

Core Service Report

Money Management

Consumer Category:
Special Needs

Primary Consumer Group:
Families in Financial Distress



February 2007

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COMPANION REPORTS

In addition to the information included in this report, a report of the other core services (80 in total), community leader key informant interviews, United Way - First Call for Help staff focus groups, consumer snapshots, and e-survey of United Way funded executive directors, board presidents, and United Way Community Investment staff are available at <http://www.uws.org>.

ACKNOWLEDGEMENTS

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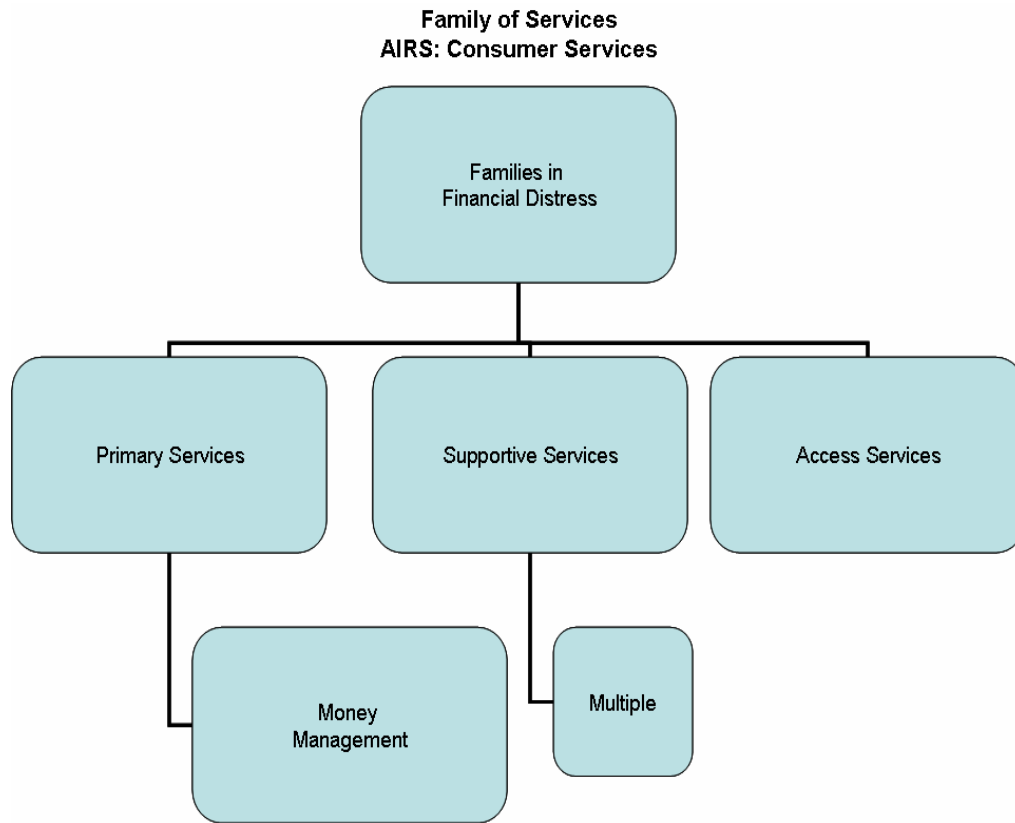
SNAPSHOT

AIRS Code Level I: Consumer Service (D)
AIRS Code Level II: Consumer Assistance & Protection (DD)
Core Service: Money Management (DD-500)

Investment Committee: Learning and Earning for Life
Cluster: Education

AIRS Definition (newest version): Persons who need assistance in obtaining credit, obtaining or correcting information in their credit records, reducing debt burden or managing their financial resources more effectively.

The Money Management Program is part of a family of services for families in financial distress. It is the only service for this consumer group. (See figure below.)



Core Service Environment

With decreasing assets and financial reserves, many more consumers—particularly those with low- to moderate-income—frequently finance their lifestyles. Unlike a “closed-end” loan for a specific amount, “open-ended” loans in the form of credit card purchases separate a consumer’s decision to obtain the credit card from the actual borrowing decision at the time of a purchase: “each time the consumer swipes her card, a new loan is entered into” (Bar-Gill, 2004). Because each borrowing decision might involve a relatively small purchase amount, consumers are at



risk of “incremental foolishness,” increasing credit card balances by making a series of small purchases (Bar-Gill, 2004). Consumers often underestimate the likelihood of adverse events that might require borrowing in the future. As such, consumers often run up large credit card balances in the short term, only to become vulnerable to job losses or medical expenses at some point in the future (Bar-Gill, 2004).

A portion of the Federal Trade Commission’s (FTC) \$160 million annual budget is dedicated to consumer protection services. Generally, the FTC is charged with eliminating unfair or deceptive acts or practices affecting commerce. As it relates specifically to consumer protection services, the FTC acts to identify fraud, deception, and unfair practices that cause the greatest injuries against consumers.

Consumers are protected largely by federal lending statutes like the Truth in Lending Act (TILA) and the Home Ownership and Equity Protection Act (HOEPA). *Disclosure* is the linchpin of federal protection for borrowers. Disclosure is effective only to the extent it can be understood. Research has demonstrated that most consumers are unaware of the significance of concepts like annual percentage rate and finance charges (Hellwig, 2005).

Recent developments in consumer law, most notably the implementation of “Check 21” and issues of debit account late fees, and the growth of sub-prime loans and payday lenders are negatively impacting consumers’ abilities to bring financial problems under control. In Ohio alone, payday lending locations outnumber McDonalds, Burger King, and Wendy’s restaurants. Thus, the service environment in which consumer agencies operate is marked by a growing need for financial literacy and money management services.

Core Service Consumers

The target population addressed in this core service report is persons ages 18 and older who are financially distressed, which is defined as debt service payments that consume over 40 percent of a family’s income (Jicking, 2005). Their difficulty managing finances often precludes them from obtaining optimal interest rates on credit cards and loans and puts them at risk for defaulting on loans, foreclosure on homes, and predatory lending. These individuals are also at higher risk for failing to secure post-retirement savings.

The net financial assets and net wealth of low- to moderate-income households fell during the late 1990s. From 1995 to 1998, the net assets of very low-income households (those earning less than \$10,000 annually) fell from \$4,992 to \$3,950 in constant dollars. The net assets of other low-income households (those earning between \$10,000 and \$25,000) fell from \$31,940 to \$24,650 during the same period. Large increases in consumer debt and the number of loans secured with home equity have been cited as important reasons for the decline in net financial assets and net wealth (CFA 2001).

Himmelstein et al. (2005) contend that medical problems contribute to 54.5 percent of personal bankruptcies and threaten the solvency of solidly middle-class Americans. A re-examination of their data by Dranove and Millenson (2006) suggests that medical bills are a contributing factor in just 17 percent of personal bankruptcies and that those affected tend to have incomes closer to poverty level than to middle class.

A study by the Federal Reserve Bank estimated that, nationally, 11 percent of families are in financial distress (Jickling 2005). Applying this percentage to families in Cuyahoga County, we estimate that 39,184 families were in financial distress in 2000. The number of families

experiencing financial distress is projected to decrease to 36,657 in 2015, primarily because of projected population decreases.

Core Service Delivery

The definition of the core service for this report is: programs that provide persons with assistance in obtaining credit, obtaining or correcting information in their credit records, reducing debt burden, or managing their financial resources more effectively.

Many money management programs are a mandatory requirement of a bankruptcy filing based on household income thresholds. There has been a recent change to the bankruptcy code. Under the current bankruptcy law, debtors must obtain a credit counseling certificate before filing for Chapter 7 or Chapter 13 debt relief.

Generally, credit counseling organizations advise consumers about managing money, debt, and developing a budget. Most offer free educational materials and workshops. The credit counseling required by the new bankruptcy law can take place in person, on the phone, or online. Sometimes, credit counseling organizations recommend and negotiate a debt-management plan (DMP) for their clients. In a DMP, the consumer deposits money each month with the credit counseling organization which, in turn, uses the deposits to pay credit card bills, student loans, medical bills, or other unsecured debts according to a payment schedule worked out with the consumer and creditors. If consumers are repaying their debts through a DMP, creditors sometimes agree to lower interest rates or waive certain fees. A DMP is not required for consumers who are filing for bankruptcy.

Based on United Way - First Call for Help's (FCFH) database (February 2005), there are 39 money management services organizations operating from 85 different sites in Cuyahoga County, 23 of which are nonprofits and 14 are government (2 other). In FY 2004 (July 2003 to June 2004), United Way funded one of these providers. FCFH call data shows a decrease in the number of total requests for money management programs in the county: from 690 in 2003 to 537 in 2004 (22 percent). Over the same five-year period, FCFH had 2,602 requests for information on money management services. They were able to make referrals to 98 percent of callers.

The majority of funding for money management comes from government and is distributed locally through the Cuyahoga County Department of Senior and Adult Services and the Cuyahoga Metropolitan Housing Authority. The balance of funding historically comes from foundations and regional federated organizations; however, no foundation funding was identified for money management in 2004 and only \$5,000 was identified as coming from regional sources. Overall, very little money is directed toward money management programs. The burden of paying for such services tends to lie with the consumer.

As of May 11, 2006, \$299,097 in revenues for money management services have been identified countywide. Approximately 61 percent of the revenues are from contracts or grants from government organizations. The balance of the revenues supporting this service (37 percent) comes from United Way.

The typical unit of service for money management services is 1 hour of counseling. The actual cost to the consumer can range from \$0 for community education programs to over \$300 per hour for certified financial planners.

What Works; What Doesn't

Researchers developed and tested a consumer education program called "Making Sense of Cents." The authors found that attendance was enhanced by collaborating with organizations that already served debtors in some other capacity, and having those organizations recommend the financial literacy program. Simply advertising the program to prospective attendees was *not effective*. They needed varied class locations and times that minimized schedule conflicts (Block-Lieb, Baron-Donovan, Gross and Wiener, 2004).

Elliehausen et al. (2002) demonstrated for the first time that one-on-one credit counseling has a positive impact on borrower behavior over an extended period. Using ten different measures of borrower credit performance, the empirical analysis found that borrowers who received financial counseling generally improved their credit profile over the subsequent three years, relative to observationally similar borrowers who did not receive counseling. The study also found that delinquency experience (as measured by the reduction in 30+ and 60+ day delinquencies) after three years was substantially better for counseled clients, relative to the comparison group.

In some cases, providers of the types of money management services identified in this report are not required to be certified. Many professionals will seek out education and training specific to their content area (e.g., family life education on budgeting and personal finances).

A Certified Financial Planner (CFP®) certification process, administered by the CFP Board, identifies individuals authorized to use the CFP certification marks. CFP certificants must pass the comprehensive CFP® Certification Examination, agree to abide by CFP Board's *Code of Ethics and Professional Responsibility* that puts clients' interests first and abide by the *Financial Planning Practice Standards* that spell out what clients should reasonably expect from the financial planning engagement.

Gap Analysis

A thorough search of the literature did not result in a basis for estimating the possible universe of consumers.

I. FOREWORD

INTRODUCTION

United Way of Greater Cleveland (UW), in partnership with the Cuyahoga County Board of Commissioners, has initiated a large scale core service planning process to generate data and engage in community-wide dialogue about the community's safety net of core service and consumer needs in the Greater Cleveland area. In addition, UW envisions this process as an opportunity to better understand its role in the community and its long term capacity to improve the lives of Greater Clevelanders.

The primary goal of the Cuyahoga County core service research is to identify consumer needs and assess whether there are service gaps/duplications on a community-wide level. The findings from this research will guide future funding decisions at UW, and they will also be used to stimulate dialogue with other funders and groups in the community. United Way intends to continue to fund a broad array of "safety net" services that are important to the Greater Cleveland area. But it is hoped that the research findings will inform how UW dollars may be dispersed to have the greatest impact on current realities, needs, and priorities in the Greater Cleveland community.

METHODOLOGY

United Way contracted with MCS Consulting Service, LLC, to conduct the core service research, which focuses on both the consumers served and services provided. (See Attachment 1 for list of members of the research team.) The research team has obtained information about each core service from multiple data sources. At the end of the research process there will be substantial information available for some services and less for others, which will provide a clearer picture of what information *is* available and where there are *significant gaps*.

The questions addressed are:

- Including public policies, what are the environmental influences that are impacting both service consumers and the capacity for service delivery?
- Who are the service consumers? What are the factors that lead to a need for services? How many consumers are there? How many have there been in the past several years and what factors influenced the historic trend line? What are the projected numbers for the future? What is their demographic profile? Where do they reside? How many are receiving services funded by government and/or United Way?
- What is the philosophy that drives service delivery? Has it changed? What does the service consist of? Who provides the service?
- What are the funding sources? What are the annual revenues from government sources, federated fund raising organizations, foundations, and United Way of Greater Cleveland? What are the historic government funding trends and what is projected for the future? What is the reimbursement amount?
- What works and what doesn't work in service delivery?
- Are there service gaps, duplication, under-utilization?

The primary information sources used for this report are:

- Results of 20 focus groups with 159 direct service staff of United Way member agencies and non-members, and key informant interviews with 93 experts in the respective service areas (February 2005). Participants were asked about consumer populations that are increasing and those with unmet needs; they provided insight about specific service gaps and duplication, as well as services they perceive to be outdated or under-utilized.
- United Way Program Report data for FY 2004 (July 2003 to June 2004). Each year United Way member agencies submit information to their respective investment committees on each funded core service they provide. Among other things, this information includes a demographic profile of the consumers served, the zip codes where the consumers reside, and all revenue sources that support the service. The research team has aggregated this information for each core service.
- United Way - First Call for Help call data (2000 to 2004) - United Way - First Call for Help provides a 24/7 information and referral service through its 211 telephone line. The research team analyzed data from its large database, which includes the names of service providers for most core services, the activities they provide and the zip codes in which they and those they serve are located, the number of calls received, and whether the need was met or unmet. Unmet needs are those for which there was no resource to reference.
- Literature reviews on service trends and issues as well as best practices (i.e., what works/ what doesn't work in service delivery), including impact on the individual/family and on the community.
- Searches for information on public policies that are currently impacting consumers or service delivery.
- U.S. Census and American Community Survey data for various time periods.
- Data from funders on actual consumer populations and funding levels.

(See Attachment 2 for technical notes on the research methodology as well as limitations of the data.)

