropriate or unwanted collection activities.

consumerfinance.gov/consumer-tools/debt-collection/

Web-based resources for practitioners who work with consumers

- **Employer's guide to assisting employees with student loan repayment: A toolkit for school districts, non-profit organizations, and other public service employers**

This toolkit is designed to empower school districts and other public service organizations to help their employees qualify for existing student loan repayment programs, including Public Service Loan Forgiveness. Public service employees who may be eligible for this program if they meet certain criteria include teachers, librarians, firefighters, military personnel, law enforcement, first responders, nurses, and social workers.

consumerfinance.gov/about-us/newsroom/cfpb-launches-toolkit-to-help-teachers-and-other-public-servants-tackle-student-debt/

- **Your Money, Your Goals**

Your Money, Your Goals is a financial empowerment toolkit that organizations can use to incorporate financial capability information and tools into their discussions with the

people they serve to help them strengthen their financial capability and personal money management skills. The CFPB also offers companion guides to the toolkit that provide context and tailored tools for native communities, justice-involved individuals, and people with disabilities, as well as colorful, issue-focused booklets for use with individuals in in-person settings. Training and implementation materials are also available.

consumerfinance.gov/practitioner-resources/your-money-your-goals/

- **Military financial education forums**

The Office of Servicemember Affairs offers an archived series of virtual *Military financial education forums* on consumer financial topics for members of the military and service providers who deliver financial, educational, or legal counseling to servicemembers and their families on military installations worldwide. The forums are available as on-demand video training on the CFPB's website. The series includes issues in credit reporting and the military, student loan issues, veteran consumer issues, understanding the CFPB's consumer complaint process, resources and tips for dealing with debt collectors, and solutions for servicemembers with troubled mortgages.

consumerfinance.gov/servicemembers/on-demand-forums-and-tools/

- **Resources for adult financial educators: The CFPB Financial Education Exchange (CFPB FinEx)**

CFPB FinEx is an online and in-person information exchange designed to provide financial educators efficient access to the CFPB's tools, resources, and research on consumer financial behavior and effective practices, and facilitate sharing of information and best practices among financial educators and with the CFPB. The CFPB's *Financial education for adults* webpage includes links to resources financial educators can use with the people they serve, as well as a printable inventory of these resources.

consumerfinance.gov/practitioner-resources/adult-financial-education/

- **Resources for libraries: Community education project**

The CFPB is working with libraries to provide print publications, web resources, worksheets, guides, and other resources to help with consumers' money decisions. The CFPB's *Resources for libraries* webpage provides links to a collection of free government

financial education materials, marketing materials that libraries can use to promote financial education in the library, financial education training for librarians, and programming ideas that have proven successful for other libraries and financial education providers.

consumerfinance.gov/practitioner-resources/library-resources/

- **Resources for youth financial educators**

The CFPB's *Financial education for youth* webpage provides resources for teachers, administrators, and community leaders to help students build financial knowledge, skills, and habits and enhance K-12 financial education. They include the *Youth personal finance teaching tool*, which identifies strategies for educators seeking new ideas and insights to deliver research-based and developmentally appropriate financial education, and the *Youth financial education curriculum review tool*.

consumerfinance.gov/practitioner-resources/youth-financial-education/

- **Resources for tax preparers**

A tax refund may be the single biggest check some consumers receive all year. It presents a huge opportunity for individuals to set aside savings to help reach their financial goals. Saving money from a tax refund can be done easily and automatically while filing a tax return. The CFPB offers resources to help service providers learn more about tax time saving options to better help those they serve.

consumerfinance.gov/practitioner-resources/resources-for-tax-preparers/

- **Resources for organizations that provide services for economically vulnerable consumers**

The CFPB works with entities that serve economically vulnerable people, including public and private social services, faith-based, legal aid, volunteer, and worker training organizations. This webpage offers training resources for use in community programs targeting at-risk youth, economically vulnerable consumers, and people with disabilities. It offers materials supporting increased financial capability, savings at tax time, avoiding identity theft, financial coaching, and federal agency collaborations.

consumerfinance.gov/empowerment/

Consumer advisories

The CFPB periodically issues consumer advisories that provide guidance to consumers on timely or topical consumer challenges. Consumer advisories from the last three years are listed here in reverse chronological order. The CFPB's consumer advisories can be found by going to consumerfinance.gov/about-us/blog/, clicking "show" in the filter posts box, and choosing the topic "consumer advisory."

