

MULTI-SERVICE ORGANIZATIONS AND FINANCIAL CAPABILITY INTEGRATION

Financial Capability Integration

Financial capability is the capacity—based on knowledge, skills, and access—to manage financial resources effectively. Integration refers to incorporating financial capability discussions, resources, and tools directly into existing services, rather than creating a standalone program.

Many nonprofit organizations provide several programs and services that address a variety of needs and populations in their community. In this brief, we are referring to these organizations as *multi-service organizations*.

This practice brief shares lessons learned from four multi-service organizations, specifically four Catholic Charities affiliates, integrating financial capability services into their work using the Guide and YMYG.¹ Although these organizations were all Catholic Charities affiliates, the lessons in this brief can be used by any multi-service organization.

The brief is organized into three sections: factoring in clients' needs and desired outcomes, deciding who will provide the selected financial capability services, and staff engagement and capacity building.

Building Financial Capability: A Planning Guide for Integrated Services (the Guide) provides a series of tools to walk organizations through the key decision points for planning to integrate financial capability services into existing programs.

Your Money. Your Goals (YMYG) is a set of financial empowerment materials created by the Consumer Financial Protection Bureau (CFPB) for organizations that help people meet their financial goals by increasing their knowledge, skills, and resources. YMYG was designed to help frontline staff and volunteers have conversations with clients about money and financial management.

Tools from the Guide and YMYG are highlighted throughout this brief.

Factoring in Clients' Needs and Desired Outcomes

Clients' needs and desired outcomes factor into several decisions that multi-service organizations integrating financial capability services will make.

¹ For more information about these organizations, see the "About This Brief" section at the end of the brief.



Selecting existing programs for financial capability integration

While there are ways to integrate financial capability services into organizational procedures, such as through an integrated intake process, many participating organizations chose to integrate these services into one or more existing programs. Because multi-service organizations operate many programs, selecting which program(s) to integrate financial capability services into is often a key early decision. One factor to consider in making that decision is how financial capability outcomes interact with the needs and desired outcomes for clients in the programs.

Catholic Charities Archdiocese of San Antonio (CCASA) chose to integrate financial capability services into their pregnancy and new parent support program. Similarly, Catholic Charities of Oregon (CCO) chose their pregnancy support services as one of their target programs. CCO and CCASA both recognized that expectant parents are likely to have financial concerns, such as planning for childbirth-related expenses, income lost due to time off of work, and additional costs as family size increases.

Catholic Charities of the Diocese of Santa Rosa (CCDSR) decided that financial capability services outcomes—such as improved budgeting skills, resolved utility debts, and improved credit—would support the needs and desired outcomes for clients in their housing subsidy programs. The goals for these programs are: (1) clients achieving and maintaining stable housing by ensuring that past debts and credit problems were not a barrier to accessing housing, and (2) clients being able to cover housing costs.

As one of their target programs, Catholic Charities Diocese of Monterey (CCDM) selected their Pathways to Stability (Pathways) program, a client-centered, nine-month program that provides comprehensive services to families and individuals facing a financial crisis or homelessness. CCDM also decided to integrate financial capability services into their Tattoo Removal Program (TRP).

Selecting the financial capability services

Financial capability services include financial education, financial coaching, financial counseling, credit counseling, credit building, access to safe and affordable financial products, free tax preparation assistance, access to federal and state benefits, incentivized savings programs, and asset ownership programs.² To decide which financial capability services to offer, multi-service organizations can assess clients' needs and desired outcomes.

The Guide Tool 3: Theory of Change

By completing Tool 3, an organization creates a summary of their strategy for addressing clients' challenges through financial capability services to lead to improved client outcomes.

² United States Department of Health & Human Services. *About Financial Capability Services*. Washington, DC: Department of Health & Human Services, 2016. Available at <https://www.acf.hhs.gov/ocs/resource/financial-capability-services>.



CCDSR had previously conducted a survey of clients from several programs, including clients in their housing programs. Using these survey results, as well as interviews with frontline staff, CCDSR chose to focus on integrating credit-building tools into their housing programs because credit has been a barrier for clients securing and maintaining stable housing. CCDSR also learned that many clients were earning income but were not filing taxes and, therefore, not accessing refundable tax credits, such as the Earned Income Tax Credit. In an effort to boost client incomes, CCDSR developed a plan to integrate a Volunteer Income Tax Assistance (VITA) program into their existing programs.

In addition to their pregnancy support services, CCO included their housing programs in their integration efforts. To gain more information about housing clients, CCO conducted a series of qualitative interviews with both clients and staff. CCO learned that clients needed budgeting assistance and access to safe and affordable bank accounts. Using this information, CCO adapted YMYG budgeting tools for use with housing clients. CCO also decided to develop a partnership with a credit union to provide housing clients with information on safe financial products.

CCASA learned that clients in their pregnancy and new parent support program needed help developing a realistic budget that included the costs of a new child.

CCASA also learned that many clients were going into debt to cover these expenses. Because of this, CCASA decided to integrate the use of budgeting and debt tools from YMYG into their pregnancy and new parent support program.