II. THE CORE SERVICE ENVIRONMENT

CORE SERVICE ENVIRONMENT

Growth in Use of Credit Cards

The use of credit cards has grown exponentially. By 1995, credit cards had surpassed cash as consumers' preferred method of payment. In 2000, consumers used 1.44 billion credit cards, or approximately fourteen cards per household, to purchase \$1.4 trillion of goods and services. That equaled \$14,000 in credit card transactions on a per household basis. This in turn represented about one-third of median household income for that year. Credit card debt now is the leading source of unsecured consumer debt. In 2000, total credit borrowing equaled \$683 billion, with each household carrying an average credit card debt of \$6,500 (Bar-Gill, 2004).

With decreasing assets and financial reserves, many more consumers—particularly those with low- to moderate-income—frequently finance their lifestyles. Bar-Gill (2004) argues that consumers often *overestimate* their ability to resist spending and *underestimate* the probability that future events will occur that will create economic hardship.

The issue of self-control arises in consumers' use of credit cards. Unlike a "closed-end" loan for a specific amount, "open-ended" loans in the form of credit card purchases separate a consumer's decision to obtain the credit card from the actual borrowing decision at the time of a purchase: "each time the consumer swipes her card, a new loan is entered into" (Bar-Gill, 2004). Because each borrowing decision might involve a relatively small purchase amount, consumers are at risk of "incremental foolishness," increasing credit card balances by making a series of small purchases (Bar-Gill, 2004, p. 1399). Consumers often underestimate the likelihood of adverse events that might require borrowing in the future. As such, consumers often run up large credit card balances in the short term, only to become vulnerable to job losses or medical expenses at some point in the future (Bar-Gill, 2004).

Growth of Sub-Prime Lending

The recent growth in sub-prime lending has increased consumers' needs for debt management and credit counseling. Conventional credit card and lending markets do not serve individuals with past credit problems or low incomes that present higher default risks. These persons are typically served by so-called "sub-prime" lenders that make credit available, but at higher interest rates and fees.

Sub-prime lending enables persons with blemished credit histories to take out loans needed for home improvement, medical costs, or daily living expenses. Such sub-prime lending becomes problematic, however, when lenders employ "predatory" tactics to secure loans or offer sub-prime loans to persons who would otherwise qualify for prime loans (Ferguson, 2000). Vulnerable consumers become ensnared in spiraling debt cycles by entering into loan contracts without the necessary financial resources to escape. It is important to note that while not all sub-prime lending is predatory, nearly all predatory lending originates from sub-prime lenders (Motto, 2002). The most common predatory, or abusive, lending practices include the following:

- *Equity Stripping* – Lenders make loans secured with borrowers' homes as collateral, knowing the borrowers cannot possibly repay. This often results in foreclosure on borrowers' homes and attendant loss of equity.

- *Loan Flipping* – Lenders pressure borrowers to repeatedly refinance their original loans. But with each renewal additional fees are charged and most payments made by borrowers go only toward interest and fees (Ferguson 2000).
- *Loan Packing* – Lenders build into mortgage loans credit insurance and other loan products that were not requested and may not have been needed by borrowers (Motto, 2002).
- *Arbitration Clauses* – Lenders require borrowers to submit to arbitration rather than a court of competent jurisdiction in the event of a dispute with the lender (Johnson, 2002).
- *High Interest Rates* – Lenders assess interest in excess of the risk assigned to the borrower that the borrower will default on the loan (Ferguson, 2000).

Pay Day Loans

In the sub-prime lending market a large portion of the demand for products like “payday loans” is driven by hardships created by the loans themselves. “Payday loans” are small loans borrowed against consumers’ next payday checks. First offered in the early 1990s, the number of payday loan shops nationwide grew to 12,000 by 2000. In 2002, the number reached 15,000, a 25 percent increase in two years. Also during this period, payday loan fee revenues tripled from \$1.4 billion to \$4.3 billion. And between 2000 and 2002, “refund anticipation loans,” or RALs, secured by borrowers’ income tax refunds, grew eighteen percent, from 10.8 million loans extended to 12.7 million; approximately one-tenth of all federal taxpayers, fully one-third of those using professional tax preparation services, obtained a RAL in 2002 (Hellwig, 2005). In Ohio, payday lending locations increased from 107 to 1,562 in the past decade. The recently released report “Trapped in Debt: The Growth of Payday Lending in Ohio” published by Policy Matters Ohio and the Housing Research & Advocacy Center finds that payday lending shops are now more common than McDonalds, Burger King, and Wendy’s restaurants combined in Ohio. Cuyahoga County had 123 payday loan locations in 2006. Franklin County had 183, and Hamilton County had 160 (Rothstein & Dillman, 2007).

Having only two weeks to earn sufficient funds to repay such a short-term loan’s principal and fees, a borrower will devote a large portion of his/her paycheck to repay the loan, only to be left with little funds to live on until the next paycheck. As it becomes more difficult to get by until the next payday, the borrower might take out a *new* payday loan to bridge the gap. Unfortunately, the loan fees associated with the new loan will again jeopardize the borrower’s ability to pay during the next period. Therein lies the vicious cycle of debt such borrowers confront (Hellwig, 2005).

Informed consumer choice is the most often cited, and arguably the most effective, method for addressing money management issues. But this method is impaired when the seller creates or takes advantage of barriers to the free exercise of consumer choice (Ferguson, 2000).

PUBLIC POLICY ISSUES

NATIONAL

Federal Trade Commission

A portion of the Federal Trade Commission’s (FTC) \$160 million annual budget is dedicated to consumer protection services. Generally, the FTC is charged with eliminating unfair or deceptive acts or practices affecting commerce. As it relates specifically to consumer protection services, the FTC acts to identify fraud, deception, and unfair practices that cause the greatest injuries against consumers. The tools available to the FTC primarily involve law enforcement and

education-outreach efforts. Agency staff attorneys operate from FTC offices serving eight regions and bring wide varieties of consumer protection cases to court as well as act as contacts for state attorneys general and other state and local consumer protection officials (FTC, 2005).

Consumer Protection Laws

Consumers are protected largely by federal lending statutes like the Truth in Lending Act (TILA) and the Home Ownership and Equity Protection Act (HOEPA). *Disclosure* is the linchpin of federal protection for borrowers. It is assumed that consumers who are knowledgeable about available financial alternatives as well as the full costs and benefits of those alternatives will choose options that maximize their self-interest. The reality, however, is that disclosure is effective only to the extent it can be understood. Research has demonstrated that most consumers are unaware of the significance of concepts like annual percentage rate and finance charges (Hellwig, 2005).

Fair and Accurate Credit Transactions Act of 2003

The Fair and Accurate Credit Transactions Act of 2003 (FACTA) made a number of provisions for providing consumers with information for successful money management, including having the right to obtain one free copy of your credit report from each of the three major credit bureaus every 12 months. Additionally, Title V of FACTA (Financial Literacy and Education Improvement Act) created the Financial Literacy and Education Commission with the purpose of improving the financial literacy and education of persons in the United States. To reach the widest number of people possible, the commission established a website (www.mymoney.gov) and a toll-free telephone number (1-888- mymoney [696-6639]) to coordinate the presentation of educational materials from across the spectrum of federal agencies that deal with financial issues and markets. The act also mandated that the Government Accountability Office (GAO) reports on recommendations for improving financial literacy among consumers. The GAO called a forum of federal agencies, and summarized their findings as follows:

Forum participants offered a number of suggestions regarding the federal government's role in improving Americans' financial literacy. The federal government should serve as a leader. The federal government should use its influence, authority, and "bully pulpit" to make financial literacy a national priority. However, given that a wide array of state, local, nonprofit and private organizations already provide financial education, the federal government's role should largely be supportive, filling the gaps left by others and serving as an unbiased source of information. Increased public-private partnerships and interagency coordination are needed. Partnerships between federal agencies and other organizations are the best way to use scarce resources efficiently, facilitate the sharing of best practices, and help federal agencies reach targeted populations at the community level. In addition, federal financial literacy efforts should be integrated across agencies and consolidated to focus on those agencies with the most expertise and best track records in this area. (Government Accountability Office, 2004)

The Check Clearing for the 21st Century Act (Check 21)

Recent changes to the law governing checking accounts are expected to increase consumer demand for financial literacy and debt management services. The Check Clearing for the 21st Century Act, commonly known as "Check 21," decreases the time necessary for consumers' checks to clear. Specifically, Check 21 allows any bank to electronically scan an image of a

consumer's check and present that *image* to other banks further down the stream for payment from the consumer's account. If a consumer desires a copy of his or her canceled check, he or she must request a copy of that check, called a "substitute check." For consumers, this process significantly shortens the time it takes for checks to clear. With faster clearing times, more checks may bounce, resulting in more fees assessed against consumers. More problematic is the fact that banks need not provide "substitute checks" if consumers request them. Rather, banks need only provide an image of the check. This is an important distinction, because a "substitute check" provides consumers distinct legal rights such as a right of re-credit in the event of bank error. Conversely, mere images of checks carry no such legal rights. Moreover, there is nothing in Check 21 to limit the fee amounts banks can charge consumers for substitute checks. It has been argued that the legal importance of the substitute check might induce banks to impose higher fees for issuing them (McGlenn, 2005).

III. THE CORE SERVICE CONSUMERS

DEFINITION OF TARGET POPULATION

The target population addressed in this core service summary is persons ages 18 and older who are financially distressed, which is defined as debt service payments that consume over 40 percent of a family's income (Jicking, 2005). Their difficulty managing finances often precludes them from obtaining optimal interest rates on credit cards and loans, putting them at risk for defaulting on loans, foreclosure on homes, and predatory lending. These individuals are also at higher risk for failing to secure post-retirement savings.

DEMOGRAPHIC CHARACTERISTICS

Earlier this decade, national research conducted for the Consumer Federation of America (CFA) revealed that the typical household has net assets worth \$71,700. But this figure is comprised largely of consumers' home equity. In fact, the typical household has net *financial* assets, including retirement accounts, of approximately \$9,800. And the typical low- to moderate-income household has even less in net financial assets, having saved less than \$1,000 (CFA, 2001).

The net financial assets and net wealth of low- to moderate-income households fell during the late 1990s. From 1995 to 1998, the net assets of very low-income households (those earning less than \$10,000 annually) fell from \$4,992 to \$3,950 in constant dollars. The net assets of other low-income households (those earning between \$10,000 and \$25,000) fell from \$31,940 to \$24,650 during the same period. Large increases in consumer debt and the number of loans secured with home equity have been cited as important reasons for the decline in net financial assets and net wealth (CFA 2001).

This bears relevance to a discussion regarding money management because the relatively small "nest egg" maintained by the average person, coupled with aggressive use of financing options such as credit cards, places members of the general public in precarious financial situations. Indeed, given the finite financial resources of most persons, financial literacy and money management programs become necessary elements of any community's human services "safety net." This fact is rendered all the more salient by the changes in the laws governing checking accounts and bankruptcy protection and the growth in the sub-prime lending market, as described above.

There are several indicators of financial distress in Cuyahoga County. For example, approximately 15 percent of all conventional home loans were denied to Cuyahoga County residents in the year 2001. (See Table 1.) Many of these individuals will seek out higher-risk, sub-prime lenders to obtain a mortgage.

Table 1: Conventional Loans Extended & Denied to Residents of Cuyahoga County, 2001

Total number of conventional home loans extended to residents of Cuyahoga County, 2001	25,589	
Denials	3,840	15.01%

Source: 2003-2004 Social Indicators, Housing

Another nearly 10 percent of Cuyahoga County residents were denied federally guaranteed home loans in the same year. (See Table 2.)

Table 2: Federally Guaranteed Home Loans Extended & Denied to Residents of Cuyahoga County, 2001

Total number of federally guaranteed home loans extended to residents of Cuyahoga County, 2001	3,246	
Denials	309	9.52%

Source: 2003-2004 Social Indicators, Housing

The average number of high-risk mortgage loans extended to residents of Cuyahoga County between the years 1998 and 2001 represented nearly 29 percent of all mortgages. (See Table 3.)

Table 3: Average Number High Risk Loans Extended to Cuyahoga County Residents, 1998-2001

Average number of mortgage loans extended to residents of Cuyahoga County, 1998-2001	58,047	
"High risk" loans	16,556	28.52%

Source: 2003-2004 Social Indicators, Housing

There were 46,707 new foreclosure cases filed in Cuyahoga County in 2004. Nearly 10,000, or 21 percent, resulted in foreclosure. (See Table 4.)

Table 4: New Foreclosure Cases filed in Cuyahoga County Court of Common Pleas – General Division, 2004

Total Cases Filed in 2004 in Cuyahoga County Common Pleas Court - General Division (includes transfers and reactivations)	46,707	
Foreclosure Cases	9,751	20.88%

Source: "Ohio Courts Summary, 2004," Supreme Court of Ohio

For the twelve month period ending June 2000, the number of non-business bankruptcy petitions originating in Cuyahoga County reached nearly 7,500 filings. (See Table 5.)

Table 5: Non-Business Bankruptcy Filing Originating from Cuyahoga County as filed in U.S. Bankruptcy Court for the Northern District of Ohio, by chapter of the bankruptcy code, during twelve month period ending June 30, 2000

Total non-business bankruptcy filings	7,479
Filings under Chapter 7	5,232
Filings under Chapter 11	-
Filings under Chapter 13	2,247

* Bankruptcy filings denoted as originating from Cuyahoga County are determined by the county of residence of the first named debtor in the bankruptcy petitions.

Source: "Report F-5A U.S. Bankruptcy Courts," U.S. Party/Case Index, Administrative Office of the U.S. Courts, PACER Service Center

Himmelstein et al. (2005) explored why so many families at or below the national median income take on high levels of debt and end up in bankruptcy court:

Some explanations focus on particularly vulnerable populations: the sick and uninsured (or underinsured), the divorced, or residents of states without mandatory uninsured motorist coverage. Supporters of bankruptcy reform maintain that the current bankruptcy code is too debtor-friendly and creates an incentive to borrow beyond the ability to repay, or in some cases without the intention of repaying. Opponents of reform claim that financial distress is often a by-product of the high-pressure marketing campaigns of credit card issuers and other consumer lenders. Lack of a consensus explanation for the rise in consumer bankruptcy filings ensures that reform efforts will be controversial.

