

Request for Proposals: Financial Empowerment Center Financial Counseling Provider

I. Overview

The City of South Bend's Department of Community Investment (the "City") is seeking a qualified 501(c)(3) nonprofit organization to serve as the financial counseling provider for the City's new Financial Empowerment Center ("FEC"). This Request for Proposals ("RFP") is targeted toward organizations that can effectively implement high-volume, quality, one-on-one financial counseling services to low-income individuals and families. The selected financial counseling provider will implement programming and services in partnership with the City.

II. Background

In 2023, the City of South Bend launched a [Financial Empowerment Blueprint](#) to outline the City's strategy to help build wealth and improve finances for South Bend residents, specifically focusing on racial wealth equity. The hallmark of the City's Financial Empowerment Blueprint is the creation of a Financial Empowerment Center in the new MLK Dream Center. The City of South Bend's Financial Empowerment Center will be the first FEC launched in the state of Indiana.

Supported by the [Cities for Financial Empowerment Fund](#) ("CFE Fund"), the Financial Empowerment Center model has operated for over thirteen years across more than thirty municipalities in the United States. In total, current FECs have worked with over 150,000 clients, helping them reduce debt by more than \$226 million and increase savings by \$46 million. Professionally trained FEC counselors help low-income residents manage their finances, pay down debt, increase savings, establish and build credit, and access safe and affordable mainstream banking products. Core to the FEC model is integrating financial counseling into other social services, including homeownership services, workforce development, emergency assistance programs, benefits access, and more.

The success of FECs is backed by over ten years of continuous expansion of the model, as well as the CFE Fund's three-year evaluation released in 2017, [An Evaluation of Financial Empowerment Centers: Building People's Financial Stability As a Public Service](#), which closely examined the initiative's initial replication in 5 cities. Key elements of the FEC model and operations include:

Model:

- Provide professional, one-on-one financial counseling as a free public service.
- Systematically track data and outcomes for client management and evaluation.
- Connect to a range of local government and nonprofit service delivery systems.
- Prioritize sustainability efforts to become a permanent service in the locality.

The FEC model is a partnership between local government and the selected nonprofit organization, with critical and distinct roles for each partner. For a detailed overview of the model, please see [Exhibit B](#).

III. RFP Overview and Scope of Services

The City is seeking a qualified 501(c)(3) nonprofit organization to serve as the Financial Empowerment Center's financial counseling provider, following the key elements of the model and the framework provided by the City of South Bend. The City and the selected nonprofit will work in partnership to develop the FEC's programming, policies, and implementation plan. While the FEC may initially be housed in drop-in or temporary locations, the permanent home of the FEC will be the new MLK Dream Center.

The Financial Counseling Provider will:

- Manage day-to-day operations of the FEC
- Recruit, hire and supervise the FEC Program Manager. This is a full-time position for one person
- Recruit, hire and supervise the FEC counselors. The financial counseling provider must staff the equivalent of two full-time counselors. Preference is given to applicants who propose two full-time counselors
- Collect data using the FEC database, which is provided to the nonprofit at no cost, and regularly fulfill reporting requirements as determined by the City
- Support continuing education and training for the financial counselors
- Ensure program managers and counselors are trained based on the CFE Fund's training standards (program managers and counselors must pass a CFE Fund-administered final exam)
- Support continuing education and training for the financial counselors
- Lead public marketing efforts for the FEC, including participating in outreach events and presentations
- Adhere to reporting requirements determined by the City on FEC services and operations;
- Coordinate with City personnel to develop and maintain partnerships among the FEC and outside organizations to better serve clients and drive traffic to the FEC
- Communicate routinely with the City's local government manager about FEC operations, specifically any challenges encountered that would impact the organization's ability to meet the goals of the FEC

The City will:

- Manage overall operations of FEC, including program oversight, design, and implementation (*Note: The nonprofit provider is responsible for the day-to-day operations and staffing of the FEC*)
- Conduct evaluation and formal reviews of the nonprofit provider in relation to services provided at FEC
- Support fundraising efforts to ensure FEC program sustainability
- Coordinate with nonprofit provider to develop and maintain partnerships with social service organizations
- Coordinate with nonprofit provider for marketing and outreach for the FEC
- Host the South Bend FEC website

This RFP is targeted toward organizations that can effectively implement high-volume, quality, one-on-one financial counseling services to low-income individuals and families.