- **Identity theft protection following the Equifax data breach** (September 2017)

Issued in the wake of the Equifax data breach affecting millions of Americans, this advisory and the two advisories listed immediately below explain steps consumers can take to protect themselves and their credit from identity theft, whether or not their personal information was stolen.

consumerfinance.gov/about-us/blog/identity-theft-protection-following-equifax-data-breach/

Top 10 ways to protect yourself in the wake of the Equifax data breach

(September 2017)

consumerfinance.gov/about-us/blog/top-10-ways-protect-yourself-wake-equifax-data-breach/

Servicemembers should secure their identity after the Equifax data breach

(September 2017)

consumerfinance.gov/about-us/blog/servicemembers-should-secure-their-identity-after-equifax-data-breach/

- **A financial toolkit for victims of hurricanes Maria, Irma, and Harvey**

(September 2017)

Issued in the wake of Hurricanes Maria, Irma, and Harvey, this advisory offers steps consumers can take to secure their home and finances after a natural disaster once their most urgent needs are addressed. The advisory also includes other CFPB resources and links to organizations that provide assistance after natural disasters.

consumerfinance.gov/about-us/blog/financial-toolkit-for-victims-of-hurricanes-2017/

- **Four tips to help older student loan borrowers navigate common problems with their student loans** (January 2017)

This advisory provides tips that can help older student loan borrowers navigate common issues they face with student loan servicers and collectors.

consumerfinance.gov/about-us/blog/four-tips-help-older-student-loan-borrowers-navigate-common-problems-their-student-loans/

- **Be your family's financial action hero during an emergency** (September 2016)

This advisory provides consumers steps to take to be financially prepared for major emergencies or even minor setbacks before they happen.

consumerfinance.gov/about-us/blog/be-your-familys-financial-action-hero-during-emergency/

- **Trying to enroll in an income-driven repayment plan? Avoid #ApplicationAbyss with our student loan tips and resources** (August 2016)

This advisory provides consumers steps to avoid common servicing problems when applying for an income-driven repayment plan.

consumerfinance.gov/about-us/blog/trying-enroll-income-driven-repayment-plan-avoid-applicationabyss-our-student-loan-tips-and-resources/

- **The ABCs of money management for military kids** (August 2016)

Back-to-school season is an opportunity for military parents to teach their children money management lessons. This advisory provides military parents with tips on how to teach their kids about money management.

consumerfinance.gov/about-us/blog/abcs-money-management-military-kids/

- **Guard against fraud and make better financial decisions for Military Consumer Protection Month** (July 2016)

This advisory provides servicemembers a range of resources to guard against fraud and make better-informed decisions when managing their money.

consumerfinance.gov/about-us/blog/guard-against-fraud-and-make-better-financial-decisions-military-consumer-protection-month/

- **Arm yourself with knowledge when shopping for an auto loan** (June 2016)

This advisory provides tips to servicemembers on precautions to take when entering into an auto loan.

consumerfinance.gov/about-us/blog/arm-yourself-knowledge-when-shopping-auto-loan/

- **Older Americans are not alone in the fight to stop financial abuse** (March 2016)

This advisory provides tips on how consumers can work with their bank or credit union to protect themselves from financial exploitation. The consumer advisory accompanies an advisory and report for financial institutions on preventing and responding to elder financial exploitation, which can also be accessed at the link below.

consumerfinance.gov/about-us/blog/older-americans-are-not-alone-in-the-fight-to-stop-financial-abuse/

- **Older consumers targeted by fraudsters not once, but twice!** (February 2016)

This advisory warns about asset recovery scams targeting older consumers who have previously fallen prey to fraudulent money-making schemes, such as bogus timeshare investments and in-home business opportunities. The advisory describes how so-called asset recovery companies contact these consumers, promising to get refunds for the older consumer for an up-front fee of several hundred to thousands of dollars. They then fail to deliver – leaving the older consumer financially worse off than before.

consumerfinance.gov/about-us/blog/older-consumers-targeted-by-fraudsters-not-once-but-twice/

- **Key tips to consider if choosing a lump-sum pension payout** (January 2016)

This blog lists six things that consumers could benefit from knowing and doing if they have the option of taking a lump-sum payout on their pension.

consumerfinance.gov/about-us/blog/key-tips-to-consider-if-choosing-a-lump-sum-pension-payout/

- **Five things to consider before you collect your Social Security benefits** (November 2015)

This blog lists five recommendations to help consumers plan ahead and make an informed decision about when to claim their Social Security benefits.

consumerfinance.gov/about-us/blog/5-things-to-consider-before-you-collect-your-social-security-benefits/

- **Consumer advisory: Don't be misled by reverse mortgage advertising** (June 2015)

This advisory helps prospective reverse mortgage borrowers understand some key features of reverse mortgage loans that often are not mentioned in advertisements.