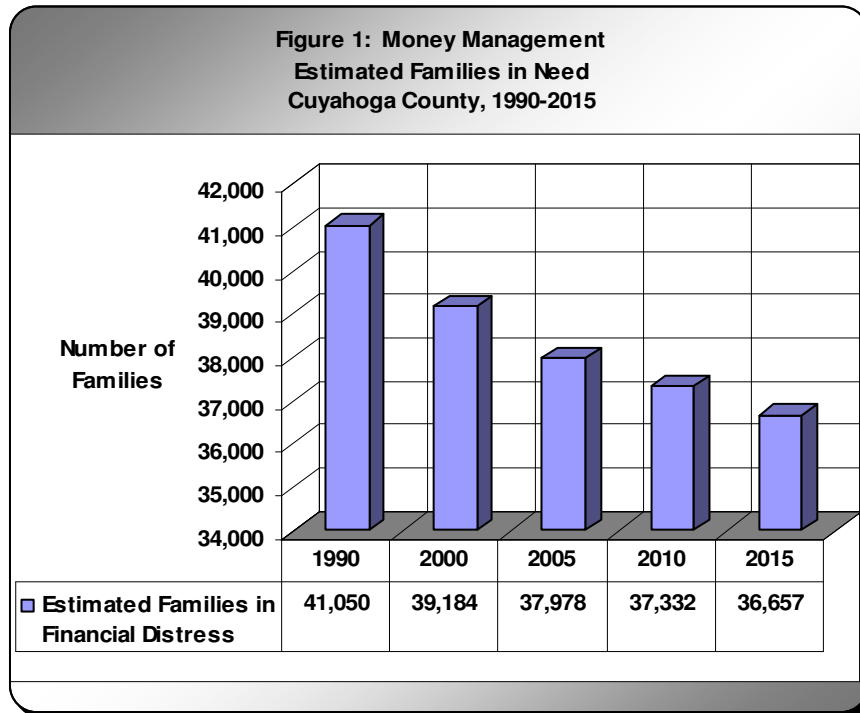
Himmelstein et al. (2005) contend that medical problems contribute to 54.5 percent of personal bankruptcies and threaten the solvency of solidly middle-class Americans. To investigate medical contributors to bankruptcy, the authors surveyed 1,771 personal bankruptcy filers in five federal courts and subsequently completed in-depth interviews with 931 of them. About half of debtors cited medical causes, indicating that between 1.850 and 2.227 million Americans (filers plus dependents) experienced medical bankruptcy. Among individuals whose illness led to bankruptcy, out-of-pocket costs averaged \$11,854 since the onset of illness; 75.7 percent had insurance at the onset of illness. Medical debtors were 42 percent more likely than other debtors to experience lapses in coverage. Even middle-class, insured families often fall prey to financial catastrophe when illness occurs.

A re-examination of their data by Dranove and Millenson (2006) suggests that medical bills are a contributing factor in just 17 percent of personal bankruptcies and that those affected tend to have incomes closer to poverty level than to middle class. Moreover, for national health insurance to have an impact, they argue, Himmelstein et al. would have to define "medical" expenses much more broadly than is now typical of either private or government-funded plans.

Estimated Families in Need

A study by the Federal Reserve Bank estimated that, nationally, 11 percent of families are in financial distress (Jickling, 2005). "Financial distress" means that debt service payments consume over 40 percent of the family's income (Jickling, 2005). Financial distress is most common among lower-income households. According to the U.S. Government Accountability Office (1999), in 2001, 27 percent of families in the bottom fifth of the income distribution had

debt service obligations that exceeded 40 percent of their incomes. Several studies in the mid-to-late 1990s reported that the median income of bankruptcy petitioners was about \$22,000. Applying this percentage to Cuyahoga County families, an estimated 39,184 families were in financial distress in 2000. The number of families experiencing financial distress is projected to decrease to 36,657 in 2015, primarily because of projected population decreases. (See Figure 1.)



Sources:

* U.S. Census: 1990 STF3 (P123); 2000, SF1 (P31); 2005-2015 estimated from each year's total population (Ohio Department of Development, [July, 2003]) using 2000 rate of 3.93 persons per family.

** Percent of families in financial distress, 2001, 11.0%. (Source: Federal Reserve. [2003, January]. Survey of consumer finances in *Federal Reserve Bulletin* in Jickling, Mark, Consumer bankruptcy and household debt. Congressional Research Service Report for Congress.[2005, March 21]). Assumes same percentage across periods.

It is recognized that this is a conservative estimate of families in financial distress and in need of financial management programs because some persons may not have filed bankruptcy or filed a court case relative to household debt. However, it is a number that begins to offer some clarity about the extent of need in Cuyahoga County.

REALIZED ACCESS TO SERVICE

Realized access to service is represented by the numbers of consumers actually served. It includes the actual number of consumers reported by agencies funded by United Way and by government funders from which it was possible to obtain data. Thus, it is an underestimate of actual numbers of consumers receiving service.

In Cuyahoga County, United Way funded 8,135 persons 18 years and older for money management programs in FY 2004. (See Attachment 3.) The Department of Senior and Adult Services (DSAS) reported providing services for another 3,000 persons in FY 2004.

The vast majority of consumers of money management programs were female. DSAS reported that 90 percent of their clients were females and only 10 percent were males. United Way reported similar findings with 85 percent female consumers and only 15 percent male consumers.

According to 2004 program reports, consumers funded by United Way were 80 percent African American, 15 percent Caucasian, and 0.1 percent Asian. . DSAS followed a similar pattern with 78 percent African American, 16 percent Caucasian, and 0.5 percent Asian.

Just over 4 percent of both United Way and DSAS funded consumers were Hispanic.

Approximately 39 percent of the United Way funded consumers were ages 20-34 and another 50 percent were between the ages of 35-50. Only 10 percent were reported to be age 55 or older DSAS reported 95 percent of consumers to be under the age of 60.

One hundred percent of those funded by United Way reported annual household incomes below \$30,000 with the majority (52 percent) reporting an annual household income of less than \$9,999 and another 23 percent reporting incomes of between \$10,000 - \$14,999. Nearly 83 percent of DSAS consumers live at below 100 percent poverty level, with the remainder between 100 and 200 percent of poverty.

Fifty-nine percent of consumers funded by United Way resided in Cleveland and 40 percent in the suburbs. (See Attachment 4.)

IV. CORE SERVICE DELIVERY

CORE SERVICE DEFINITION

The definition of the core service for this report is: programs that provide persons with assistance in obtaining credit, obtaining or correcting information in their credit records, reducing debt burden, or managing their financial resources more effectively.

BACKGROUND ON CORE SERVICE

Many money management programs are a mandatory requirement of bankruptcy filing based on household income thresholds. There has been a recent change to the bankruptcy code. Under the current bankruptcy law, debtors must obtain a credit counseling certificate before filing for Chapter 7 or Chapter 13 debt relief. This is something new for bankruptcy courts, which have found *interpretation* of Section 109(h) to be simple, but otherwise find its *application* to be a serious matter. Section 109(h) requires debtors to receive counseling from an approved nonprofit budget and credit counseling agency prior to filing for bankruptcy. This applies whether the bankruptcy is a Chapter 7 or a Chapter 13. Normally, bankruptcy lawyers register their clients with a credit counseling agency over the Internet; then the client calls a telephone number to take credit counseling. Phone-call counseling lasts about half an hour. After the debtor has completed counseling by phone, the bankruptcy lawyer's computer picks up and prints out the completion certificate.

There are a few exemptions to the credit counseling requirement. This requirement does not apply to debtors living in districts where no counselors have been approved by the U.S. trustee. It also does not apply to debtors on active military duty in a combat zone, or are unable to receive counseling due to an incapacity or disability. The requirement may be waived up to thirty days if the debtor is able to prove to the court's satisfaction that exigent circumstances required him/her to file for bankruptcy without first receiving counseling and that he/she was unable to obtain counseling services within five days of seeking them. Section 521(b) (1) legally requires debtors to include with their bankruptcy petition a certificate from an approved credit counseling agency or, in lieu of an agency certificate, their personal certification stating they are exempt from the pre-petition credit counseling requirement or describing the exigent circumstances that prevented the obtainment of the counseling. The law requires a certification to be "subscribed," which means signed by the declarant (the debtor). Thus, if the debtor does not sign the certificate of exigent circumstances, the case will be dismissed. Furthermore, the certificate must contain the debtor's statement that certification's content is true and correct and that the debtor made the declaration under penalty of perjury. This is the standard verification form found in the code of civil procedure. Thus, a motion to extend the time for obtaining credit counseling must be by verified motion.

Generally, credit counseling organizations advise consumers on managing money and debts and developing a budget. Most offer free educational materials and workshops. The credit counseling required by the new bankruptcy law can take place in person, on the phone, or online. Counseling sessions generally last about 90 minutes and include an analysis of the consumer's budget. Sometimes, credit counseling organizations recommend and negotiate a debt management plan (DMP) for their clients. In a DMP, the consumer deposits money each month with the credit counseling organization, which in turn uses the deposits to pay credit card bills, student loans, medical bills, or other unsecured debts according to a payment schedule

worked out with the consumer and creditors. If consumers are repaying their debts through a DMP, creditors sometimes agree to lower interest rates or waive certain fees. A DMP is not required for consumers who are filing for bankruptcy.

A recent study by the National Consumer Law Center and Consumer Federation of America (2003) found the following:

- The trend in credit counseling is away from providing a range of services such as consumer education and counseling for non-DMP (debt management program) clients toward offering DMP-related services only. Some agencies do provide videotaped educational information or self-directed credit counseling “courses” on the Internet, generally for a fee.
- Most of the consumer credit counseling agencies provide assistance mainly or even exclusively by phone or Internet. While not practical in all situations, face-to-face counseling sessions are often a more thorough way to assess a consumer’s financial situation and offer personalized budget advice.
- Many agencies are now only willing to place some of a consumer’s unsecured debt into a DMP, leaving consumers to manage on their own with their other creditors.

Cuyahoga County residents, as elsewhere around the state, are provided credit counseling, financial literacy, money management, and consumer protection services through a network of largely public sector and nonprofit agencies. Many of these agencies, such as the Consumer Credit Counseling Service and the Consumer Protection Agency, are established agencies in the region that have served clients over several decades (Cleveland Saves, 2005).

Local consumer protection agencies report that their primary concern is teaching financial literacy; that is, teaching members of the general public how to manage money by paying bills on time, saving, investing, and making wise spending decisions (Cleveland Saves, 2005). As an example, the Consumer Protection Agency employs a holistic approach to address the root causes of financial crisis by empowering and teaching client-consumers how to manage money. Annually, this agency serves over 10,000 clients, primarily on a no-fee basis. Consumer agencies such as the Consumer Protection Agency typically offer financial counseling, utility payment and budget assistance, courses in checking systems, account management, credit reduction strategies, and how to “shop around” for banks.

Recent developments in consumer law, most notably the implementation of “Check 21” and issues of debit account late fees, are negatively impacting consumers’ abilities to bring financial problems under control. Thus, the service environment in which consumer agencies operate is marked by a growing need for financial literacy and money management services. Continued consumer education will be necessary to make clients aware of the high costs associated with improper account management and the almost instantaneous nature of check clearing.

Demand for consumer credit counseling and financial literacy is expected to immediately increase by one-third, given the recent passage of large-scale changes to the federal bankruptcy protection process (Cleveland Saves, 2005). Most of the increase will be attributable to the new requirement that debtors obtain assistance in budgeting and debt management as part of filing bankruptcy. This trend, however, harbors hidden danger to such debtors: many recent entrants to the consumer credit counseling market are reportedly engaging in activities

that are damaging to the debtors they are supposedly assisting. Such damaging activities include structuring debt management/repayment plans without offering associated debt counseling to consumers, charging consumers fees (up to ten percent of each monthly debt repayment) that are significantly higher than those charged by traditional counseling service providers, and engaging in high pressure tactics to convince consumers to enter into debt management/repayment plans (Hurst, 2005).

United Way - First Call for Help Call Data

Based on United Way - First Call for Help's (FCFH) database (February 2005), there are 39 money management services organizations operating from 85 different sites in Cuyahoga County, 23 of which are nonprofits and 14 are government (2 other). Service providers are primarily found in the downtown Cleveland area, with fewer in the surrounding inner suburbs. In FY 2004 (July 2003 to June 2004), United Way funded one of the providers. (See Attachment 5.)

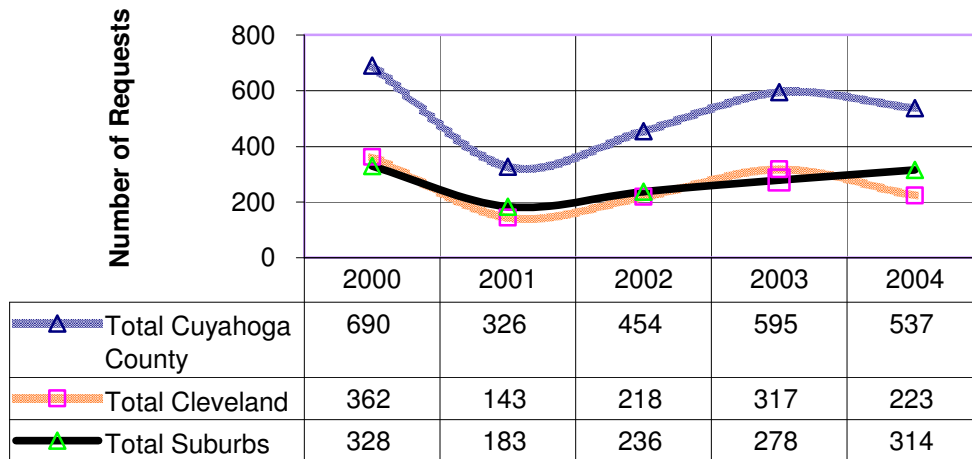
The types of services provided include recreational personal finance and budgeting courses, credit report review, denied credit counseling, housing education programs, home acquisition and debt management education, budgeting and debt reduction counseling, loan document review, taxes education, safe lending practices information, and predatory lending assistance. (See Attachment 6.)

United Way - First Call for Help call data shows a curvilinear pattern to the number of total requests for money management programs. Between 2000 & 2004, the average number of calls was 520, with a high of 690 calls in 2000. The following year saw a nearly 53 percent decrease in calls with subsequent years experiencing a substantial increase (454 in 2002 and 595 in 2003) until it dropped off again to just 537 in 2004. This represents a 38 percent decrease in Cleveland (362 to 223 requests) and a 4 percent decrease in the suburbs (328 to 314 requests). (See Figure 2 and Attachment 7.)