Required Qualifications for Nonprofit Financial Counseling Provider

- Qualified as exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code.

- A minimum of 3 years of delivering financial education, financial counseling, financial coaching, or similar or related services.
- Track record of achieving financial stability outcomes or impacts.
- Experience working in one or more low-income communities.
- Established relationships with organizations in the local community to receive and provide referrals to related supportive services to clients. If the applicant has not performed work in South Bend, the applicant demonstrates significant experience in establishing relationships in other local communities served.
- Demonstrated experience conducting effective client outreach. Preference will be given to applicants with specific experience using multiple marketing and outreach tools to build a high-volume client base and leveraging partnerships with community leaders and activities to drive traffic.
- Experience with data tracking and reporting to government agencies and/or private funders.
- Ability to track, manage, and report on critical data points for each client based on systems developed with the City of South Bend.

Preferred Qualifications for Nonprofit Financial Counseling Provider

- An established track record of providing one-on-one financial counseling and/or coaching to low-income adults is strongly preferred. Please note applicants with limited experience delivering one-on-one financial counseling should demonstrate trusted, long-standing ties to the community they propose to serve and a detailed plan for developing the necessary technical capacity.
- Established community relationships and partnerships in the proposed community or target population.
- Capacity and flexibility to meet a continuum of financial needs of low-income, multilingual individuals/families in a variety of stages of financial need and crisis.
- Knowledge and/or assessment of the financial service and counseling needs of the proposed community and/or target population and solutions or alternative services most appropriate to specific client needs.
- Ability to offer bilingual financial counseling services

IV. Program Timeline

The nonprofit provider will follow the timeline below for FEC operations:

- *Build Phase (6 months):*
 - All efforts to prepare for the opening of the FEC (Hiring and training staff, finalizing partnership agreements, preparing marketing and operations, etc.). Time period is estimated and may vary based on local procurement processes or other factors.
 - Begin offering services at the FEC
- *Implementation Phase (18 months, with option of renewal):*
 - Continue offering services at the FEC

V. Program Oversight

The City will provide oversight for the financial counseling provider based on the services outlined in this Request for Proposal and in the contract. The City will conduct quarterly formal reviews during the first year of operations and biannual formal reviews during the second year. If the City

determines in its sole discretion that the financial counseling provider has performed unsatisfactorily, the City may terminate the Agreement at any time, and the City shall not be obligated to pay for any performance following notice of termination.

VI. Program Funding

The total available funding for the contract awarded from this RFP is anticipated to be \$500,000 for two years of operations. The City reserves the right to award more or less than the full amount of funding requested by the applicants. Exhibit C outlines a sample budget for the financial counseling provider’s first two years of operations.

At the end of this contract, if the City determines, in its sole discretion, that the financial counseling provider has performed satisfactorily, the financial counseling provider will have the option to renew their contract to continue providing services at the FEC. If the City determines, in its sole discretion, that the financial counseling provider has performed unsatisfactorily, the City reserves the right to deny the option to renew the contract with the financial counseling provider.

VII. Request for Proposal Timeline

The City will receive Proposal Forms until 11:59 pm EDT on April 15, 2024. Applications may be emailed to RDCRFP@southbendin.gov or mailed to:

County-City Building, Suite 1400 S
Attn: Marty Kennedy
227 W Jefferson Blvd.
South Bend, Indiana 46601

No applications will be accepted after this deadline. Table 1 outlines the timeline for a decision, notification, and contract signing for the FEC financial counseling provider:

Table 1: Request for Proposal Timeline

Date	Item
Feb. 13, 2024	RFP Posted
Feb. 20, 2024	Informational Webinar for RFP
Apr. 8, 2024	All applicant questions due to the City
Apr. 15, 2024	RFP Submission Due by 11:59 PM EST
May 2024	Selected Nonprofit Provider Notified of Selection
June 2024	City-Nonprofit Provider Contract Signed
Aug.– Sept. 2024	Contract Begins; Hiring & Training of FEC Staff
Fall 2024	FEC Services Begin; FEC Soft Launch
2025	FEC Full Launch at MLK Dream Center

VIII. Proposal Evaluation

The nonprofit organization making a proposal shall submit a completed Proposal Form, in the form attached hereto as Exhibit A, via email or mail. Proposals must meet the required expectations as provided in Section III of this RFP to be considered. Exceptions to any requirements in this RFP must be clearly noted. Information submitted will be scored on a 100-point matrix system as outlined in Table 2. The City may choose to conduct in-person interviews with applicants to make a final selection. The City reserves the right to accept any proposal it considers will best execute the responsibilities for the Financial Empowerment Center. The selected organization(s) will be notified of accepted status and asked to begin contract negotiations with the City. Organizations not selected may request a debrief session with City staff to review and provide feedback on the application.

Table 2: Proposal Evaluation Criteria

Criteria	Weight
Proposed Approach	25 Points
Organizational Capability	20 Points
Experience in Financial Empowerment Work (Including Counseling and/or Coaching)	20 Points
Experience in Community Involvement/Engagement	15 Points
Financial Capacity	15 Points
Unique Features of Applicant Organization	5 Points

Evaluation Criteria Descriptions

Proposed Approach: The Applicant presents a thorough and reasonable proposal to operate the day-to-day operations of the Financial Empowerment Center and implement financial counseling for South Bend residents. The proposal aligns with the City’s goals to boost the financial well-being of South Bend residents.

Organizational Capability: The Applicant demonstrates how financial counseling aligns with its mission and current operations. The Applicant demonstrates that it can manage the administrative and programmatic responsibilities to successfully run the day-to-day operations of the Financial Empowerment Center.

Experience in Financial Empowerment Work (including Counseling and/or Coaching): The Applicant demonstrates significant expertise in assisting low-income residents with personal finances, social services, or other fields that improve financial well-being.

Experience in Community Involvement/Engagement: The Applicant demonstrates significant experience working with low-income communities and fostering relationships with residents, groups, and organizations throughout the community. If the applicant organization has yet to work in South Bend, the applicant organization thoroughly describes how previous experiences in other communities will lead to success in engaging with South Bend residents.

Financial Capacity: The Applicant is financially stable and demonstrates that they can easily manage funds to run the day-to-day operations of the Financial Empowerment Center.

Unique Features of Applicant Organization: The Applicant describes distinct features and attributes that can enhance and improve the Financial Empowerment Center’s ability to boost the financial well-being of low-income residents (e.g. bilingual services available).

EXHIBIT A

**FINANCIAL EMPOWERMENT CENTER FINANCIAL COUNSELING PROVIDER
Proposal Form**

The City will receive Proposal Forms until 11:59 pm EST on April 15, 2024. Late applications will not be accepted. Forms may be emailed to RDCRFP@southbendin.gov or mailed to:

County-City Building, Suite 1400 S
Attn: Marty Kennedy
227 W Jefferson Blvd.
South Bend, Indiana 46601

Applicants will receive an email confirming receipt of their application.

Application Length: Please keep the responses to the questions below (not including attachments) to **15 pages or less**. The City will not read the application submission beyond page 15 (not including attachments). Attachments may include the applicant’s most recent IRS letter indicating tax-exempt status, the applicant’s most recent annual report, or supplementary material the applicant deems necessary.

Application Questions and Webinar: All questions about the RFP must be submitted to the City by April 8, 2024 at 11:59 pm EST to RDCRFP@southbendin.gov. An information webinar will be held on February 20, 2024, at 10 am EST to provide more information and address applicant questions. Responses to Applicants’ questions and information on webinar information can be found at southbendin.gov/financial-empowerment.