consumerfinance.gov/about-us/blog/consumer-advisory-dont-be-misled-by-reverse-mortgage-advertising/

- **Consumer advisory and investor bulletin: Planning for diminished capacity and illness** (June 2015)

This joint CFPB and SEC advisory and bulletin helps consumers plan for the possibility of incapacity.

consumerfinance.gov/about-us/blog/planning-for-financial-decisions-as-you-age/

- **Consumer advisory: Fact-check your specialty consumer report** (May 2015)

This advisory cautions consumers to check credit information with specialty consumer reporting companies that compile and sell reports with personal data. It provides information on how to dispute inaccurate personal information with these companies that may be supplied to employers, landlords, or banks.

consumerfinance.gov/about-us/blog/consumer-advisory-fact-check-your-specialty-consumer-report/

- **Consumer advisory: What happens to your student loans if your school is shut down** (May 2015)

This advisory provides advice to students to help guide them through their student loan options in the event they are notified that their college is shutting down. The advisory provides information on federal student loan discharge options, options for private student loans, and “teach-out” arrangements.

consumerfinance.gov/about-us/blog/reminder-what-happens-to-your-student-loans-if-your-school-is-shut-down/

- **Consumer advisory: Your benefits are protected from garnishment** (May 2015)

Threats to garnish federal benefits can cause older consumers and veterans significant distress, especially when they depend on this income to pay essential living costs. This advisory and sample letter can help consumers protect themselves against improper garnishment.

consumerfinance.gov/about-us/blog/consumer-advisory-your-benefits-are-protected-from-garnishment/

- **Consumer advisory: Three pension advance traps to avoid** (March 2015)

Many retirees depend on a pension to cover day-to-day as well as occasional unexpected expenses. This advisory helps older consumers protect their pension when considering a pension advance.

consumerfinance.gov/about-us/blog/consumer-advisory-3-pension-advance-traps-to-avoid/

- **Consumer advisory: Three steps you should take if you have a reverse mortgage** (February 2015)

This advisory helps existing reverse mortgage borrowers and/or family members who may be experiencing a problem with their reverse mortgage loan.

consumerfinance.gov/about-us/blog/consumer-advisory-three-steps-you-should-take-if-you-have-a-reverse-mortgage/

- **Consumer advisory: Are unpaid debts a military career-killer?** (January 2015)

Military personnel who have trouble handling their personal finances can find their duty status, potential promotions, and even their military careers in jeopardy. Over time, the burden of debt also can add stress to personal relationships and damage credit records. This advisory helps military consumers think about what to do when a financial problem arises.

consumerfinance.gov/about-us/blog/are-unpaid-debts-a-military-career-killer/

Publications

The publications listed are available in English and other languages as noted below. They include brochures, bookmarks, fact sheets, flyers, worksheets, and posters. They can be ordered or downloaded for free at pueblo.gpo.gov/CFPBPubs/CFPBPubs.php unless a separate link is provided.

CFPB brochures

- **Ask CFPB and Tell Your Story bookmarks**

One side of the bookmark highlights the CFPB's *Ask CFPB* resource and the other encourages consumers to share their experiences with financial products through the CFPB's *Tell Your Story* tool.

- **Ask CFPB bookmark** (Spanish)

This bookmark encourages Spanish-speaking consumers to visit the CFPB's *Ask CFPB* webpage in Spanish.

- **Tell Your Story bookmark** (Spanish)

This bookmark encourages Spanish-speaking consumers to visit the CFPB's *Tell Your Story* webpage in Spanish.

- **Submit a complaint** (also available in Spanish)

This brochure explains how to submit a complaint to the CFPB. It includes contact information, the consumer financial products and services about which the CFPB takes complaints, and what happens after a consumer submits a complaint.

Accounts

- **Know your overdraft options** (also available in Spanish)

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

- **Keep a lid on checking account fees** (also available in Spanish)

Six steps to help consumers reduce checking account fees.

- **Moving your checking account checklist** (also available in Spanish)

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

- **Checklist for opening a bank or credit union account** (also available in Spanish, French, Korean, Russian, Tagalog, Arabic, Chinese, and Vietnamese)

This guide provides information about what is needed to open a bank or credit union account, for consumers who have decided that a checking or savings account is the right product for them.

- **Selecting financial products and services** (also available in Spanish, French, Korean, Russian, Tagalog, Arabic, Chinese, and Vietnamese)

This guide provides information about various financial products or services that can help consumers meet a specific goal or need.

- **Unwrapping gift cards** (also available in Spanish)

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

Credit

- **Act fast if you can't pay your credit cards** (also available in Spanish)

Three steps consumers can take when they do not have enough money to pay their credit card bill, and how to avoid debt-relief scams.