Calls came from the majority of Cuyahoga County zip codes with the following experiencing the highest average number of calls from 2000-2004:

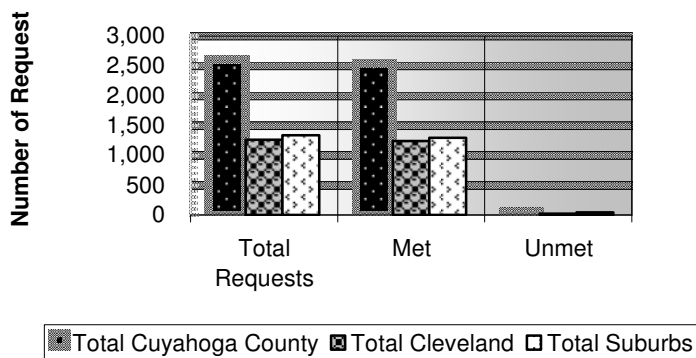
- 44105 (Cleveland/NewburghHts/GarfieldHts) - 44 calls;
- 44102 (Cleveland/Brooklyn) - 35 calls; and
- 44108 (Cleveland/Bratenahl) - 34 calls.

**Figure 2: Money Management
United Way First Call for Help Requests 2000-2004
Greatest Increase/(Greatest Decrease)**



Over the same five-year period, United Way - First Call for Help had 2,602 requests for information about money management services. Of these requests, they were able to make referrals to 98 percent of callers; however, 2 percent of all Cuyahoga County callers (61) had an unmet need, meaning there was no agency to which to refer the caller. Callers from the City of Cleveland had a 2 percent unmet need rate and from the suburbs, 3 percent. Over the five-year period, the largest unmet need was 10 in zip code 44128 (Warrensville Hts/Cleveland). (See Figure 3 and Attachment 8.)

**Figure 3: Money Management
United Way First Call for Help Requests 2000-2004
(TOTAL REQUESTS: n=2,602,
TOTAL UNMET NEED: n=61)**



FUNDING OF CORE SERVICES

Most government funding for money management is for public education campaigns and not direct service. Several federal departments have established public education campaigns including the U.S. Treasury, U.S. Mint, U.S. Department of Housing and Urban Development, Social Security Administration, U.S. Department of Labor, U.S. Department of Agriculture, Federal Trade Commission, and others (U.S. Treasury, n.d.).

Major Government Funders

The major sources of government funding for money management programs are:

- Community Development Block Grant (CDBG);
- Excellence in Economic Education Program (EEEEP);
- Residential Opportunities and Self-Sufficiency Program; and
- YouthBuild.

NATIONAL

Community Development Block Grant (CDBG) – County and City of Cleveland

The Community Development Block Grant is a flexible source of funds intended to develop viable urban communities by providing decent housing and a suitable living environment and by expanding economic opportunities, principally for low- and moderate-income persons. Thus, money management programs can be funded with CDBG. The U.S. Department of Housing and Urban Development (HUD) determines the yearly amount of federal funds that cities and counties are entitled to through a formula based upon population, growth lag, poverty level, age of housing, and overcrowding. CDBG provide federal funding for locally initiated neighborhood improvement projects. City of Cleveland CDBG funding has decreased significantly from \$31.1 million in FY 2002 to \$24.6 million in FY 2006. County CDBG funding has increased slightly from \$3.4 million in FY 2002 to \$3.6 million in FY 2006.

Excellence in Economic Education (EEEEP)

The Excellence in Economic Education Program (EEEEP) is a discretionary and competitive grant administered by the U.S. Department of Education. This program promotes economic and financial literacy among all students from kindergarten through grade 12 through the award of one grant to a national nonprofit education organization that has the improvement of the quality of student understanding of personal finance and economics as its primary purpose. Approximately \$1.475 million has been infused directly and through state and local organizations per year in 2004, 2005 and 2006.

Resident Opportunities and Self-Sufficiency Program

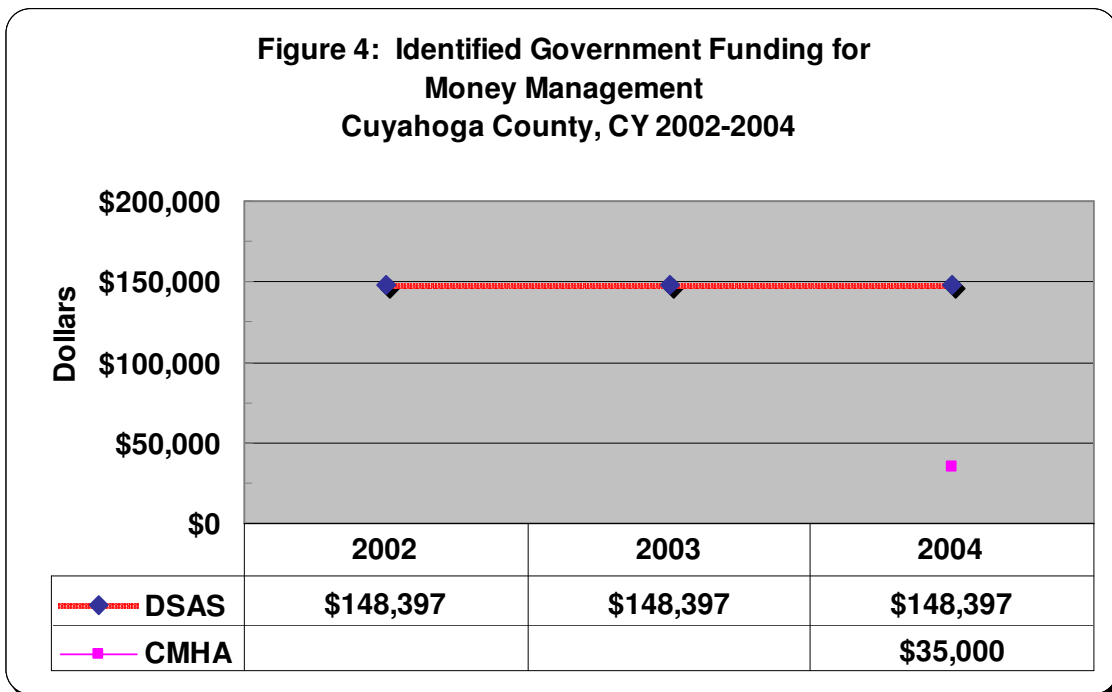
Administered by the U.S. Department of Housing and Urban Development, the Resident Opportunities and Self-Sufficiency Program (ROSS) provides public housing residents with supportive services, resident empowerment activities, and assistance in becoming economically self-sufficient. ROSS grants can be made to public housing authorities, resident associations, and nonprofit organizations supported by residents and/or public housing agencies. Funding trend data for this program was not found.

YouthBuild

Administered by the U.S. Department of Labor (transferred from HUD in 2006), YouthBuild is a competitive grant program. The purposes of the YouthBuild program are: 1) to expand the supply of permanent affordable housing for homeless individuals and members of low- and very low-income families by utilizing the energies of economically disadvantaged young adults; 2) to provide economically disadvantaged young adults with opportunities for meaningful work and service to their communities in helping to meet the housing needs of homeless individuals and members of low- and very low-income families; 3) to enable economically disadvantaged young adults to obtain the education and employment skills necessary to achieve self-sufficiency; and, 4) to foster the development of leadership skills and commitment to community development among young adults in low-income communities. YouthBuild was funded at \$64 million in 2006, and \$50 million for FY 2007 and for FY 2008.

Trends of Identified Government Funders in Cuyahoga County

The majority of identified funding in Cuyahoga County for money management comes from government and is distributed locally through the Cuyahoga County Department of Senior and Adult Services and the Cuyahoga Metropolitan Housing Authority; however, the specific source of this funding was not identified. The balance of funding historically comes from foundations and regional federated organizations; however, no foundation funding was identified for money management in 2004 and only \$5,000 was identified as coming from regional sources. Overall, very little money is directed toward money management programs. The burden of paying for such services tends to lie with the consumer. There was little information available on funding trends. (See Figure 4.)



Source: Cuyahoga County Department of Senior and Adult Services, and Cuyahoga Metropolitan Housing Authority

IDENTIFIED REVENUES

As of May 11, 2006, \$299,097 in revenues for money management services has been identified countywide. (See Table 6.) This includes information from foundations; federated fundraising organizations; regional, county, and municipal government; and United Way of Greater Cleveland. Approximately 61 percent of the revenues are from contracts or grants from government organizations. The balance of the revenues supporting this service (37 percent) comes from United Way.

Table 6: Annual Revenue for Core Services: Identifiable Countywide and United Way of Greater Cleveland Money Management, 2003/2004.

Funder	Period	A		B	
		Identifiable Total Dollars County-wide		Total Dollars UW-Funded Agencies (Actual FY2004)	
		Amount	% of Total (A)	Amount	% of Total (B)
Other Private Foundations - Not Elsewhere Classified				27,880	
National City Bank Foundation				15,000	
Total - Foundations & Trusts		0	0.00%	42,880	7.60%
United Black Fund of Greater Cleveland		5,000			
Total - Federated Fundraising Organizations		5,000	1.67%	0	0.00%
Board of Mental Retardation and Developmental Disabilities (169 Board)				306,256	
Cuyahoga Metropolitan Housing Authority (CMHA)	2004	35,000			
Department of Senior and Adult Services	2004	148,397		104,389	
Subtotal Cuyahoga County Funding Sources		183,397	61.32%	410,645	72.78%
Total - Contracts/grants from government organizations		183,397	61.32%	410,645	72.78%
Subtotal Non - UWGrCle Support		188,397	62.99%	453,525	80.38%
Total - UWGrCle investment committee allocation		110,700	37.01%	110,700	19.62%
Subtotal UWGrCle Support - 4001, 4701 & 4703		110,700	37.01%	110,700	19.62%
Total Support/Revenue		299,097	100%	564,225	100%

REIMBURSEMENT/COST

The typical unit of service for money management services is 1 hour of counseling. The actual cost to the consumer can range from \$0 for community education programs to over \$300 per hour for certified financial planners. Credit consumer counseling (CCC) agencies are required to make all services available to the public regardless of ability to pay and at no time is a person to be refused service due to an inability to pay. Fees to clients should be as low as possible and should consider the financial situation of the client. The CCC agency may not charge a fee for credit repair nor be affiliated with an organization that does. The maximum fee for the "set-up" of a debt management plan (DMP) through a CCC agency is \$75. The maximum fee, or requested donation, for the monthly maintenance of a DMP is \$50. Credit counseling organizations on the U.S. Trustee's list must waive the fee for anyone who cannot afford to pay. Fees may be in the \$50 range, but could be higher depending on where the consumer lives, the types of services received, and the administrative costs of the credit counseling organization. The Cuyahoga County Department of Senior and Adult Services reimbursed providers for representative payee programs at \$35.17 per hour, for \$35.82 per hour for financial counseling in FY 2004-2005.

Per Elliehausen et al (2002):

Judging from the rapid growth in new clients, consumers appear to perceive some value to the counseling experience. However, the unique economics of the counseling industry dictate that the perception of creditors exerts the greater influence on the industry's continued viability. Unlike markets for most services, the consumer-client pays only a small portion of the cost of providing counseling services. Approximately 72 percent of agency revenues come from the fees that creditors pay to agencies ("fair share") to support their operations. These fair-share payments to agencies are linked to the volume of debt management plans (DMPs) established for agency clients, and are typically calculated as a percentage of debt recovered. DMP clients (consumers) often are asked to make additional payments as part of their monthly payment plan. Agencies derive about 18 percent of their total revenues from such client contributions. Consequently, nearly 90 percent of agency revenues derive from the debt management plan product that is delivered to just one third of all clients.

V. WHAT WORKS; WHAT DOESN'T

IMPACT ON INDIVIDUALS/FAMILIES

What Works

Researchers developed and tested a consumer education program that was made available to all consumer debtors filing for bankruptcy protection in the Eastern District of New York from 2001 to 2003. The program, "Making Sense of Cents," was comprised of two parts: (1) a "train-the-trainer" component that prepared more than 125 volunteers to teach financial literacy; and (2) a free financial literacy course provided to over 600 individual debtors. To entice volunteer participation in the train-the-trainer sessions and then teach the course to debtors, the authors made Continuing Legal Education (CLE) and Community Reinvestment Act (CRA) credits available. The program encouraged debtors to understand the psychological basis for their spending decisions, helped them develop spending and savings plans, alerted them to misuses of credit, and allowed them to discuss financial issues. The authors found the following:

- Attendance was enhanced by collaborating with organizations that already served the debtors in some other capacity, and by having those organizations recommend the financial literacy program. Simply advertising the program to prospective attendees was *not effective*.
- Debtors responded most favorably to varied class locations and times that minimized schedule conflicts.
- When compared to the comparison groups of "non-trained" debtors and non-debtors, "trained" debtors under the program were the only individuals found to have gained financial knowledge over a period of time.
- "Trained" debtors also were found to exhibit the strongest negative perceptions of unnecessary spending, relative to the comparison groups, and less intention to buy than the non-debtors.
- "Trained" debtors showed significant positive changes across time in their use of credit cards, methods by which bills were paid, budgeting habits, and the use of predatory lenders (Block-Lieb, Baron-Donovan, Gross and Wiener, 2004).

America Saves, a pilot program conducted in Cleveland during 2000 and continues to the present, was similarly researched and tested. Throughout the pilot's first year in 2000, 700 persons from 18 participating employers, labor unions, and social service agencies participated in the program (Cleveland Saves, 2001).

As designed, the program consists of motivational workshops intended to convince participants that they can save money regardless of their income level. The only requirement for participation in the program is that persons set financial goals to save for an emergency fund, home ownership, education costs, retirement, or debt repayment. The savings plan must include a dollar amount to be saved monthly, a specific savings account, a method of making monthly deposits, and a time frame. The program developers arranged for 14 Cleveland-area banks to provide no-fee, no-minimum balance savings accounts. In addition to the motivational workshops, participants also have access to one-on-one financial planning consultations and receive follow-up phone calls 90 days after completing the workshops. In those phone calls, typically one-third of participants report successful steps towards their savings goals, one-third are no longer saving, and one-third are saving sporadically (Cleveland Saves, 2001).