YMYG: Budgeting Tools

YMYG has many tools staff can use to help clients manage their money, including an income and resource tracker, a spending tracker, and a bill calendar. It also includes a cash flow budget, which helps clients determine if they have the resources on hand to cover expenses, and a cash flow calendar, which helps clients manage their money by documenting the timing of different sources of cash and other resources.

CCDM surveyed more than 100 participants in TRP to gain a clearer picture of their financial needs. Staff learned the clients were interested in services that would help improve their credit, reduce their debt, and increase their savings. CCDM also redesigned their intake form for both TRP and the Pathways program to better identify financial issues facing clients, such as credit and debt.

Deciding Who Will Provide Selected Financial Capability Services

Organizations seeking to integrate financial capability services into existing programs have options regarding how to approach delivering those services. These approaches are:

- **Refer:** Finding organizations that provide financial capability services and setting up a process for referring clients to those services
- **Partner:** Developing partnerships with other organizations to deliver financial capability services in one convenient location or with a shared brand
- **Do-it-Yourself (DIY):** Building the internal capacity to deliver financial capability services



Organizations can also combine these approaches to create a tailored integration plan. Each of the participating multi-service organizations decided to use a variety of integration methods for their selected services.

CCDM decided to combine DIY with internal referrals. In the Pathways program, CCDM developed a plan to use YMYG tools directly with clients. Additionally, TRP clients that are interested in financial capability services are referred by staff to the Pathways program, where they can receive those services.

CCDSR also chose a combination of DIY and internal referral approaches. Housing case managers introduce the topic of credit when they begin working with clients. If the client gives their permission, case managers pull and review the client's credit report with them. Clients interested in more in-depth credit consultation are referred to CCDSR's financial capability staff for credit counseling and financial coaching. CCDSR plans to use a similar approach to help clients access VITA services; housing case managers screen clients and refer them to the VITA team, as appropriate.

CCO adopted all three approaches: DIY, partnership, and referral. CCO's pregnancy support services volunteers were trained by the financial capability staff to become financial coaches for the clients, directly providing financial coaching. Additionally, CCO set up an internal referral system to enable these new financial coaches to refer clients to the financial capability staff when more in-depth services were needed. The financial capability staff also partnered with the housing program to hold financial education workshops at their client center.

CCASA selected the DIY approach. Pregnancy and new parent support program staff plan are using YMYG tools directly with clients. In order to determine which tools to use, staff assess the financial needs of clients at intake and on an ad-hoc basis over the course of their engagement.

Staff Engagement and Capacity Building

Frontline staff are key to the success of financial capability service integration in multi-service organizations. Organizations should engage staff beginning with the planning process, both to ensure that staff have input and to help foster staff ownership of plan. Additionally, organizations need to consider the training and capacity-building needs of any new effort, such as financial capability integration.

CCO realized that many of their frontline staff were struggling with their own financial issues, which contributed to their hesitation to address financial issues with clients. To mitigate this challenge, CCO now offers all their in-house financial capability services to staff in addition to clients. Additionally, to build the capacity of staff delivering financial capability services, CCO decided to offer lunch-and-learn trainings focused on specific YMYG sections. These trainings not only ensure that CCO staff are comfortable using YMYG, but they also engage staff by giving them a framework to understand the financial issues that clients face and by increasing awareness about how these issues impact their work with clients.



Program leadership and frontline staff at CCDM worked together to identify specific YMYG tools that address common client needs, such as budgeting, credit, and debt. Then, leadership provided staff training on how to incorporate those tools into client engagements, to ensure that staff would feel comfortable and prepared to support clients.

About This Brief

The audience for this brief is staff members of multi-service organizations that are interested in integrating YMYG materials and other financial capability services into their programs. This brief is a companion resource for the Guide intended to provide real-world examples of financial capability integration efforts. The examples in this brief are gathered from technical assistance provided from September 2016 to June 2017. This practice brief was produced by Prosperity Now under contract to the Office of Community Services in the Administration for Children and Families, a division of the United States Department of Health and Human Services.

Each of the organizations that received technical assistance worked on and achieved different goals. Brief summaries of their work are provided below.

Catholic Charities of Oregon (CCO) serves clients throughout Oregon and is integrating financial capability services and YMYG tools into their pregnancy support services and their housing programs. They are also exploring other ways to integrate YMYG throughout the agency.

Catholic Charities Diocese of Monterey (CCDM) serves clients in Monterey, Santa Cruz, San Benito, and San Luis Obispo Counties in California, and is integrating financial capability services and YMYG tools into their Pathways to Stability program. They are also implementing an internal referral process to connect clients in their Tattoo Removal Program with the Pathways to Stability Program.

Catholic Charities of the Diocese of Santa Rosa (CCDSR) serves clients in the counties of Sonoma, Napa, Mendocino, Lake, Humboldt, and Del Norte in California. CCDSR is integrating financial capability services into their housing program. Housing staff discuss credit and free tax filing with clients and can also refer clients to the financial capability staff for additional services.

Catholic Charities Archdiocese of San Antonio (CCASA) provides more than 40 bilingual and culturally sensitive programs to clients residing in the 19 counties surrounding the City of San Antonio, Texas. CCASA is integrating budgeting and debt resources into their pregnancy and new parent support program.