- **Credit discrimination is illegal** (also available in Spanish)

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

- **How to find the best credit card for you** (also available in Spanish)

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

- **How to stop mystery credit card fees** (also available in Spanish)

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

- **Check your credit report** (also available in Spanish)

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

- **You have a right to see specialty consumer reports** (also available in Spanish)

Specialty consumer reporting companies collect and report credit history information about consumers. This consumer advisory informs consumers about their right to get free reports from these companies every 12 months.

- **How to fix mistakes in your credit card bill** (also available in Spanish)

Five steps to dispute incorrect charges or fees on a credit card bill.

- **Understand your credit score** (also available in Spanish)

This brochure explains what factors determine a credit score, what consumers can do to raise their score, and how to check credit reports and fix mistakes.

- **Watch accounts closely when card data is hacked** (also available in Spanish)

How consumers can keep a close eye on account activity and report suspicious transactions quickly.

- **How to rebuild your credit** (also available in Spanish)

Steps that can help consumers recover from a financial challenge that hurts their credit.

- **Helpful shortcuts for credit card use: Ideas for financial educators**

This digest has tips for financial educators on how to use financial rules of thumb in their work with consumers, especially on reducing credit card debt.

- **My credit report rule to live by**

This worksheet can help consumers create a customized financial rule of thumb for checking credit reports.

- **My credit spending rule to live by**

This worksheet can help consumers create a customized financial rule of thumb for managing credit card spending.

Money management

- **My new money goal**

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

- **Save some & spend some** (also available in Spanish)

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

- **Your disaster checklist** (also available in Spanish)

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

- **Choosing your student loan** (also available in Spanish)

Three steps to help guide consumers toward the student loans that are best for them.

- **Manage your college money** (also available in Spanish)

This brochure explains how to choose and manage an account for college money, so consumers can avoid unexpected fees and get financial aid disbursements quickly.

- **SAVED: Five steps for making financial decisions** (also available in Spanish)

These steps help consumers find the best deal when buying a financial product or service.

- **Know your rights when a debt collector calls** (also available in Spanish)

Steps consumers can take when a debt collector calls. Explains what to ask and how consumers can protect themselves.

- **Comparing auto loans**

Consumers can use this worksheet to compare loan offers, see the total cost, and negotiate the best deal on an auto loan.

- **Take control of your auto loan**

Consumers can use this guide to navigate the auto financing process, including budgeting considerations, shopping for an auto loan, and negotiating and closing the deal.

- **Financial rules to live by: Ideas for financial educators**

This digest has tips for financial educators to help consumers modify common financial guidance to fit their own resources, circumstances, and aspirations.

- **Financial well-being: What it is and how to help**

This digest explains the CFPB's research-derived definition of financial well-being and how financial educators can help people improve their financial well-being.

- **How to become debt-free** (also available in Spanish)

Getting expert help with managing debt and avoiding scams.

- **How to spot frauds and scams** (also available in Spanish)

Identifying common tactics that scammers use.

- **My savings rule to live by**

This worksheet can help consumers create a customized financial rule of thumb for meeting savings goals.

- **My spending rule to live by**

This worksheet can help consumers create a customized financial rule of thumb for meeting spending goals.

- **Pension advance products flyer**

This short handout informs pensioners about some of the pitfalls of using pension advance products for access to quick cash.

- **Ways to pay your bills** (also available in Spanish, French, Korean, Russian, Tagalog, and Vietnamese)

This guide describes different bill payment options and their potential advantages and disadvantages.

- **Ways to receive your money** (also available in Spanish, French, Korean, Russian, Tagalog, and Vietnamese)

This guide describes different ways to receive wages and their potential benefits and risks.

- **Pension lump-sum payouts and your retirement security** (also available in Spanish)

This guide helps consumers navigate their payout options from a traditional pension plan. It gives near-retirees the information they need to understand the trade-offs of

taking their pension in a monthly payment or in a lump-sum. The guide also provides tips and warnings about how to protect and manage lump-sum money.

consumerfinance.gov/about-us/blog/key-tips-to-consider-if-choosing-a-lump-sum-pension-payout/

- **Know your financial adviser** (also available in Spanish)

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

Sending money abroad

- **Send money abroad with more confidence flyer** (also available in Spanish, Chinese, Haitian Creole, and Tagalog)

This flyer tells senders of remittance transfers that protections are available to them and provides the CFPB's phone number and web address for more information.