In 2004, *USA Today* profiled the Cleveland Saves program in a cover story. During the period between its pilot year and the newspaper article's publication, the program enrolled 5,400 Cleveland residents who reported saving \$3.2 million collectively, with an average monthly savings of \$100. Since the program's inception in 2000, it has been expanded to 50 communities nationwide (Dugas, 2004).

A recent study by the National Consumer Law Center and Consumer Federation of America (2003) found the following:

- In the last decade, the credit counseling industry has undergone an alarming transformation. Consumer demand for credit counseling has grown, funding to agencies has been sharply reduced, and an aggressive new class of credit counseling agencies has emerged. As this new generation of credit counseling agencies has gained market share, complaints about deceptive practices, improper advice, excessive fees, and abuse of nonprofit status have grown.
- Traditional credit counseling agencies offer a range of services, including individual financial and budget counseling, community education, and debt consolidation plans, known as debt management plan (DMPs). Newer agencies often push consumers into DMPs even if they will not benefit from them.
- New creditor policies, lax oversight of nonprofit corporations by the states and the Internal Revenue Service, and consumer demand for contact with agencies via the telephone and Internet have contributed to the rise of agencies that aggressively sell debt management plans or services.
- Credit card banks and issuers have significantly cut back funding for agencies in the last decade. As available revenue has declined, most agencies have decreased the range of services they offer while increasing the fees they charge to consumers. Creditors have recently made some efforts to stop the trend toward low-quality credit counseling "mills." In doing so, they have significantly increased administrative burdens, such as cost, to agencies.
- Creditors have also reduced the concessions (such as lower interest rates) that they offer to persons entering a DMP. Low creditor concessions cause more consumers to drop off DMPs and declare bankruptcy. According to a survey by VISA USA, one-third of those who failed to complete a DMP would have stayed on if creditors had further lowered interest rates or waived fees—almost half of those who dropped off a DMP had or were going to file for bankruptcy.

Elliehausen et al. (2002) demonstrated for the first time that over an extended period one-on-one credit counseling has a positive impact on borrower behavior. The study examined the impact of one-on-one credit counseling delivered by five member agencies of the National Foundation for Credit Counseling to approximately 14,000 clients during 1997. Clients were selected to be representatives of agency clients who did not enter into formal debt management plan agreements, but rather engaged only in credit counseling services. Using ten different measures of borrower credit performance, the empirical analysis found that borrowers who received financial counseling generally improved their credit profile over the subsequent three years, relative to observationally similar borrowers who did not receive counseling. The study also found that delinquency experience (as measured by the reduction in 30+ and 60+ day delinquencies) after three years was substantially better for counseled clients, relative to the comparison group.

Another study (Kim et al, 2003) examined how financial well-being was associated with health and determined if credit counseling was related to the variables of financial well-being and health. Data was collected from clients of a large credit counseling organization on two occasions. People who received credit counseling and remained in a debt management plan were compared with those who did not within the period of 18 months. The results indicated that financial well-being was associated with health. Additionally, financial well-being was a partial function of financial behavior and financial stressor events. Results also indicated that credit counseling and debt management plans had impacts in changing financial behaviors in a positive way and reducing financial stressor events, controlling for individual characteristics.

What Doesn't Work

A new survey commissioned by Consumer Federation of America (CFA) and InCharge Institute of America® has found that most Americans do not know much about credit counseling:

As more Americans have sought assistance for serious debt problems in recent years, some of the nation's largest credit counseling agencies have come under scrutiny by federal and state officials for deceptive practices, improper advice, excessive fees and abuse of nonprofit status. An important finding of the survey is that low- and moderate-income Americans – those who tend to pay the highest price for credit and are the most vulnerable to counseling abuses – are the least knowledgeable about credit counseling.

Credit counseling mandates proposed in federal bankruptcy legislation and already in some state laws, could well increase the number of consumers who are served by disreputable credit counselors.

NOT ALL NEW CREDIT COUNSELING AGENCIES EXHIBIT THESE PROBLEMS. Some are above-board and have pioneered consumer-friendly practices, such as flexible hours, electronic payments and easy access by phone and by Internet.

IMPACT ON COMMUNITY

Not Available.

ACCREDITATIONS/STANDARDS/CERTIFICATIONS

Per Elliehausen et al (2002):

Mandatory financial education is becoming an increasingly popular regulatory tool for dealing with a variety of perceived problems in consumer credit markets. Homeownership counseling has long been required by the US Department of Housing and Urban Development in conjunction with a variety of affordable housing programs. More recently, regulatory attempts to reduce predatory lending in mortgage markets have required mandatory counseling for "high-cost" mortgage loans. An important provision of the bankruptcy reform legislation working its way through the US Congress would require that consumers filing for Chapter 7 bankruptcy must first complete credit counseling from a court-approved provider. Debtors would be required to submit a certificate verifying completion of a credit education course along with their bankruptcy filing.

Then, before their debts can be completely discharged, they must complete a more intensive financial management-training course. Each of these counseling requirements seems to envision a rehabilitative or preventive role for credit counseling to prevent financial problems in the future. However, this is precisely the issue about which there is a notable lack of evidence regarding long-term effectiveness.

In some cases, providers of the types of money management services identified in this report are not required to be certified. Many professionals will seek out education and training specific to their content area (e.g., family life education on budgeting and personal finances). Most certification in this field is independently required as either a condition of receiving a certain professional position (e.g., certified financial planner at a brokering firm) or as a requirement by certain professional organizations (e.g., AICCCA). Consumer credit counseling agencies are required to be in compliance with the standards and best practices of the Association of Independent Consumer Credit Counseling Agencies (AICCCA). Their counselors must be properly trained and qualified to provide clients with a quality financial education experience. They must be certified by an organization acceptable to the association within 12 months of the date of hire. The agency must be accredited by an approved third party, currently either COA (Council on Accreditation) or BVQI (ISO) (Bureau Veritas Quality International) to the AICCCA Code of Practice, and must be re-certified at least annually. Following a prospective client's request for counseling services, they are required to provide a comprehensive one-on-one money management counseling interview, written assessment, and action plan applicable to the service provided. Counselor compensation cannot be based on the counseling process outcome.

ISO (International Organization for Standardization) is a network of the national standards institutes of 157 countries, on the basis of one member per country, with a Central Secretariat in Geneva, Switzerland, that coordinates the system. Therefore, ISO is able to act as a bridging organization through which a consensus can be reached on solutions that meet both the requirements of business and the broader needs of society, such as the needs of stakeholder groups such as consumers and users. Consumer protection is one of the areas for which ISO develops standards. CCC agencies must either obtain certification through ISO or COA.

A Certified Financial Planner (CFP®) certification process, administered by the CFP Board, identifies individuals authorized to use the CFP certification marks. These individuals have met rigorous professional standards and have agreed to adhere to the principles of integrity, objectivity, competence, fairness, confidentiality, professionalism and diligence when dealing with clients. Recently, the CFP Board conducted a nationwide consumer survey among upper-income households. That survey reflects the public's growing demand for financial planners who adhere to rigorous standards. Of those surveyed:

- Eighty-five percent considered successful completion of a certification examination “very important” or “extremely important.”
- Ninety-five percent felt financial planners should adhere to professional practice standards.
- Ninety-seven percent said the most important standard for financial planners is adherence to a professional code of ethics.

CFP certificants must pass the comprehensive CFP® Certification Examination, agree to abide by CFP Board's *Code of Ethics and Professional Responsibility* that puts clients' interests first and abide by the *Financial Planning Practice Standards* that spell out what clients should

reasonably expect from the financial planning engagement. To become certified, professionals are required to meet the following four initial certification requirements (known as the four "Es"): education, examination, experience, and ethics. Applicants must have a bachelors degree (unless waived) to take the exam. The exam assesses the planner's ability to apply financial planning knowledge in an integrated format to financial planning situations. Combined with the education and experience requirements, it assures the public that they have met a level of competency appropriate for professional practice. Three years of relevant experience with a bachelor's degree or higher is required. The CFP certification application asks applicants to disclose whether they have ever been a party to (or involved in) any criminal, civil, governmental, or self-regulatory agency proceeding or inquiry. CFP certification also requires professionals to adhere to CFP Board's Code of Ethics and Professional Responsibility and Financial Planning Practice Standards, and acknowledge CFP Board's right to enforce them through its Disciplinary Rules and Procedures.

Best Practice Requirements

The following "best practices" are requirements for every member agency to ensure integrity, fairness and professionalism in the delivery of those services. Where specific limits are stated, they are given as acceptable upper limits, while improved performance is encouraged.

- *Fees* – Maximum fees for the "set-up" of a debt management plan (DMP) are \$75. Maximum fees, or requested donations, for the monthly maintenance of a DMP are \$50.
- *Disbursement of Funds* – Client funds received for a DMP must be disbursed to the creditors no later than 15 days from receipt of valid funds, or by scheduled disbursement date, whichever is greater.
- *Transmittal of Funds* – Member agencies must utilize available electronic payment processing in remitting funds to creditors.
- *Client/Creditor Acceptance* – Debt management plans should be established only when they are appropriate and advantageous to the client. No client will be refused a DMP for minimum balances. No creditor will be excluded from a DMP unless it is beneficial to the client.
- *Inception Dates* – Within six weeks of agreeing to the service, clients must start a DMP and make their first plan payment. Proposals must be issued in a timely manner, but prior to the first payment date.
- *Counseling* – Appointments for a counseling session should be scheduled within 2 business days of receipt of the request.
- *Complaints* – All complaints should be researched and responded to within 5 business days (AICCCA, 2005).

Finally, many credit counseling agencies are members of the National Foundation for Credit Counseling (NFCC). To be eligible for NFCC membership, an agency must:

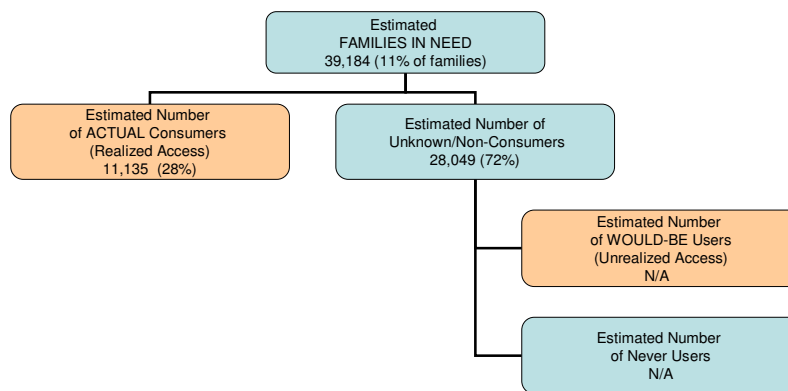
- Be a tax exempt organization under section 501(C)3 of the Internal Revenue Code
- Be duly qualified and existing under the laws of the District of Columbia, or any states or territory of the United States of America
- Provide financial counseling services and act in compliance with all applicable federal and state laws and regulations—contact your state government for requirements
- Be accredited by the Council on Accreditation or demonstrate that you have submitted application and initial payment
- Comply with the NFCC's Member Quality Standards (NFCC, n.d.)

VI. GAP ANALYSIS

The following is the formula for arriving at the estimated universe of possible consumers for Money Management:

- An estimated at 39,184 Cuyahoga County families need money management services.
- Based on available information about actual consumers, assuming that there are no duplications across UW and DSAS funded services, approximately 11,135 families have realized access to these services.
- Subtracting the actual consumers (11,135) from the estimated families in need (39,184) equals those who are unknown consumers or are not receiving the service (28,049). (39,184 – 11,137 = 28,049)
- A thorough search of the literature did not result in a basis for estimating the possible universe of consumers. (See Figure 5.)

**Figure 5 - Consumer Estimates:
Money Management**



Service Site Index

Because of lack of a research basis, it was not possible to estimate the universe of possible consumers and create a Service Site Index.

VII. SUMMARY

The followings are the major findings from the research:

- Consumers often underestimate the likelihood of adverse events that might require borrowing in the future. As such, they often run up large credit card balances in the short term, only to become vulnerable to job losses or medical expenses at some point in the future.
- A portion of the Federal Trade Commission's (FTC) \$160 million annual budget is dedicated to consumer protection services. Generally, the FTC is charged with eliminating unfair or deceptive acts or practices affecting commerce.
- Consumers are protected largely by federal lending statutes such as the Truth in Lending Act (TILA) and the Home Ownership and Equity Protection Act (HOEPA). *Disclosure* is the linchpin of federal protection for borrowers. Disclosure is effective only to the extent it can be understood.
- Recent developments in consumer law, most notably the implementation of "Check 21" and issues of debit account late fees, are negatively impacting consumers' abilities to bring financial problems under control.
- In Ohio, payday lending locations increased from 107 to 1,562 in the past decade. Payday lending shops are now more common than McDonalds, Burger King, and Wendy's restaurants combined in Ohio. Cuyahoga County had 123 payday loan locations in 2006. (Rothstein & Dillman, 2007).
- Overall, very little money is directed toward money management programs. The burden of paying for such services tends to lie on the consumer.
- The majority of funding for money management comes from government and is distributed locally through the Department of Senior and Adult Services and the Cuyahoga Metropolitan Housing Authority.
- As of May 11, 2006, \$299,097 in revenues for money management services have been identified countywide.
- Researchers developed and tested a consumer education program called "Making Sense of Cents." The authors found that attendance was enhanced by collaborating with organizations that already served the debtors in some other capacity, and having those organizations recommend the financial literacy program.
- Elliehausen et al. (2002) demonstrated for the first time that one-on-one credit counseling has a positive impact on borrower behavior over an extended period.
- A thorough search of the literature did not result in a basis for estimating the possible universe of consumers.

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ATTACHMENTS

Attachment 1: Researcher Team

MCS

CONSULTING SERVICE

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Attachment 2: Technical Notes

Technical Notes: Methodology, Caveats, Limitations of Data

The following provides descriptions, definitions, methodologies, caveats, or limitations of data for the following components of the core service reports:

- Unit of Analysis
- First Call for Help Data
- Funding Information for Core Services
- Consumer and Financial Data: Caveats
- Gap Analysis Methodology & Limitations
- Service Site Index

Unit of Analysis

The core service is the unit of analysis. United Way of Greater Cleveland either funds or could fund 80 core services. These are the object and subject of the research, specific to Cuyahoga County. A separate report has been developed for each service. It must be noted that the aggregate of any quantifiable data across all of the reports does not comprise a picture of the totality of health and human services in Cuyahoga County because there are many more than 80 services that comprise the community's safety net.

