

---

# Financial Education Network SF

---

Financial Education  
Standards

---

Last Rev. March 2011

---

---

# CONTENTS

Introduction to Financial Education Standards	3
Advantages for Stakeholders	4
Core Operating Standards	5
Financial Education Standards	6
Evaluation Tools	8
Curriculum Resources	8
Standards Advisory Council	9

---

## Introduction: Financial Education Network –San Francisco

The Financial Education Network – San Francisco (FEN-SF) is a collaborative group of San Francisco’s nonprofit service providers, philanthropic funders, and local public sector representatives dedicated to improving the provision of financial education services in the City. The landscape of financial education services in San Francisco is broad, with multiple organizations offering services for diverse populations. However, until recently, there has been little effort to coordinate the many resources and organizations committed to promoting financial education.

The FEN-SF partnered with the SF Mayors Office of Housing to create Financial Education Standards for practitioners receiving funding through the city of San Francisco to host financial management workshops, counseling, and services. The standards are a set of training and performance benchmarks designed to promote increased quality and reliability in the delivery of financial education programs and workshops across the city. In practice, they provide a common roadmap which installs a baseline of excellence among all service providers.

Creating city wide standards for education is a basic idea, but one that has far-reaching benefits. By adopting the Standards, practitioners demonstrate a belief in the importance of maintaining a high level of expertise on the part of their counselors and educators and ensure that all clients receive consistent, quality service.

## Encouraging Citywide Quality

Organizations providing financial education counseling and education services are encouraged to integrate the recommended benchmarks from the Standards into their everyday business operations and strive to exceed these benchmarks. There are two standards presented in this document to ensure quality at all levels:

### **Core Standards**

The Core Standards focus on building a strong base of knowledge amongst financial educators and encouraging ongoing training and development in the areas of financial content knowledge, cultural competency, presentation skills, and other critical aspects of service delivery.

### **Financial Education Standards**

The Financial Education Standards advisory council proposed the following four topics as critical components of any organizations financial education curriculum for adults:

1. Basics of Banking
2. Budgeting
3. Savings
4. Credit Reports

## Standards versus Curriculum

Standards are statements about what clients should know and be able to do, what they might be asked to do to give evidence of learning, and how well they should be expected to know. A financial education curriculum, by comparison, describes the content and activities of a program as devised by various institutions and is used to prepare and teach clients to meet standards. A curriculum consists of activities and lessons, instructional materials, and various instructional techniques. In short, standards define what is to be learned at certain points in time, and from a broad perspective, what performances will be accepted as evidence that the learning has occurred.

This document does not require organizations to adopt any one existing curriculum, but does give examples of existing curriculums that could be used and modified to reach a target audience.

## Advantages for Community Development Organizations

By adopting the Standards, organizations are better able to:

- Create consistencies in content delivered to clients
- Raise awareness for the organization and the counseling/ education field
- Gain the public's trust
- Provide guidance to practitioners to perform at the highest level of professionalism
- Promote sustainability for organizations that adopt the Standards by reassuring funders and clients of the quality of services provided
- Allow consumers to identify organizations that adopt and follow the Standards to ensure they are receiving high-quality, ethical service
- Elevate the industry's reputation for quality service delivery

## Advantages for Practitioners

Achieving (or exceeding) the benchmark established by the Standards helps professionals to:

- Increase their knowledge and skill-set to best serve their clients
- Earn the trust of their clients
- Distinguish themselves professionally
- Advance their career
- Enhance their credibility and image

## Advantages for Partner Organizations

By endorsing and promoting the Standards, stakeholders:

- Take the lead in advocating for education and counseling as a critical part of the financial education experience
- Show public support for financial educators and counselors
- Endorse a mechanism that will instill greater public trust in the market
- Raise the bar of excellence for organizations seeking funding opportunities

## How to use the Core Operating Standards

The Core Standards focus on building a strong base of knowledge amongst financial educators and encouraging ongoing training and development in the areas of financial content knowledge, cultural competency, presentation skills, and other critical aspects of service delivery.