- **Send money abroad with more confidence poster** (also available in Spanish, Chinese, Haitian Creole, and Tagalog)

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

- **Send money abroad with more confidence brochure** (also available in Spanish, Chinese, Haitian Creole, and Tagalog)

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

Mortgages

- **Have a mortgage? What you can expect under federal rules** (also available in Spanish, Chinese, French, Haitian Creole, Korean, Tagalog)

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

- **Considering a reverse mortgage?** (also available in Spanish)

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

- **Don't get scammed: How to avoid mortgage assistance and foreclosure relief scams** (also available in Spanish)

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

- **Ready to buy a home?** (also available in Spanish)

This checklist of questions helps consumers understand whether they are financially prepared for the responsibility of homeownership.

- **Should I refinance?** (also available in Spanish)

This brochure helps homeowners to consider warning signs about their current mortgage situation, review financial goals and potential outcomes, and determine whether refinancing their mortgage makes sense.

- **How to avoid foreclosure** (also available in Spanish)

Steps consumers can take when they are having trouble paying a mortgage.

- **Your home loan toolkit** (also available in Spanish)

This booklet is a toolkit that can help consumers understand their choices along the path to owning a home.

Older adults

- **A resource guide for elder financial exploitation prevention and response networks**

This guide provides resources for stakeholders seeking to create or enhance a network in their communities. The resources focus on challenges encountered by networks across the nation such as sustainability, replication, and the engagement of law enforcement and financial institutions as partners.

consumerfinance.gov/data-research/research-reports/report-and-recommendations-fighting-elder-financial-exploitation-through-community-networks/

- **Managing someone else's money: Help for guardians of property and conservators** (also available in Spanish)

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

- **Managing someone else's money: Help for agents under a power of attorney** (also available in Spanish)

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

- **Managing someone else's money: Help for representative payees and VA fiduciaries** (also available in Spanish)

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

- **Managing someone else's money: Help for trustees under a revocable living trust** (also available in Spanish)

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

- **Money Smart for Older Adults: Prevent financial exploitation** (also available in Spanish)

This guide provides information on how older adults and their caregivers can guard against identity theft, investment fraud, scams, and other forms of elder financial exploitation, and how to prepare financially for unexpected life events. Community organizations that wish to offer the course in their communities can order the instructor materials from the FDIC.

- Participant/Resource guide

consumerfinance.gov/f/201306_cfpb_msoa-participant-guide.pdf

- Instructor guide

fdic.gov/consumers/consumer/moneysmart/olderadult.html

- **Protecting residents from financial exploitation: A manual for assisted living and nursing facilities**

This manual helps the staff of long-term care facilities prevent, recognize, and report elder financial exploitation. The guide features a detailed list of warning signs of financial abuse and a model protocol that facilities can use to protect older adults. Family caregivers and service providers can learn about preventing financial exploitation of vulnerable older facility residents.

consumerfinance.gov/about-us/blog/were-helping-long-term-care-facilities-protect-older-americans-from-financial-exploitation/

Servicemembers and veterans

- **Tackling student loan debt**

The CFPB offers tips to servicemembers for managing student loan debt.

consumerfinance.gov/f/documents/201604_cfpb_servicemember-student-loan-guide.pdf

- **Fraud protection tools to help safeguard servicemembers**

This tool explains the three kinds of alerts available to servicemembers to protect their credit files from fraud or identity theft.

consumerfinance.gov/f/201508_cfpb_fraud-protection-tools-to-help-safeguard-servicemembers.pdf

- **Choosing a financial professional**

This advisory encourages servicemembers and veterans to check a financial adviser's background before deciding where to get help in making important financial decisions. Not all titles or credentials for financial professionals are the same.

consumerfinance.gov/f/documents/cfpb_servicemembers_choosing-a-financial-professional.pdf

- **Servicemembers: Know your rights when a debt collector calls**

The CFPB offers tips to servicemembers and veterans for dealing with debt collectors.

consumerfinance.gov/f/CFPB-Servicemembers-Know-Your-Rights-Handout-Debt-Collection.pdf

Reports and white papers

A selection of key CFPB reports and white papers from the last three years on financial education and capability, or addressing specific issues for special populations such as servicemembers, students, older adults, or those new to the financial mainstream, are listed here in reverse chronological order. To see all of the CFPB's public reports, visit consumerfinance.gov/data-research/research-reports/.