The unit of analysis for estimates of service consumers is the individual, the family, or the household.

United Way - First Call for Help Data

For most core services, United Way First Call for Help (FCFH), the community's resource and referral service data, was used in tables that show the number of service providers and service sites, the geographic location of service providers by zip code, the service area by zip code as reported by providers of the respective services, and to show unmet need and greatest increase/decrease in calls received by FCFH for a particular core service.

It is important to remember that FCFH receives calls from a variety of sources that include people calling on behalf of a prospective consumer such as social workers, provider agencies, relatives, etc. Not all calls come directly from a prospective consumer, so some of the zip codes are for hospitals and business addresses, although the numbers for these zip codes are relatively small.

Calls also may be from people who are not interested in receiving a service, but wish instead to make a contribution to a program such as clothing, household items, food, books, crafts supplies, etc.

Because, in many instances, FCFH codes its data with a different level of core services than the 80 core services identified by the United Way Community Investment staff as fundable services, it was necessary to develop a crosswalk. This crosswalk was used for a number of services,

however, seven services did not have a match in the FCFH database. The staff of United Way - First Call for Help gave explanations which follow each core service):

- Adolescent/Youth Counseling: A caller asking about help with their troubled teenager would be referred by the type of counseling rather than age. (Example: counseling for drugs, family, sexual abuse, etc.)
- Advocacy: FCFH does not receive calls from people about advocacy.
- Child Care: Calls are directed to Starting Point.
- Condition Specific Rehabilitation Services: FCFH would refer caller back to their primary care physician for a referral.
- Early Intervention for Mental Illness: FCFH does not receive calls for this, but if they did, they would refer to the county's Help Me Grow program.
- Family Support Centers: FCFH defines data by specific service rather than type of agency. Depending on the call, the caller may be referred to General Counseling or Early Intervention for Infants and Toddlers with Disabilities, and so on.
- Preschools: Calls are directed to Starting Point.

A different match was used for other services that had no crosswalk.

- Medical Transportation and Senior Ride: FCFH uses "Paratransit" as they do not differentiate between senior transportation, medical transportation, and transportation for the disabled.
- Outpatient Mental Health Facilities: FCFH uses "Mental Health Drop-in Centers."

It must also be noted that, for the most part, the FCFH database does not include for-profit agencies. In the case of home health care providers, we contacted the Long Term Care Ombudsman for a more complete list of provider agencies which includes for-profit organizations.

There were several instances where the FCFH database did not code a United Way-funded agency with the core service for which they were receiving funding. In these instances, the agency was added manually to the Service Provider Table along with their site locations. The core services with the respective United Way of Greater Cleveland agencies that were added are:

- Case/Care Management – Care Alliance, Cystic Fibrosis, Epilepsy Foundation, Golden Age Centers
- Comprehensive Outpatient Substance Abuse Treatment – The Covenant
- Disease/Disability Information – The Muscular Disease Society of Northeastern Ohio
- Early Intervention for Infants and Toddlers with Disabilities – United Cerebral Palsy
- Medical Expense Assistance – North Coast Health Ministry
- Medical Transportation (Paratransit in FCFH) – Kidney Foundation of Ohio
- Senior Centers – Catholic Charities Services Corporation, Jewish Community Center of Cleveland, Jewish Family Service Association of Cleveland, University Settlement House.
- Volunteer Development – Neighborhood Leadership Institute

It must also be noted that when numbers are low for trend data reported, the high percentages are slightly exaggerated.

Funding Information for Core Services

We collected financial information for each core service on a countywide level from multiple sources including major government funders, foundations, federated fund raising organizations, and United Way of Greater Cleveland. While we were successful in gathering a substantial amount of data, there is much that has not been collected. It must also be noted that even if we had all major public and private funding gathered, this would not create a total picture of health and human service funding in Cuyahoga County because there are more than 80 core services provided. The following provide highlights of data collected and some of the limitations for each source. It is important to note that funding in each source is changing and represents point in time amounts. The typical period for trend data, when available, is 2002, 2003, and 2004. Note: some services are funded by private insurance or other self-pay arrangements.

Foundation Funding

We attempted to obtain foundation funding amounts for each core service from the latest annual report or 990 PF (foundation tax return to the IRS) of each major foundation that funds social services in Greater Cleveland. Wherever a description of the grant purpose was given, we used our best judgment to match the grant to the appropriate core service. If the grant fell within more than one core service area, it was not listed. When no description was given, the grant was treated like a general operating grant and assigned to a core service only when the mission of the grant recipient fell mainly within one particular core service. In-kind donations, grants for capital and equipment expenses and administrative salaries were not used. When grants were \$10,000 or greater, they were listed by name of the foundation. All others were placed under Other Foundations and not listed. Typically, we did not attempt to provide trend financial data for foundation funding of core services because of the changing nature of funded programs from year to year.

Federated Funding Sources

We approached the major federated funders of core services in Greater Cleveland for funding and consumer information. Some data provided was for a single point in time; others provided three years of trend data. We often had to do a cross walk of United Way of Greater Cleveland funded core services against those funded by federated agencies to agree on the services.

Government Funding

We approached every major government funder for funding amounts for each core service and also did Internet searches for some federal government sources. Due to the constant state of change in government funding, it is important to note that the data provided is a snapshot in time and that many of the programs funded in 2004 have changed definition, are funded through different revenue sources, or no longer exist at all due to a lack of funding. This is particularly true of Community Development Block Grant dollars which have decreased due to shifting federal priorities.

Every effort was made to appropriately match government funding data to the correct core service area; however, this was not always possible as frequently the service definitions were not a one-to-one match. It was necessary, in some instances, to take the closest match or use the sore service which represented a majority of the services being provided.

In other cases, it was not possible to select a specific core service. An example is Medicaid in which Medicaid-defined services crossed over more than four core services in some instances. In cases where Medicaid is a significant source of revenue, the data was entered as an

aggregate total at the appropriate AIRS level. These aggregates are footnoted under the appropriate funding table.

Every effort was made to include data from municipalities. However, many did not respond after repeated requests for information. We would like to thank those who took the time to help with this project.

Medicaid Funding

A significant portion of Medicaid funding was NOT entered under the countywide total in the core service reports for two reasons: first, because many of the Medicaid services are not a one-to-one match with United Way core services, and second because some Medicaid services fall into more than one AIRS Level 1 categories. In the first instance, Medicaid funding was entered as an aggregate total at the AIRS 1 level, and in the second instance Medicaid funding was entered as an aggregate total under Third Party Payee/Direct Bill in the combined Master Revenue file of funding across all nine AIRS Levels. They are as follows:

Entered as Aggregate Total Under Appropriate AIRS Level

- Medicaid Service - Home Care (\$17,787,703 in 2004) - Falls into AIRS 1 Health Care and includes the following core services: daily living aids and home health care.
- Medicaid Service - CADAS (\$8,522,183 in 2004) - Falls into AIRS 1 Health Care and includes the following core services: comprehensive outpatient substance abuse treatment, residential substance abuse treatment programs, substance abuse education and prevention.
- Medicaid Service - Therapy (\$2,257,394 in 2004) - Falls into AIRS 1 Health Care and includes the following core services: condition specific rehabilitation, and speech & hearing.
- Medicaid Service - CMH (\$67,773,487 in 2004) - Falls into AIRS 1 Mental Health Care & Counseling and includes the following core services: supportive therapies, adolescent/youth counseling, children's residential treatment facilities, early intervention for mental illness, general counseling services (outpatient mental health facilities), and psychiatric day treatment.

Entered as Aggregate Total Under Third Party Payee/Direct Bill

- Medicaid Service - Inpatient Hospital (\$188,329,269 in 2004) - Falls into two different AIRS 1 categories: Basic needs and health care. It includes the following core services: condition specific rehabilitation and medical expense assistance.
- Medicaid Service - Waiver (\$128,921,354 in 2004) – This category included all PASSPORT services. Since we reported PASSPORT separately, in order to avoid duplication, we deducted the PASSPORT total of \$52,676,048 from this number and reported the remaining \$76,245,306. This total falls into AIRS 1 Basic Needs, Health Care and Individual & Family Life and includes the following core services: adult day care, home-delivered meals, home health care and in-home assistance.
- Medicaid Service - Habilitation (\$55,550,307 in 2004) - Falls into AIRS 1 Health Care and Individual & Family Life and includes the following core services: condition specific rehabilitation services, early intervention for infants and toddlers with disabilities/delays, and residential living options for people with disabilities.

United Way of Greater Cleveland Funding

Financial data for core services funded by United Way of Greater Cleveland was for FY 2004 (July 2003 to June 2004). It included allocations through the community investment committees

and donor designations that United Way funded agencies applied to the respective core services. It is important to note that not all United Way funded agencies applied donor designated gifts, which are unrestricted, to the core service for which they receive United Way funding. It did not include donor designations that non-United Way funded agencies used for any of the 80 core services.

United Way Agency Revenues

Annually United Way-funded agencies submit revenue budgets to United Way for each funded core service. This information for FY 2004 is reported. However, all of the agency data may not be included in the countywide data as agencies may have assigned dollars from unrestricted grants to a specific core service, or allocated a portion of grant monies that fell within two or more core service areas. It was not always possible to match countywide government or foundation funding with that reported by the agencies and that gathered from other funding sources.

Consumer and Financial Data: Caveats

The following applies to revenue sources on tables and graphs and their corresponding consumer data used in the consumer demographics and zip code tables.

All Core Services

Data was self-verified by the funder/provider. Whenever data provided by a funder appeared to be inconsistent or incorrect, an attempt was made to contact the funder. If the funder responded, the data was either adjusted according to their instructions, or the reason for discrepancies footnoted. If they did not respond, or if they said it was correct, the data was left as submitted.

Demographic and zip code data provided by the funder/provider is frequently taken from consumer intake forms which may have missing or incomplete data, or from provider agency databases which contain data entry errors or incomplete consumer intake forms. Whenever possible, the funder was asked for corrected data. In cases where a correction was not possible, the data was counted as either unknown or missing. The usage of these terms is footnoted at the bottom of each table and is explained more fully in the Gap Analysis section of this attachment.

It was not always possible to get information in the format requested as each funder tracks data differently, using different service definitions, terminology and variables. Wherever possible, data was matched to a consistent report format.

When a funder could not provide consumer demographics, but could provide an estimated percentage of consumers by category, we took the total number of consumers and applied the percentages to come up with estimated numbers for the consumer tables. For example, Medicaid tracks individual recipients throughout the year, entering new data if there is a change, each time a claim occurs. Thus, a consumer who has a birthday between claims will appear in the system for that year with two different ages.

To resolve this, the percentage of consumers in each age range was determined for the total number of duplicated consumer ages. Those percentages were then applied to the total number of unduplicated consumers for the year in order to reach a total number of unduplicated consumers for each age range.

The time periods for both revenue and consumers vary by funder/provider. United Way Program Report data is for FY 2004 (July 2003 to June 2004). Other funder/provider data is for either a January to December or July to June fiscal year.

Gap Analysis Methodology & Limitations

Based on Anderson's (1964) seminal needs assessment model, realized access is defined as the number of consumers who receive service while unrealized access is the estimated number of consumers who need and would utilize a service, but are not currently receiving it. This could be considered the service gap. Unrealized consumer access to services drives the need for change in the social service delivery system. Ensuring unrealized consumer access to services requires new models of service delivery related to access, effective use of resources, data management, and funding. There were multiple steps used to conduct a gap analysis:

- *Estimate of persons in need of the service:* Unless local research was conducted to determine need for a given service, this estimate was obtained by either using U.S. Census data for Cuyahoga County or applying percentages from national studies and reports to the census data. All references and percentages are footnoted in the respective graphs or tables. In most cases this percentage was also applied to actual 1990 Census figures and population projections 2005 through 2015 that were done by the Ohio Department of Development.
- *Estimate of number of ACTUAL consumers in the public systems (realized access):* Data submitted to United Way by funded agencies was aggregated to determine the number of consumers for each core service. The period was FY 2004, which is July 2003 through July 2004.
 - In some cases data was “unknown,” defined as data not collected by agency because no tracking system was available or the type of service delivered made it difficult (i.e., group presentations, telephone information and referral, and drop-ins). This also represents data not completed by consumers either deliberately or inadvertently on intake forms.
 - In other cases, data was missing that, for United Way data, represented computational errors or incorrect completion of online reports. For all other data, “missing” represents data funders/providers were unable to provide.
 - There was no check of the accuracy of data submitted by agencies.
 - Major government funders were asked to provide information about the number of consumers for the respective core services that they funded. In most cases, services were not defined in the same way as the United Way core services which are based on the Alliance for Information and Referral Systems (AIRS) taxonomy. To accommodate these differences, customized crosswalks were developed.
 - We assumed that the numbers of consumers across funding sources were not unduplicated and thus made a judgment about which numbers would be the best estimate of an unduplicated number.
 - The estimate of consumers is not inclusive since it does not include numbers of consumers who use their personal resources to pay for services, nor for other private resources such as insurance or agency fundraising. In addition, it was not always possible to obtain information from some government funders.
- *Estimate of number of “unknown/non-consumers”:* This is the difference between the estimated number of actual consumers and the estimate of persons in need.
- *Estimate of number of “would-be users” (unrealized access):* This is the estimate of persons who would use a service if it were available, typically based on research.

- *Estimate of number of “never users”*: This is the difference between the estimated number of unknown/non-consumers and would-be users.
- *Estimate of “universe of possible consumers”*: This is the total of those actually receiving the service (realized access) and those would-be users (unrealized access).

We recognize that this is not a perfect method for assessing either realized or unrealized access to core services. However, we opted to use an imperfect method rather than no method to demonstrate both the complexity and the usefulness of quantifying realized and unrealized access to services as a first step toward a more rigorous methodology. In the business sector this would be a form of market analysis. We also recognize that actual consumer numbers are not unduplicated across funders, or across core services. Thus, there is much work yet to be done to gain realistic estimates of needs.