Name of Organization Submitting Proposal (“Applicant”): _____

Mailing Address: _____

Contact Name: _____ Title: _____

Phone Number: _____ Email Address: _____

Questions for Proposal

Please prepare responses to each of the questions presented below. Total length of responses should not exceed 15 pages (excluding relevant attachments).

A. Proposed Approach

1A. *Delivery of Service*: Provide a detailed plan on how the organization will meet the City of South Bend's Financial Empowerment Center framework and the scope of services. Be as detailed as possible and specifically address the following:

- a. Explain the Applicant's approach to financial counseling with a particular emphasis on describing the client experience. This may include a detailed description of a typical counseling session, relevant materials used during sessions, and any additional information that will fully explain the Applicant's plans for achieving client outcomes.
- b. Affirm that the Applicant will collect, manage, and track data using the CFE Fund's national FEC data system.
- c. Indicate the key tasks and key milestones associated with start-up and implementation.
- d. Propose days and hours of operation for the Financial Empowerment Center.
- e. Identify the possible approaches to forge programmatic partnerships with City agencies and community organizations. In addition, please detail initial thoughts on ways to monitor and assess the viability of these partnerships.

2A. *Staffing*: Describe the Applicant's staffing recruitment plan for an FEC Program Manager and two financial counselors. If the Applicant has a staff member in mind for the FEC Program Manager Position, please attach their resume. If not, please briefly describe an ideal candidate for the FEC Program Manager position.

3A. *Marketing and Outreach*: Detail existing organizational communications opportunities to promote the FEC and any other outreach opportunities. Preference will be given to Applicants with specific experience using multiple marketing and outreach tools to build a high-volume client base and leveraging partnerships with community leaders and activities to drive traffic.

B. Organizational Capability

1B. Provide a description of the Applicant organization, including its mission.

2B. Explain how the Applicant has the organizational capability (financial and operational) to perform the administrative and programmatic responsibilities related to the delivery of the proposed services and the increased level of supervision and management activity required to ensure that benchmarks and core service outcomes set forth in this RFP are achieved.

3B. Highlight any experience with data tracking and reporting to government agencies and/or private funders.

4B. Submit a copy of the Applicant's most recent IRS letter indicating the Applicant's tax-exempt status.

5B. Submit Applicant's most recent annual report, if available.

6B. Attach a chart showing where, or an explanation of how, the proposed services will fit into the Applicant's organization.

C. Community Involvement and Financial Empowerment Experience

- C1. Describe relevant experience with delivering financial counseling or coaching to adults with demonstrable outcomes (if the organization does not have experience in financial counseling or coaching, it must provide a staff training plan and timeline to ensure adequate capacity).
- C2. Describe relevant experience working in one or more low-income communities. Applicants that showcase established community relationships and partnerships are highly desirable.
- C3. Describe relevant experience conducting effective client outreach. Preference will be given to applicants with specific experience using multiple marketing and outreach tools to build a high-volume client base and leveraging partnerships with community leaders and activities to drive traffic.
- C4. If Applicant has not performed work in South Bend, please describe what communities Applicant has worked in, the Applicant's understanding of how to expand into new communities, and the Applicant's understanding of how to inclusively navigate the unique needs of local communities.

D. Financial Capacity

- D1. List all local, state, and federal government contracts held by the Applicant at any time during the past three years, including the Applicant's project name, contract name and number, contract purpose, total contract amount (cumulative over five years), government contracting agency, and agency contact person.
- D2. Provide the most recent IRS Form 990.
- D3. Provide Applicant organization budget for the current fiscal year.

EXHIBIT B

FINANCIAL EMPOWERMENT CENTER MODEL

In 2008, New York City first piloted Financial Empowerment Centers to offer free, professional, one-on-one financial counseling targeted to low-income New Yorkers, helping residents navigate the increasingly complex financial marketplace and increase their financial stability. Since then, Financial Empowerment Centers (FECs) have grown into a large-scale network of targeted financial counseling and coaching services. Embedded into a locality's social service delivery system, the Cities for Financial Empowerment Fund (CFE Fund)'s FEC model has provided financial counseling to over 150,000 clients, helping them reduce their debt by more than \$226 million and increase their savings by more than \$46 million.