- **Financial well-being in America** (September 2017)

This report presents the first results from the *National Financial Well-Being Survey*, a nationwide survey on the financial well-being of adults in the U.S. conducted in late 2016.

consumerfinance.gov/data-research/research-reports/financial-well-being-america/

- **Building the capacity of tax preparation providers to encourage saving** (August 2017)

The CFPB has identified 10 promising practices for tax assistance providers to help people save when filing their taxes. Based on its experience working with Volunteer

Income Tax Assistance (VITA) programs and commercial tax preparers across the country over the last five years, the report offers insights into how to make tax-time savings initiatives more successful.

consumerfinance.gov/data-research/research-reports/building-capacity-tax-preparation-providers-encourage-saving/

- **Issue Brief: The costs and risks of using a reverse mortgage to delay collecting Social Security** (August 2017)

This issue brief explores the trade-offs of borrowing a reverse mortgage loan in order to delay claiming Social Security. It shows that in general, the reverse mortgage loan costs exceed the additional increase in Social Security that homeowners would receive in their lifetime by delaying Social Security benefits.

consumerfinance.gov/about-us/blog/things-consider-borrowing-reverse-mortgage-delay-collecting-social-security/

- **Financial coaching: Advancing the field to better serve consumers** (August 2017)

Recognizing the growing importance of the financial coaching field, the CFPB convened the 2017 Financial Coaching Symposium to facilitate the continued development of accessible, high-quality financial coaching services that help people reach their financial goals. The report provides an overview of the symposium, including lessons learned and next steps for the field to consider.

consumerfinance.gov/data-research/research-reports/financial-coaching-advancing-field-better-serve-consumers/

- **Effective financial education: Five principles and how to use them** (June 2017)

This report describes five principles for effective financial education, along with an explanation of their basis in the CFPB's financial well-being research and evidence-based strategies and practitioner tips for putting them into practice.

consumerfinance.gov/data-research/research-reports/effective-financial-education-five-principles-and-how-use-them/

- **CFPB Financial Well-Being Scale: Scale development technical report** (May 2017)

This report is designed to serve as a resource for researchers and others who seek the technical details related to the development of the CFPB's Financial Well-Being Scale and the scoring procedures, including the scoring rubric and the reliability of scores derived from its use.

consumerfinance.gov/data-research/research-reports/financial-well-being-technical-report/

- **Tracking success in financial capability and empowerment programs** (April 2017)

In this report the CFPB identifies a core set of five financial outcomes that can be used to measure the effectiveness of financial empowerment programs: planning and goals, savings, bill payment, credit profile, and financial well-being, and provides sample metrics for each.

consumerfinance.gov/data-research/research-reports/tracking-success-financial-capability-and-empowerment-programs/

- **A guide for advancing K-12 financial education** (March 2017)

This resource guide provides resources and information for educators and others who seek to increase opportunities for children and youth to develop financial capability by implementing financial education in their communities. Originally released in 2015 and updated and re-released in 2017, the resource guide was developed with input from state policymakers and financial education leaders. It includes case studies that feature promising practices and provides links and references to third-party resources.

consumerfinance.gov/data-research/research-reports/guide-advancing-k-12-financial-education/

- **Project Catalyst report: Promoting consumer-friendly innovation** (October 2016)

This report provides an overview of the CFPB's Project Catalyst's work to promote consumer-friendly innovation in the consumer financial marketplace and highlights the

importance of ensuring that consumer protections are built into emerging products and services. This report also highlights various market developments that have the potential to produce benefits for consumers.

consumerfinance.gov/data-research/research-reports/project-catalyst-report-promoting-consumer-friendly-innovation/

- **Tools for saving: Using prepaid accounts to set aside funds** (September 2016)

This report presents the results of a large field study exploring consumers' use of the Reserve "set aside" feature on the American Express *Serve* prepaid card.

consumerfinance.gov/data-research/research-reports/tools-saving-using-prepaid-accounts-set-aside-funds/

- **Building blocks to help youth achieve financial capability: A new model and recommendations** (August 2016)

This report shares research findings exploring how young people can acquire three building blocks of financial capability: executive function, financial habits and norms, and financial knowledge and decision-making skills.

consumerfinance.gov/data-research/research-reports/building-blocks-help-youth-achieve-financial-capability/

- **Report and recommendations: Fighting elder financial exploitation through community networks** (August 2016)

This report summarizes findings of research on the presence, activities, and characteristics of local and regional networks of stakeholders working together to prevent and respond to elder financial exploitation. The report offers recommendations for expanding the coverage of these collaborative efforts and enhancing their work to address the growing problem of elder financial abuse.

consumerfinance.gov/data-research/research-reports/report-and-recommendations-fighting-elder-financial-exploitation-through-community-networks/

- **Financial education programs serving immigrant populations** (July 2016)

To better help financial education practitioners who serve consumers of diverse backgrounds, the CFPB conducted a field scan of financial education programs for immigrant populations and spoke with experts in the field about the financial education challenges that many immigrants face. The challenges identified in this report vary from person to person, depending on many factors including socioeconomic status, language, and financial experiences from the person's country and culture of origin.