The numbers we provided are on a countywide level. We recognize that there could be, and often are, differences by demographics and geographical area. In the Actual Consumer Demographics attachment, we have identified the profile of the base consumer group from census, but have little on the estimated persons in need. Occasionally, there is information from other research that describes differences among different racial, ethnic, gender, age, or income groups that is discussed in the narrative. There is also inconsistent information for consumers funded by various governmental bodies. In other words, some funders provided demographic data and others did not. In the Actual Consumer Zip Codes attachment, we have also attempted to identify the geographic profile of the estimated persons in need and actual consumers. However, this information has the same limitations as the demographics.

Service Site Index

For many services a service site index was developed. It provides a ratio of estimated consumers per service site on a countywide level and for each zip code within the county. The ratio is based on the number derived from the gap analysis described in the previous section and on the number of providers who reported to United Way – First Call for Help whether a specific service site includes a given zip code in its service area. A provider site is located in a single zip code, but could serve multiple zip codes. The ratio is a measure of potential service accessibility by estimated universe of service consumers per zip code area. This measure does not include the capacity of providers to offer the service, for example, the number of consumers that can be served on a daily basis. It is only capturing whether there is a possibility of being a consumer. The lower the ratio, the greater is the chance of receiving service. The index also gives an indication of which zip codes have higher ratios which means that consumers have a lower probability of receiving a service as well as any patterns in zip codes that have high percentages of African Americans, Asians, or Hispanics. A map is also attached which provides a graphic picture of the estimated consumers by zip code.

Based on the numbers of providers that report to FCFH whether they serve a given zip code, we had assumed that there would be greater variability across zip codes. In reality, many report that they serve the entire county. Thus the variability across zip codes is often primarily because of differences in the population numbers rather than in service sites that offer service in a given zip code.

Specific Service Issues

Senior Services

“Senior Centers” was used as a catch-all category when the funder-defined service covered more than one senior success core service and could not be accurately allocated among the separate core services. Often, funding for transportation and home-delivered meals was not broken out from senior activities and supportive services at the municipal level, so it was placed under Senior Centers. Because the core services for congregate and home-delivered meals and senior ride were tracked separately, funding for these core services was not included under Senior Centers to avoid duplication of resources, even though senior center activities can and do include congregate meals.

Senior Ride includes disabled individuals of all ages as well as seniors for most funders with the notable exception of Western Reserve Area Agency on Aging (WRAAA) that requires an individual to be 60 years of age or older in order to receive services. If the transportation service was not provided by a senior center, the number of consumers reflects the number of riders using the system and contains duplicates (e.g. paratransit).

Home improvement/accessibility data includes programs for low-income families and people of all ages with disabilities, as well as seniors.

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Attachment 3: Actual Consumer Demographics

Core Service: Money Management DD-500					
PERIOD	Total Families (%) [*] 1/1/2000-12/31/2000	Estimated Families in Financial Distress (%) ^{**} 1/1/2000-12/31/2000	Actual Number/Percent of Consumers by Funding Source ^{***}		
			UW Program Report Data Cuy Cnty Only 99.4%	DSAS (%)	CMHA (%)
			7/1/2003-6/30/2004	2004	2004
TOTAL	356,221	39,184	8,135	3,000	Missing
Percent		11.0%			
GENDER					
Male	N/A	N/A	14.6%	10.0%	0.0%
Female	N/A	N/A	85.1%	90.0%	0.0%
Unknown Data ^{****}			0.3%	0.0%	0.0%
Missing Data ^{*****}			0.0%	0.0%	100.0%
RACE^{*****}					
White alone	68.7%	N/A	14.5%	16.0%	0.0%
Black or African American alone/combo	26.8%	N/A	79.6%	78.0%	0.0%
Asian alone/combo	2.0%	N/A	0.1%	0.5%	0.0%
American Indian and Alaska Native alone/combo	0.6%	N/A	0.1%	0.0%	0.0%
Native Hawaiian and Other Pacific Islander alone/combo	0.0%	N/A	0.0%	0.0%	0.0%
Some other race alone/combo	1.8%	N/A	5.1%	0.0%	0.0%
Unknown Data ^{****}			0.6%	0.0%	0.0%
Missing Data ^{*****}			0.0%	0.0%	100.0%
HISPANIC^{*****}					
	2.9%	N/A	4.4%	4.0%	0.0%
AGE					
0-4	N/A	N/A	0.0%	0.0%	0.0%
5-9	N/A	N/A	0.0%	0.0%	0.0%
10-14	N/A	N/A	0.0%	0.0%	0.0%
15-19	N/A	N/A	0.2%	0.0%	0.0%
20-34	N/A	N/A	38.9%	0.0%	0.0%
35-54	N/A	N/A	50.2%	0.0%	0.0%
55-64	N/A	N/A	6.6%	0.0%	0.0%
65-74	N/A	N/A	2.3%	0.0%	0.0%
75+	N/A	N/A	1.1%	0.0%	0.0%
Unknown Data ^{****}	N/A	N/A	0.7%	0.0%	0.0%
Missing Data ^{*****}			0.0%	100.0%	100.0%
INCOME^{*****}					
Average Family Size	3.9	N/A	N/A	N/A	N/A
\$0-\$9,999	7.1%	7.1%	51.9%	0.0%	0.0%
\$10,000-\$14,999	4.2%	4.2%	23.0%	0.0%	0.0%
\$15,000-\$19,999	5.1%	5.1%	10.2%	0.0%	0.0%
\$20,000-\$29,999	11.4%	11.4%	13.7%	0.0%	0.0%
\$30,000 and above	72.2%	72.2%	0.0%	0.0%	0.0%
Unknown Data ^{****}			1.3%	0.0%	0.0%
Missing Data ^{*****}			0.0%	100.0%	100.0%
Totals	100.0%	100.0%	100.0%	100.0%	100.0%

Attachment 3: Actual Consumer Demographics (continued)

* U.S. Census 2000, SF3 (PCT61)
** Percent of families in financial distress, 2001, 11.0%. (Source: Federal Reserve. [2003, January]. Survey of consumer finances in <i>Federal Reserve Bulletin</i> in Jickling, Mark, Consumer bankruptcy and household debt. Congressional Research Service Report for Congress.[2005, March 21]).
*** Note: Consumers could be funded by more than one funding source; thus the columns are not necessarily mutually exclusive.
****Unknown Data - Represents data not collected by agency because no tracking system is available or type of service delivered makes it difficult (i.e., group presentations, telephone information and referral, and drop-ins). Also represents data not completed by clients either deliberately or inadvertently on intake forms.
*****Missing Data - For United Way Data - represents computational errors or incorrect completion of online report. For all other data - represents data funder was unable to provide.
*****The race categories and data utilize US Census SF4 "Race Iterations," which allow for multiple races to be selected by census respondents. As a result, totals will add to > 100% of population. Universe is "Total Races Tallied." Except "White Alone," all racial categories are "... alone or in combination with some other race." This method isolates and minimizes the non-minority population ("White alone").
*****Hispanic - Amount in this field is from data provided by clients on intake forms and may not be accurate as clients may either deliberately or inadvertently provide incomplete data, or data may not be collected by the agency.
*****The U.S. Census reports income by household or family, not individuals. Estimates by income category were derived by applying the ratio of total county population (1,393,978) to total households (571,606) = 2.4. The number of households in each income category was multiplied by 2.4 to arrive at an estimate of individuals by income category. The assumption is that the average household size applies to each income category, which may result in more conservative estimates for children, and the "old old," which may actually have larger proportions of persons in the lower income categories.

Attachment 4: Actual Consumer Zip Codes

Core Service: Money Management DD-500						
			Estimated Families in Need	Actual Number/Percent of Consumers by Funding Source ***		
	City/Town (% Cleveland)	Total Families (%) [*]	Estimated Families in Financial Distress (%) ^{**}	UW Program Report Data (%)	DSAS (%)	CMHA (%)
Period		1/1/2000-12/31/2000	1/1/2000-12/31/2000	7/1/2003-6/30/2004	2004	2004
TOTAL		356,221	39,184	8,135	3,000	Missing
Percent			11.0%			
44017	Berea	1.3%	1.3%	0.4%	0.0%	0.0%
44022	Bentleyville	0.9%	0.9%	0.0%	0.0%	0.0%
44040	Gates Mills/Mayfield Village	0.2%	0.2%	0.0%	0.0%	0.0%
44070	North Olmsted	2.7%	2.7%	0.2%	0.0%	0.0%
44101	Cleveland (100%)	0.0%	N/A	0.0%	0.0%	0.0%
44102	Cleveland/Brooklyn (95%)	3.3%	3.3%	8.3%	0.0%	0.0%
44103	Cleveland (100%)	1.6%	1.6%	4.4%	0.0%	0.0%
44104	Cleveland (100%)	2.0%	2.0%	5.6%	0.0%	0.0%
44105	Cleveland/NewburghHts/GarfieldHts (75%)	3.9%	3.9%	8.1%	0.0%	0.0%
44106	Cleveland/Cleveland Hts (60%)	1.6%	1.6%	2.4%	0.0%	0.0%
44107	Lakewood/Cleveland	3.5%	3.5%	2.4%	0.0%	0.0%
44108	Cleveland/Bratenahl (90%)	2.6%	2.6%	10.0%	0.0%	0.0%
44109	Cleveland/Brooklyn Hts (98%)	3.1%	3.1%	3.5%	0.0%	0.0%
44110	Cleveland/East Cleveland (98%)	1.8%	1.8%	5.5%	0.0%	0.0%
44111	Cleveland (100%)	3.0%	3.0%	3.6%	0.0%	0.0%
44112	East Cleveland/Cleveland	2.3%	2.3%	5.8%	0.0%	0.0%
44113	Cleveland (100%)	0.9%	0.9%	1.5%	0.0%	0.0%
44114	Cleveland (100%)	0.2%	0.2%	0.1%	0.0%	0.0%
44115	Cleveland (100%)	0.5%	0.5%	1.3%	0.0%	0.0%
44116	Rocky River	1.6%	1.6%	0.1%	0.0%	0.0%
44117	Euclid/Cleveland	0.8%	0.8%	1.2%	0.0%	0.0%
44118	ClevelandHts/UniversityHts/ShakerHts	3.1%	3.1%	2.8%	0.0%	0.0%
44119	Cleveland/Euclid (50%)	0.9%	0.9%	0.8%	0.0%	0.0%
44120	Shaker Hts/Cleveland	3.4%	3.4%	7.5%	0.0%	0.0%
44121	University Hts/South Euclid	2.7%	2.7%	2.4%	0.0%	0.0%
44122	Beachwood/Highland Hills/ShakerHts	2.7%	2.7%	1.2%	0.0%	0.0%
44123	Euclid	1.3%	1.3%	1.2%	0.0%	0.0%
44124	Pepper Pike/MayfieldHts/Lyndhurst	3.1%	3.1%	0.2%	0.0%	0.0%
44125	Valley View/Garfield Hts	2.3%	2.3%	1.2%	0.0%	0.0%
44126	Fairview Park/Cleveland	1.3%	1.3%	0.1%	0.0%	0.0%
44127	Cleveland (100%)	0.5%	0.5%	1.9%	0.0%	0.0%
44128	Warrensville Hts/Cleveland	2.5%	2.5%	4.3%	0.0%	0.0%
44129	Brooklyn/Parma/Cleveland	2.2%	2.2%	0.5%	0.0%	0.0%
44130	Parma/Cleveland	4.1%	4.1%	0.5%	0.0%	0.0%
44131	Independence/Seven Hills/BrooklynHts	1.7%	1.7%	0.0%	0.0%	0.0%
44132	Euclid	1.1%	1.1%	1.5%	0.0%	0.0%
44133	North Royalton	2.2%	2.2%	0.1%	0.0%	0.0%
44134	Parma/Cleveland	3.1%	3.1%	0.4%	0.0%	0.0%
44135	Cleveland/Linddale (90%)	2.0%	2.0%	2.4%	0.0%	0.0%
44136	Strongsville	3.5%	3.5%	0.0%	0.0%	0.0%
44137	Maple Hts/Cleveland	2.0%	2.0%	2.7%	0.0%	0.0%
44138	Olmsted Twp/Olmsted Falls	1.4%	1.4%	0.1%	0.0%	0.0%
44139	Bentleyville/Glenwillow/Solon	1.8%	1.8%	0.2%	0.0%	0.0%
44140	Bay Village	1.3%	1.3%	0.0%	0.0%	0.0%
44141	Brecksville	1.1%	1.1%	0.0%	0.0%	0.0%
44142	Brookpark/Cleveland	1.7%	1.7%	0.3%	0.0%	0.0%
44143	Highland Hts/Richmond Heights	1.9%	1.9%	0.3%	0.0%	0.0%
44144	Brooklyn/Cleveland	1.7%	1.7%	0.4%	0.0%	0.0%
44145	Westlake	2.3%	2.3%	0.1%	0.0%	0.0%
44146	Walton Hills/Oakwood/Bedford	2.3%	2.3%	1.5%	0.0%	0.0%
44147	Broadview Hts	1.2%	1.2%	0.0%	0.0%	0.0%
44149	Strongsville			0.0%	0.0%	0.0%
	Unknown Cuyahoga County Zip Codes****			0.5%	0.0%	0.0%
	Missing*****			0.0%	100.0%	100.0%
	Unknown ****			0.6%	0.0%	0.0%
	Total Cuyahoga County*****	100.0%	100.0%	100.0%	0.0%	0.0%
	Total Known Cleveland	27.8%	27.8%	59.5%	0.0%	0.0%
	Total Known Suburbs	72.2%	72.2%	40.0%	0.0%	0.0%
	Unknown & Missing			0.6%	100.0%	100.0%

Attachment 4: Actual Consumer Zip Codes (continued)

* U.S. Census 2000, SF1 (PCT31)
** Percent of families in financial distress, 2001, 11.0%. (Source: Federal Reserve. [2003, January]. Survey of consumer finances in <i>Federal Reserve Bulletin</i> in Jickling, Mark, Consumer bankruptcy and household debt. Congressional Research Service Report for Congress. [2005, March 21]).
*** Note: Consumers could be funded by more than one funding source; thus the columns are not necessarily mutually exclusive.
****Unknown Data - Represents data not collected by agency because no tracking system is available or type of service delivered makes it difficult (i.e., group presentations, telephone information and referral, and drop-ins). Also represents data not completed by clients either deliberately or inadvertently on intake forms. This data may contain zip codes outside of Cuyahoga County so it is not included in the total number served for Cuyahoga County.
*****Missing Data - For United Way - represents computational errors or incorrect completion of online report. This data may contain zip codes outside of Cuyahoga County so it is not included in the total number served for Cuyahoga County. For all other data - represents data funder was unable to provide.
***** Totals vary because of rounding. County total population 1,393,978 does not correspond to the total of zip codes because some zip codes include data from adjacent counties