Financial counseling is open to the public and integrated into core local social services.

Local governments are uniquely poised to integrate financial empowerment interventions, such as financial counseling, into core social service delivery systems: they are responsible for local implementation of services and can connect to residents through schools, benefits disbursement, affordable housing, and other key connection points. In addition, underlying financial instability is often the primary backdrop, if not the actual presenting cause, for residents seeking and receiving social services. The FEC experience demonstrates that tackling financial instability head-on and helping individuals and families control their finances helps generate better financial outcomes and facilitates success within primary social services.

As quantified in a 2017 evaluation of the FEC model, despite significant financial obstacles, people who received FEC counseling succeeded in reducing debt, improving credit, opening bank accounts, and even saving for emergencies and their futures. FEC clients' success occurred in the context of deep financial challenges: clients' average annual incomes were just over \$21,000, close to 30% had no health insurance, and over 60% had no savings.

The model is based on the following core tenets that are vital to the program's success:

- **Professionally trained counselors** provide **one-on-one free** financial counseling to help residents with low incomes manage their finances, pay down debt, increase savings, establish and build credit, and access safe and affordable mainstream banking products.
- **Data is systematically tracked** across a set of defined and quantifiable outcomes to understand the impact on clients' financial lives, bolster program credibility, and justify public funding.
- **Counseling is integrated into other social services**, including housing and foreclosure prevention, workforce development, prisoner reentry, benefits access, domestic violence services, and more.
- **Counseling is endorsed by the local government.** Local government is a trusted voice for residents amidst a sea of scams and complicated financial choices. It is also a natural convener of partners to enhance program sustainability and offer market services at scale.
- **Partnership and collaboration between local government, community-based organizations, and philanthropy is foundational** for counseling delivery, resident engagement and outcome achievement, and program sustainability.

Counseling-Client Process

The FEC offers clients customized one-on-one counseling based on the clients' individual situations and is responsive to the clients' goals and abilities. The counselor and client engagement process includes:

- Completing a financial health assessment that captures a baseline snapshot of client financial health;
- Designating a specific service plan (or plans) that aligns with a client's goals and falls within four areas – debt, credit, savings, and banking;
- Prioritizing meeting set financial stability outcomes for the client;
- Collecting a significant amount of data to understand counseling impact; and
- Making referrals to social and legal service providers and more advanced asset-building assistance (for example, public benefits, homeownership, entrepreneurship, post-secondary education)

Data-Driven Approach

The FEC model is founded on helping clients improve their financial stability through a set of distinct outcomes. These outcomes are associated with the specific service plan(s) identified during the initial assessment or in subsequent sessions.

- Banking
 - Open a safe and affordable bank account
 - Use bank account actively
- Credit
 - Establish credit score
 - Increase credit score by at least 35 points
- Debt
 - Decrease non-mortgage debt by 10%
 - Decrease the number of delinquent debts
- Savings
 - Increase savings by an amount equal to one week's income
 - Set aside funds for the future
 - Adopt new savings behaviors

Counselor Training Standards

All counselors and managers must successfully complete a training course based on a set of training standards developed by the CFE Fund. These standards articulate the knowledge and skills an FEC counselor must demonstrate before they can begin direct service and detail the continuing education counselors will need for ongoing professional development. They delineate the breadth and depth of the financial content areas, counseling and coaching skills, practice and experiential learning, and socio-economic and cultural context settings necessary to serve the diverse needs and backgrounds of FEC clients.

Counselors must complete a standardized exam before they can begin direct services. Counselors typically have at least two years of relevant work experience, with some background in finance, financial education, counseling/coaching, or social service delivery. Staff must also have particular expertise in

one of the following areas: financial services, social work, financial planning, coaching/mentoring, teaching, or other related fields.