consumerfinance.gov/data-research/research-reports/financial-education-programs-serving-immigrant-populations/

- **Recommendations and report for financial institutions on preventing and responding to elder financial exploitation** (March 2016)

This report provides a set of voluntary best practices to help banks and credit unions prevent elder financial exploitation and intervene effectively when it occurs.

consumerfinance.gov/data-research/research-reports/recommendations-and-report-financial-institutions-preventing-and-responding-elder-financial-exploitation/

- **Measuring financial well-being: A guide to using the CFPB Financial Well-Being Scale** (December 2015)

This guide describes the research behind the CFPB Financial Well-Being Scale – a tool to measure individual financial well-being – and provides detailed steps for using it, including how to score individuals' responses and compare their scores.

consumerfinance.gov/data-research/research-reports/financial-well-being-scale/

- **Issue Brief: Social Security claiming age and retirement security** (November 2015)

This report describes the existing research on the importance of Social Security retirement benefits for older consumers, retirement and Social Security benefits claiming trends, and knowledge of Social Security retirement benefits among consumers. The brief provides a set of recommendations to help consumers plan ahead for this important financial decision.

consumerfinance.gov/data-research/research-reports/issue-brief-social-security-claiming-age-and-retirement-security/

- **Mobile financial services: A summary of comments from the public on opportunities, challenges, and risks for the underserved** (November 2015)

This report details the impact and potential of mobile financial services to help underserved consumers, including lower-income, unbanked, underbanked, and economically vulnerable consumers.

consumerfinance.gov/data-research/research-reports/mobile-financial-services-a-summary-of-comments-from-the-public-on-opportunities-challenges-and-risks-for-the-underserved/

- **Youth financial education curriculum review: Report and tool** (October 2015)

This is a resource that educators can use when selecting promising and appropriate curricula for their classroom, or that curriculum developers can use when updating financial education curricula. The review tool is based on a review of relevant literature, consideration of successful practices, and feedback from financial educators and other experts.

consumerfinance.gov/data-research/research-reports/youth-financial-education-curriculum-review-tool/

- **Increasing saving at tax time and promising practices for the field** (August 2015)

This report identifies 10 promising practices that are being employed by VITA programs around the country to encourage their tax customers to save when filing their tax return. The CFPB identified the practices through its work with the VITA programs over the previous three tax seasons.

consumerfinance.gov/data-research/research-reports/increasing-saving-at-tax-time-and-promising-practices-for-the-field/

- **A closer look at reverse mortgage advertisements and consumer risks** (June 2015)

This report examines incomplete and inaccurate statements used to describe reverse mortgages in many advertisements. These ads may leave older homeowners with the false impression that reverse mortgage loans are a risk-free solution to financial gaps in retirement.

consumerfinance.gov/data-research/research-reports/a-closer-look-at-reverse-mortgage-advertisements-and-consumer-risks/

- **Advancing K-12 financial education: A guide for policymakers** (April 2015)

This resource guide is designed to help connect community leaders with tools, information, and insights to enhance K-12 financial education efforts (updated March 2017)

consumerfinance.gov/data-research/research-reports/advancing-k-12-financial-education-a-guide-for-policymakers/

- **Consumer voices on credit reports and scores** (February 2015)

This report is based on focus groups with consumers about their experiences with, and perceptions of, credit reports and scores.

consumerfinance.gov/data-research/research-reports/consumer-voices-on-credit-reports-and-scores/

- **Financial well-being: The goal of financial education** (January 2015)

This report provides a conceptual framework for defining and measuring success in financial education by delivering a proposed definition of financial well-being and insight into the factors that contribute to it.

consumerfinance.gov/data-research/research-reports/financial-well-being/

- **Financial well-being: What it means and how to help** (January 2015)

This short digest summarizes the key findings of the report *Financial well-being: The goal of financial education* (January 2015) and is intended as a tool to help financial education practitioners use the findings in their work with consumers.

consumerfinance.gov/data-research/research-reports/financial-well-being/

- **Consumers' mortgage shopping experience: A first look at results from the National Survey of Mortgage Borrowers** (January 2015)

This report uses data from the National Survey of Mortgage Borrowers to examine consumers' experience with the early stages of getting a mortgage, consumer knowledge of the process of getting a mortgage, and the sources of information consumers relied on.

consumerfinance.gov/data-research/research-reports/consumers-mortgage-shopping-experience/

Complaint snapshots and reports

The CFPB's reports include periodic complaint snapshots. These reports analyze consumer complaints handled by the CFPB and, in many cases, other available information, to describe issues affecting particular groups of consumers. Selected complaint snapshots or reports related to the special populations and other issues discussed in this report are listed below.¹¹⁹

- **The Office of Servicemember Affairs: Charting our course through the military lifecycle** (May 2017)

This report introduces the Office of Servicemember Affairs' recent focus on charting the financial issues a servicemembers faces over the course of his or her military career. The CFPB has received over 74,000 complaints from the military community since 2011, and this report relates some of the most prominent financial struggles servicemembers have described to the CFPB. The report also includes a comprehensive list of CFPB educational tools and resources available to assist members of the military community through their career lifecycle.