These are suggested benchmarks an organization should strive for in order to ensure educators are well supported.

### **Core Operating Standards**

**Competency:** Possess a strong knowledge in the area of financial education— specifically, banking budgeting, money management, and credit. Recommended Benchmark: Individuals new to the field of Financial Education should obtain appropriate orientation and introductory level training during the initial six months of employment.

**Skills:** Demonstrate an understanding of adult education techniques and training, cultural competency, facilitation skills and training methods, presentation skills, audio/visual techniques, planning and designing trainings, and participatory training techniques.

**Training:** As soon as possible, but within 6 months of being educators will obtain minimum training utilizing a variety of methods which could include lecture, interactive, demonstration, on-line and case study.

**Certification:** A certification standard is critical to establishing professionalism and value to education. After completing minimum training, certification will require a financial educator to take and pass a comprehensive exam demonstrating at least 80% proficiency. The exam will test the skills and core competency areas identified in Standards.

**Continuing Education:** All financial educators complete a minimum of 8 hours of continuing education annually in subjects relative to the core content and delivery of financial education.

**Program Operations:** Implement effective program operations, including outreach and marketing, partnership building, customer service, customer tracking, and method to measure successful outcome irrespective of the agency's mission.

## How To Use the Financial Education Standards

These standards are designed to serve two purposes:

1. To be a call to action for organizations to adopt the Standards and provide a strong consistent baseline of service across the city.
2. To serve as a reference guide for practitioners.

<b>Financial Education Standards</b>	
<b><u>Basics of Banking</u></b>	
<b>Understand how to use financial institutions as a resource</b>	<ol style="list-style-type: none"><li>1. Understand the benefits of using a checking and saving accounts</li><li>2. Determine which types of accounts work best for them</li><li>3. Identify the steps involved in opening a checking or saving account</li><li>4. Understand the difference between banks and credit unions and other financial outlets ( payday lenders, check cashing outlets, rent-to-own)</li><li>5. Understand checking and savings Accounts</li><li>6. Know how to write checks correctly to pay bills</li><li>7. Know how to avoid overdrafts and other bank fees</li><li>8. Know how to bank online and the importance of protecting access to online accounts</li><li>9. Review statements and properly address errors and negotiate fees</li></ol>
<b><u>Budgeting</u></b>	
<b>Understand how to manage their money successfully by creating a budget or spending plan, and debt management plan</b>	<ol style="list-style-type: none"><li>1. Identify relevant income and expense categories</li><li>2. Manage cash flow to pay bills on time</li><li>3. Create a savings and spending plan to estimate monthly income and expenses</li><li>4. Identify strategies to decrease spending and increase income (take up of benefits i.e. CARE program, LifeLine, EITC, SNAP)</li><li>5. Identify important short and long-term financial goals</li><li>6. Create a written plan to accomplish their goals</li><li>7. Identify benchmarks that help track success with respect to reaching their goals</li><li>8. Understand their Debt to Income Ratio</li><li>9. Recognize signs of excessive consumer debt</li><li>10. Create debt management plan</li><li>11. Understand good debt (asset building) vs. bad debt (asset depleting)</li></ol>