Social Services Integration

Integrating financial counseling into the service streams of local government and nonprofit agencies is an essential part of the FEC model. Partnerships deeply embed financial counseling/coaching into local government and nonprofit programs, advancing both programs' goals. Partnerships can have a variety of characteristics on a scale of increasing integration, including formalized via a Memorandum of Understanding, defined referral process, co-location, FEC participation fully integrated into partner services, coordinated case management, regular reporting, and data sharing agreement. Potential complementary program integrations could include homeownership assistance, homeless prevention, foreclosure prevention, workforce development, asset building, financial access, domestic violence prevention, or other social services.

Roles and Responsibilities

The FEC model is a partnership between local government and community-based organizations, with critical and distinct roles for each partner.

- *Local Government* plays a central role in directing and coordinating the initiative on the ground.
- *Financial Counseling Providers* supervise the counselors and oversee day-to-day operations.
- *National and Local Training Partners* deliver financial counseling training instruction based on the training standards provided by the CFE Fund. In addition, local government and nonprofit managers coordinate continuing education opportunities as the program evolves to further counselors' professional development and understanding of the issues.
- *Local Government and Community Partners* integrate financial counseling and coaching into the service streams of local government and nonprofit agencies

FEC Operations

There is a range of strategies on how to operate an FEC, and the local government and the nonprofit provider make such decisions based on the goals and needs of the City. Here are a few operational considerations:

- Site Selection
 - Part-time, co-located sites provide full counseling services on a part-time basis and expand the footprint of services to include other neighborhoods, but often serving distinct populations and/or communities. Co-locations are often situated in city programs, community-based organizations or at social service organizations that already serve a high number of target clients and for whom the financial counseling will provide complementary service. Remote counseling can be done either with counselors working from home or from designated sites, at the discretion of management as long as it adheres to site requirements.
- Site Requirements
 - The full-time and part-time locations should provide each counselor with private or semi-private counseling areas that allow for counselor-client information and conversations to be held confidentially.

- Remote counseling, either over the phone or through video, must adhere to the same standards of privacy as in-person counseling.
- Counseling spaces are equipped with standard, modern technological capabilities (including computer equipment, reliable video session programs, multi-line telephone and voicemail, high-speed internet access, and access to printing, faxing, shredding, scanning, and reproduction equipment).
- Although spaces differ, each site should be able to accommodate approximately 150 square feet of private counseling space per counselor, plus an additional 300-500 square feet of meeting and waiting room space (could be shared)
- All FEC locations must be compliant with the Americans with Disabilities Act.
- Oversight and Monitoring
 - FEC counselors, local government and nonprofit managers are required to use the online client management data system developed by the CFE Fund to track clients' progress and outcomes.
 - The City may institute a weekly deadline for complete data entry.

EXHIBIT C

SAMPLE FINANCIAL EMPOWERMENT CENTER YEAR 1 & 2 BUDGET

Note:

- *FEC = Financial Empowerment Center*
- *FCP = Financial Counseling Provider*

Item	Definition	Cost Range Per Year
FEC Nonprofit Manager	1 full-time person focused on the FEC who supervises counselors, monitors data, and works with City Manager on partnerships; Base salary of \$60,000 plus benefits	\$60,000 Base Salary
Financial Counselors	Equivalent to 2 full-time counselors with base salary of \$55,000 plus benefits, hired jointly by the City and FCP manager; Employees of the FCP	\$55,000 Base Salary per Counselor
Administrative Support	Support from existing FCP staff or a new hire focused on outreach, scheduling, etc.	\$5,000 - \$7,500
Marketing and Outreach	Typically promotion of the FECs through the FCP's own services, and/or working with the City on more general efforts; Signage and branding; Client engagement and retention incentives	\$10,000 - \$15,000
Counselor Training & Continuing Education	Pre-service and continuing education training opportunities for counselors, speakers, professional certifications, etc.	\$3,000 - \$9,000
Equipment / Supplies / Subscriptions	Technology, office supplies, client credit report pulls	\$5,000 - \$10,000
Indirect Costs	Indirect non-personnel costs	\$0 - \$3,000
Budget Per Year		\$250,000 per Year