¹¹⁹ A list of monthly complaint snapshots issued by the CFPB is available at consumerfinance.gov/complaint/data-use/. The most recent annual report issued by the Office of Consumer Response is available at consumerfinance.gov/data-research/research-reports/2016-consumer-response-annual-report/.

consumerfinance.gov/data-research/research-reports/office-servicemember-affairs-charting-our-course-through-military-lifecycle/

- **Snapshot of older consumers and student loan debt** (January 2017)

This snapshot describes the increasing student loan debt that older consumers are carrying, as well as how the increased debt burden is impacting borrowers' financial security. The snapshot also describes complaints that older consumers have submitted to the CFPB about student loans from March 2012 to December 2016.

consumerfinance.gov/data-research/research-reports/snapshot-older-consumers-and-student-loan-debt/

- **Annual report of the CFPB Student Loan Ombudsman** (October 2016)

The CFPB established a student loan ombudsman within the CFPB. This annual report analyzes complaints submitted by consumers with student loans from October 2015 through September 2016. This report highlights problems borrowers encounter when navigating the transition from default into an income-driven repayment plan.

consumerfinance.gov/data-research/research-reports/2016-annual-report-cfpb-student-loan-ombudsman/

- **Midyear update on student loan complaints** (August 2016)

This midyear update analyzes student loan complaints submitted by consumers from October 2015 through May 2016. During this period, the CFPB began handling complaints about problems managing or repaying federal student loans; this is the first report released by the CFPB discussing data on federal student loan servicing complaints. This report highlights the problems that borrowers face when seeking to enroll in an income-driven repayment plan and provides recommendations to policymakers and market participants to better serve student loan borrowers.

consumerfinance.gov/data-research/research-reports/midyear-update-student-loan-complaints/

- **Servicemembers 2015: A Year in Review** (March 2016)

This is the CFPB's fourth report detailing the data and trends surrounding complaints from servicemembers, veterans, and their families. This report discusses the types and

trends of military consumer complaints the CFPB has handled since opening its doors in July 2011. In 2015, debt collection complaints continued to be the most numerous, totaling over 46 percent of all complaints received from the military community.

consumerfinance.gov/data-research/research-reports/servicemembers-2015-a-year-in-review-3/

- **Overseas & underserved: Student loan servicing and the cost to our men and women in uniform** (July 2015)

This report outlines the challenges faced by servicemembers when they contact student loan servicers to invoke the military rights and protections earned through their service. The report relies primarily on the more than 1,300 complaints the CFPB had received from military borrowers related to the servicing or collection of student loans since the publication of a prior report in October 2012.

consumerfinance.gov/data-research/research-reports/overseas-underserved-student-loan-servicing-and-the-cost-to-our-men-and-women-in-uniform/

- **Snapshot of reverse mortgage complaints December 2011 – December 2014** (February 2015)

This snapshot provides an overview of consumer complaints submitted to the CFPB involving reverse mortgages from December 2011 through December 2014.

consumerfinance.gov/data-research/research-reports/snapshot-of-reverse-mortgage-complaints-december-2011-2014/

- **A snapshot of debt collection complaints submitted by older consumers** (November 2014)

This snapshot provides an overview of debt collection complaints submitted to the CFPB by older consumers from July 2013 to September 2014.

consumerfinance.gov/data-research/research-reports/a-snapshot-of-debt-collection-complaints-submitted-by-older-consumers/

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

In this snapshot, the CFPB analyzes data from the Census Bureau, the Federal Reserve, and the CFPB's own consumer complaints to describe the growing number of older consumers carrying mortgage debt and the risks that this trend presents to their financial security.

consumerfinance.gov/data-research/research-reports/snapshot-of-older-consumers-and-mortgage-debt/

- **Credit reporting complaint snapshot** (February 2014)

This snapshot provides an overview of complaints about credit reporting companies submitted to the CFPB from October 2012 to February 2014.

consumerfinance.gov/data-research/research-reports/credit-reporting-complaint-snapshot/