Attachment 5: Profile of Core Service Providers – 2005

PROFILE OF CORE SERVICE PROVIDERS - 2005		
Source: United Way - First Call for Help Refer Database February 2005		
	Count	Sub-Count: UW-Affiliated
Total Number of Organizations	39	1
Number of Organizations by Type		
Nonprofit	23	1
For-profit	-	-
Government	14	-
Other	2	-
Total Number of Service Sites	85	-
Number of Service Sites per Organization		
1	31	-
2 – 5	6	-
6 – 10	-	-
11+	2	-
Geographical Location of Service Sites, by ZIP Code		
44017 - Berea	-	-
44022 - Bentleyville	1	-
44040 - Gates Mills/Mayfield Village	-	-
44070 - North Olmsted	-	-
44101 - Cleveland	-	-
44102 - Cleveland/Brooklyn	3	-
44103 - Cleveland	2	-
44104 - Cleveland	6	-
44105 - Cleveland/Newburgh Hts/Garfield Hts	1	-
44106 - Cleveland/Cleveland Hts	1	-
44107 - Lakewood/Cleveland	-	-
44108 - Cleveland/Bratenahl	-	-
44109 - Cleveland/Brooklyn Hts	-	-
44110 - Cleveland/East Cleveland	1	-
44111 - Cleveland	1	-
44112 - East Cleveland/Cleveland	2	-
44113 - Cleveland	14	-
44114 - Cleveland	4	-
44115 - Cleveland	15	-
44116 - Rocky River	-	-
44117 - Euclid/Cleveland	-	-

Attachment 5: Profile of Core Service Providers – 2005 (continued)

PROFILE OF CORE SERVICE PROVIDERS - 2005		
Source: United Way - First Call for Help Refer Database February 2005		
	Count	Sub-Count: UW-Affiliated
44118 - ClevelandHts/UniversityHts/ShakerHts	4	-
44119 - Cleveland/Euclid	-	-
44120 - Shaker Hts/Cleveland	3	-
44121 - University Hts/South Euclid	-	-
44122 - Beachwood/Highland Hills/Shaker Hts.	8	-
44123 - Euclid	1	-
44124 - Pepper Pike/Mayfield Hts./Lyndhurst	2	-
44125 - Valley View/Garfield Hts	1	-
44126 - Fairview Park/Cleveland	-	-
44127 - Cleveland	-	-
44128 - Warrensville Hts/Cleveland	1	-
44129 - Brooklyn/Parma/Cleveland	6	-
44130 - Parma/Cleveland	-	-
44131 - Independence/Seven Hills/Brooklyn Hts	-	-
44132 - Euclid	-	-
44133 - North Royalton	-	-
44134 - Parma/Cleveland	-	-
44135 - Cleveland/Linndale	3	-
44136 - Strongsville	1	-
44137 - Maple Hts/Cleveland	-	-
44138 - Olmsted Twp/Olmsted Falls	-	-
44139 - Bentleyville/Glenwillow/Solon	-	-
44140 - Bay Village	1	-
44141 - Brecksville	1	-
44142 - Brookpark/Cleveland	-	-
44143 - Highland Hts/Richmond Heights	1	-
44144 - Brooklyn/Cleveland	-	-
44145 - Westlake	-	-
44146 - Walton Hills/Oakwood/Bedford	1	-
44147 - Broadview Hts	-	-
44149 - Strongsville	-	-

Attachment 6: Providers and Functions – 2005

SERVICE PROVIDERS & FUNCTIONS	
Source: United Way - First Call for Help Refer Database February 2005	
Agency	Activities
Bay Presbyterian Church	Counseling
Buckeye Legal Aid Services	Legal Assistance
Chabad House Of Greater Cleveland - Eastern Ohio Regional Headquarters	Family Life Education / Counseling
Chagrin Falls Exempted Village School District	Community Education - Personal Enrichment Classes
Cleveland City Of - Dept. Of Consumer Affairs	Consumer Complaints
Cleveland City Of - Municipal Court	Debt Management
Cleveland Heights-University Heights City School District	Community Education - Personal Enrichment Classes
Cleveland Housing Network	Training Center Classes
Cleveland Saves	Personal Finance Education/Counseling
Consumer Credit Counseling Service	Debt Management Program, Credit Report Review, Debt Counseling, Foreclosure Prevention Counseling, Budget Counseling, Denied Credit Counseling
Consumer Protection Assn.	Counseling – Foreclosure, Counseling - Budgeting/Debt Reduction
Cuyahoga Valley Career Center	Adult Education - Personal Interest/Leisure
East Side Organizing Project (ESOP)	Predatory Lending Work
Esperanza	Parent Support
Euclid City School District	Community Education - Personal Enrichment Classes
Euclid-St. Clair Development Corp.	Community Classes On Home Maintenance Topics
Fairfax Renaissance Development Corp.	Information On Predatory Lending
Federal Trade Commission - Eastern Central Region	Consumer Information And Complaints
Friendship Foundation Of American-Vietnamese	Cultural Transition - Vietnamese/Asians
Golden Age Centers Of Greater Cleveland	Social Services - Seniors
Harvard Community Services Center	Loan Document Review
Housing Advocates	Predatory Lending Assistance
Housing Research And Advocacy Center	Housing Education Programs
Jewish Family Service Assn. Of Cleveland	Eldercare - Money Management / Forms Completion
Legal Aid Society Of Cleveland	Housing Legal Assistance, Consumer Law
Linking Employment, Abilities And Potential	SSI, Medicare/Medicaid, Financial Consultations - Disabled
Lutheran Housing Corp.	Counseling - Home Acquisition And Debt Management

Attachment 6: Providers and Functions – 2005 (continued)

SERVICE PROVIDERS & FUNCTIONS	
Source: United Way - First Call for Help Refer Database February 2005	
Agency	Activities
Mayfield City School District	Community Education - Personal Enrichment Classes
Neighborhood Housing Services Of Cleveland	Legal Education And Referral - Predatory Lending, Housing/Home Loan, Credit Counseling
Ohio State University Extension - Cuyahoga County	Financial Education - Home Study
Orange City School District	Recreation - Personal Enrichment Classes
Shaker Heights City Of -	Recreation - Personal Enrichment Classes
South Euclid-Lyndhurst City School District	Recreation - Personal Enrichment Classes
Spanish American Committee	Social / Support Services
Strongsville City School District	Community Education - Personal Enrichment Classes
Urban League Of Greater Cleveland	Financial Education Workshops
Valley View Village Of -	Recreation - Personal Enrichment
Weco Fund	Financial Education - Individuals/Businesses/Groups, Financial Education/Management - Individuals
Westside Industrial Retention And Expansion Network	Personal Financial Information/Taxes, Safe Lending, Savings

Bold represents United Way funded agency.

Attachment 7: United Way - First Call for Help Money Management Requests – 2000-2004: Greatest Increase/Greatest Decrease

DD-500 Money Management								
United Way - First Call for Help Requests 2000-2004								
Greatest Increase/(Greatest Decrease)								
Zip Code		TOTAL REQUESTS					% Change* 00 & 04	Avg. # Calls 00-04
		2000	2001	2002	2003	2004		
44133	North Royalton	1	1	1	4	5	400%	2
44136	Strongsville	1	2	1	7	4	300%	3
44129	Brooklyn/Parma/Cleveland	4	5	3	2	11	175%	5
44137	Maple Hts/Cleveland	11	12	10	16	28	155%	15
44125	Valley View/Garfield Hts	8	8	7	6	16	100%	9
44070	North Olmsted	6	5	7	0	10	67%	6
44146	Walton Hills/Oakwood/Bedford	8	4	15	11	13	63%	10
44139	Bentleyville/Glenwillow/Solon	2	4	3	0	3	50%	2
44121	University Hts/South Euclid	12	7	11	17	18	50%	13
44119	Cleveland/Euclid	3	2	6	10	4	33%	5
44143	Highland Hts/Richmond Heights	3	6	7	8	4	33%	6
44145	Westlake	3	1	2	7	4	33%	3
44140	Bay Village	0	1	0	1	4	N/A	1
44141	Brecksville	0	1	1	1	3	N/A	1
44149	Strongsville	0	0	0	0	2	N/A	N/A
44022	Bentleyville	0	1	1	0	1	N/A	1
44115	Cleveland	10	1	1	6	3	(70%)	4
44104	Cleveland	34	9	10	20	11	(68%)	17
44144	Brooklyn/Cleveland	13	1	2	2	5	(62%)	5
44127	Cleveland	10	3	5	5	4	(60%)	5
44126	Fairview Park/Cleveland	5	0	0	4	2	(60%)	2
44113	Cleveland	12	7	10	4	5	(58%)	8
44122	Beachwood/Highland Hills/ShakerHts	14	7	15	5	6	(57%)	9
44118	ClevelandHts/UniversityHts/ShakerHts	23	9	9	19	10	(57%)	14
44128	Warrensville Hts/Cleveland	34	12	24	31	16	(53%)	23
44102	Cleveland/Brooklyn	54	20	31	42	26	(52%)	35
44116	Rocky River	4	3	2	1	2	(50%)	2
44106	Cleveland/Cleveland Hts	25	5	5	12	13	(48%)	12
44017	Berea	5	7	6	5	3	(40%)	5
44109	Cleveland/Brooklyn Hts	20	9	18	28	12	(40%)	17
44110	Cleveland/East Cleveland	30	18	16	31	19	(37%)	23
44114	Cleveland	3	1	2	1	2	(33%)	2

Attachment 7: United Way - First Call for Help Money Management Requests – 2000-2004: Greatest Increase/Greatest Decrease (continued)

DD-500 Money Management								
United Way - First Call for Help Requests 2000-2004								
Greatest Increase/(Greatest Decrease)								
Zip Code		TOTAL REQUESTS					% Change* 00 & 04	Avg. # Calls 00-04
		2000	2001	2002	2003	2004		
44117	Euclid/Cleveland	12	5	7	11	8	(33%)	9
44134	Parma/Cleveland	9	3	6	7	6	(33%)	6
44132	Euclid	17	4	7	6	12	(29%)	9
44108	Cleveland/Bratenahl	42	14	31	52	30	(29%)	34
44103	Cleveland	27	11	11	11	20	(26%)	16
44142	Brookpark/Cleveland	8	4	2	6	6	(25%)	5
44105	Cleveland/NewburghHts/GarfieldHts	59	21	45	48	45	(24%)	44
44107	Lakewood/Cleveland	18	13	14	15	14	(22%)	15
**Total Cuyahoga County		690	326	454	595	537	(22%)	520
**Total Cleveland		362	143	218	317	223	(38%)	253
**Total Suburbs		328	183	236	278	314	(4%)	268
* Extremely high percentages are due to low numbers.								
** These totals do not reflect the sum of the numbers above which are the zip codes reflecting the greatest increase or decrease. Rather, they are the total of calls from ALL zip codes many of which do not appear on this table.								

Attachment 8: United Way - First Call for Help 2000-2004: Unmet Need

DD-500 Money Management					
United Way - First Call for Help Requests 2000-2004					
Unmet Need					
Zip Code		TOTALS 00-04			% Unmet
		Requests	Met	Unmet	
44126	Fairview Park/Cleveland	11	10	1	9%
44128	Warrensville Hts/Cleveland	117	107	10	9%
44133	North Royalton	12	11	1	8%
44116	Rocky River	12	11	1	8%
44119	Cleveland/Euclid	25	23	2	8%
44127	Cleveland	27	25	2	7%
44136	Strongsville	15	14	1	7%
44134	Parma/Cleveland	31	29	2	6%
44145	Westlake	17	16	1	6%
44130	Parma/Cleveland	52	49	3	6%
44113	Cleveland	38	36	2	5%
44117	Euclid/Cleveland	43	41	2	5%
44121	University Hts/South Euclid	65	62	3	5%
44125	Valley View/Garfield Hts	45	43	2	4%
44122	Beachwood/Highland Hills/ShakerHts	47	45	2	4%
44111	Cleveland	94	90	4	4%
44138	Olmsted Twp/Olmsted Falls	25	24	1	4%
44017	Berea	26	25	1	4%
44142	Brookpark/Cleveland	26	25	1	4%
44124	Pepper Pike/MayfieldHts/Lyndhurst	28	27	1	4%
44118	ClevelandHts/UniversityHts/ShakerHts	70	68	2	3%
44112	East Cleveland/Cleveland	109	106	3	3%
44110	Cleveland/East Cleveland	114	111	3	3%
44123	Euclid	47	46	1	2%
44146	Walton Hills/Oakwood/Bedford	51	50	1	2%
44135	Cleveland/Linndale	63	62	1	2%
44137	Maple Hts/Cleveland	77	76	1	1%
44103	Cleveland	80	79	1	1%
44108	Cleveland/Bratenahl	169	167	2	1%
44105	Cleveland/NewburghHts/GarfieldHts	218	216	2	1%
44102	Cleveland/Brooklyn	173	172	1	1%

Attachment 8: United Way - First Call for Help Money Management Requests 2000-2004: Unmet Need (continued)

DD-500 Money Management				
United Way - First Call for Help Requests 2000-2004				
Unmet Need				
Zip Code	TOTALS 00-04			%
	Requests	Met	Unmet	Unmet
* Total Cuyahoga County	2,602	2,541	61	2%
* Total Cleveland	1,263	1,243	20	2%
* Total Suburbs	1,339	1,298	41	3%

FCFH DATA NOTES

Met = service request resulting in referral to an organization. (Does not mean agency was able to provide the service.)

Unmet = service request for which there was no referral.

Note: Zip Codes shared by Cleveland and surrounding suburbs whose boundaries fall 50% and greater within the city of Cleveland are highlighted and totaled as Cleveland. Others are totaled as Suburbs.

* These totals do not reflect the sum of the numbers above which are the zip codes reflecting unmet need in 2004. Rather, they are the total of calls from ALL zip codes some of which do not appear on this table.



**United Way of
Greater Cleveland**

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