Objective	Curriculum Topics
<b><u>Savings</u></b>	
<b>Understand the importance of saving money to improve their life situation</b>	<ol style="list-style-type: none"> <li>1. Understand the importance of saving</li> <li>2. Understand the importance of having an emergency fund</li> <li>3. Know how to get started with savings</li> <li>4. Understand the value and process for setting up direct deposit</li> <li>5. Identify different ways to save including regular savings accounts, CDs, IRAs, savings bonds, and other savings options</li> <li>6. Understand the concept of compound interest (Time Value of Money)</li> <li>7. Identify important short and long-term financial goals</li> <li>8. Know how to create a written plan and benchmarks to accomplish their goals</li> <li>9. Identify values and connect to goals</li> </ol>
<b><u>Credit Reports</u></b>	
<b>Understand how to establish and maintain good credit. How to use credit cards wisely and manage credit card debt.</b>	<ol style="list-style-type: none"> <li>1. Understand the importance of positive and accurate credit history</li> <li>2. Know how to obtain and read their credit report (access to free reports)</li> <li>3. Know what lenders, landlords and employers look for on a credit report</li> <li>4. Know how to correct mistakes on your credit report</li> <li>5. Understand which activities build credit and how to build credit over time</li> <li>6. Know how to establish and re-establishing credit</li> <li>7. Understand the factors creditors look for when making credit decisions</li> <li>8. Know how and when to use a credit card</li> <li>9. Know how to choose a credit card that meets their needs and has lowest interest rates and fees appropriate to their situation</li> <li>10. Know the costs associated with using credit cards</li> <li>11. Know the costs of payday loans and other unregulated loans</li> <li>12. Know the appropriate steps to take when a credit card is lost or stolen</li> <li>13. Know how to read credit card statements</li> </ol>

## Evaluation Tools

- Pre and Post Class Evaluations:
  - Allows organizations with low-touch service model to measure financial education content knowledge.
  - See appendix for sample
- Outcome Tracking
  - Allows organizations with high-touch long term service model to measure progress towards goals.
  - See appendix for sample
- National Endowment for Financial Education (NEFE)
  - Financial Education Evaluation Toolkit
  - [http://www.nefe.org/eval/license\\_agreement.html](http://www.nefe.org/eval/license_agreement.html)

## Financial Education Curriculum Resources

- FDIC Money Smart
  - 10 financial education modules available in English, Spanish, Chinese, Hmong, Korean, Vietnamese, or Russian.
  - <http://www.fdic.gov/consumers/consumer/moneysmart/adult.html>
- Consumer Credit Counseling Services of San Francisco
  - Free publications on various financial education topics
  - <https://www.cccsf.org/education/publications.html>
- Citibank: Financial Education Curriculum
  - Free financial education curriculum for kids, teens and adults
  - <http://www.citigroup.com/citi/financialeducation/curriculum/index.htm>
- Wells Fargo: Hands On Banking
  - Free financial education modules for adults, young adults, teens, and kids
  - <http://www.handsonbanking.org/en/>

## Advisory Council

**Charles Schwab Foundation:** Elinore Robey, Roger Wong

**Consumer Credit Counseling Service of San Francisco:** Rick Harper , Chris Heller

**Federal Reserve Bank of San Francisco:** Laura Choi

**Financial IQ Consulting:** Alexis Nerguizian

**Juma Ventures:** Maria Sison

**Mission Asset Fund:** Daniela Salas

**Mission SF Community Financial Center:** Margaret Libby

**Mission Economic Development Agency:** Josie Ramirez

**San Francisco Office of the Treasurer:** Leigh Phillips, Marco Chavarin

**San Francisco Housing Development Corporation:** Ed Donaldson, Careem Conley

**SingleStop SF:** Elena Chavez Quezada, Palak Joshi

**United Way of the Bay Area:** Emily Harpster

**Sage Financial Solutions:** Saundra Davis

**Chrysalis Consulting Group LLC:** Christi Baker

**San Francisco Mayor's Office of Housing:** Myrna Melgar, Brian Cheu, Doris Lee

## Resources Reviewed to create Financial Education Standards

- National Standards for Homeownership Education and Counseling
- Financial Fitness: Teaching Financial Management Skills: Recommended Standards and Program Models
- National Standards in K-12 Personal Financial Education
- Seattle King County Financial Education Standards
- Federal Treasury Financial Educations Standards Draft (not for public viewing)
- Financial Coaching: A new approach for Asset Building?
- Spark Point: Principles
- Alameda CAN: Curriculum Catalog

### **FOR MORE INFORMATION**

Marco Chavarín  
Office of Financial Empowerment  
City and County of San Francisco  
415.554-7444  
Marco.Chavarin@sfgov.org