Annual Report
2010-2011
Consumer Action
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From the Executive Director

2011 marks 40 years of Consumer Action’s commitment to consumer rights. Today’s e-advocacy and virtual grassroots organizing are light years from the pickets we organized against businesses in our early years, but our goals are the same. Consumer Action has always strived to educate consumers about the financial services marketplace, sound off about abusive and deceptive practices and advocate for consumer rights and redress.

In the second decade of the new millennium, consumer advocates have a challenging agenda. Poverty and unemployment are worsening, the gap between haves and have-nots is widening and there is a swell of sentiment against regulations and government intervention to protect consumers. Despite these challenges, we pledge to remain vigilant well into the next decade to ensure all people in the United States have a fair shot at financial independence and self-sufficiency.

During our most recent fiscal year, Consumer Action has maintained the momentum that transformed it from a California-oriented grassroots advocate to an organization with national impact and influence. More consumer law firms are recognizing the strength of Consumer Action’s unique outreach model and are recommending us for court settlement funds and cy pres awards. Our corporate partners continue to invest in our multilingual, multicultural training and education projects. The network of community-based organizations (CBOs) on which we rely to educate consumers serves us well as a conduit for consumer education as well as a source of information about the impact of our services and the needs of the communities they serve.

The Internet has given consumers a wealth of information and opportunities but it has also brought new threats to the marketplace and to our personal privacy. Early on, Consumer Action began to notice and focus on the impact new technologies can have on our privacy rights. In California, we successfully fought for consumers’ right to block or unblock their phone numbers at will on Caller ID machines. In the past two decades we have counted privacy as one of our core issue areas, along with telecommunications, credit, banking, housing and insurance.

In the past year, we have put much effort into helping consumers find the information they need to avoid foreclosure, avoid being tracked on the Internet by marketers, become savvy about wireless technology and navigate the world of digital commerce. We also held our first national Financial Empowerment Conference so that our network CBOs can share best practices. The second annual conference will be held this November.

I call on you, our friends, to help us improve and enforce consumer rights and promote financial empowerment, especially among vulnerable communities. We know there are many organizations vying with us for your support, and there are unlimited sources of information competing with us for your time. We feel, however, that we have a unique focus in helping consumers make informed financial decisions and assert their rights in the marketplace. As an organization, we are transparent and well managed, we have a diverse staff that we treat with great respect and we are open to dialogue with consumers and industry. I invite you to become a part of Consumer Action today and make our next decade an even stronger banner for consumer advocacy and education.
The year in review

The last fiscal year brought new projects, grants and activities. Among the highlights are:

- Established our annual Financial Empowerment Conference to bring community educators together from all over the country to share best practices
- Collaboration with Visa Inc. to create a campaign to educate consumers about online banking and mobile commerce called “Your Digital Dollars”
- Publication of “Money Management 1-2-3,” a module addressing personal finance at different stages of life
- New module on “Credit Reports and Credit Scores” sponsored by Experian
- Creation of a multilingual “Financial Empowerment Resource Sheet” in partnership with Bank of America for a pilot distribution to selected Feeding America-affiliated food banks
- Financial education outreach to the military community in San Diego in partnership with Consumer Federation of America and JPMorgan Chase
- Launch of the Wireless Education Project (WirelessEd.org), with educational materials and trainings, sponsored by AT&T
- Creation of Empower U, a project to educate California consumers about telecommunications and cable services, with a grant from California Consumer Protection Foundation

Advocacy

Consumer Action’s advocacy agenda during this most recent fiscal year was busier than ever in the areas of financial reform, healthcare, housing and privacy. Our coalition efforts, web activities and special reports helped bring the consumer point-of-view to the forefront in key decisions affecting consumers.

Consumer Action’s DC-based staff joined other consumer advocates in the successful campaign to create an independent federal consumer financial watchdog to protect consumers and help them make wise financial decisions. Created in 2010 by the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Consumer Financial Protection Bureau (CFPB) opened its doors in July to promote fairness in the financial marketplace and provide comprehensive consumer information about mortgages, credit cards and other consumer financial products and services.

In the past year, Consumer Action has fought to keep the new watchdog agency alive amid bipartisan battles to defund it and to minimize its authority and independence. Relying on its national network of more than 8,000 community-based organizations, Consumer Action helped the fledgling office attract participants to public meetings and teleconferences as part of the CFPB’s national listening tour. Consumer Action also provided critical feedback on the agency’s complaint handling system to ensure that the reports consumers submit to the agency’s database will be both publicly accountable and resolved in a timely fashion.

The Credit Card Accountability, Responsibility and Disclosure (CARD) Act took effect in 2010, offering a host of new protections for cardholders such as ending the common practice of increasing the interest rate on existing credit card balances. Consumer Action was key in drafting and helping the legislation maneuver...
through Congress, and we continue to monitor the legislation’s impact. Our 2010-2011 Credit Card Survey revealed that although annual fees have not risen as expected, new fees have been reported and interest rates rose overall by 2%. As a result of billing changes required in the CARD Act, consumers are reporting that their bills are easier to understand. (View the results of the 2011 Credit Card Survey at: http://bit.ly/q8TuTJ.)

Housing issues continue to weigh heavily on consumers’ minds and drive our efforts. Consumer Action has encouraged improvements to foreclosure prevention efforts by industry and government. After the Department of Housing and Urban Development (HUD) made mortgage funds available to unemployed homeowners, Consumer Action spent much of the last year closely tracking how and when these funds would be made available to eligible recipients, and advocating for swifter and easier participation for struggling homeowners. We also worked in coalition with other groups to advise the Department of Treasury on how its loan modification programs can be improved.

Consumer Action also updated its homebuyer resources to reflect current trends in the mortgage markets and participated in Community Reinvestment Act (CRA) hearings around the country to explore ways to facilitate home mortgage data collection.

Consumer Action remains at the forefront of the consumer perspective on health information technology. The DC team advocated for more consumer control over health data as the country braces for the launch of eHealth over the next few years. We argued to legislators and on public panels that consumers need increased transparency around the access and use of personal health data by hospitals, insurance companies, and other third parties outside of doctors’ offices. We also submitted comments to the Department of Health and Human Services regarding updates to the HIPAA Privacy Rule.

Online privacy has exploded into a highly charged public debate, attracting the attention of Congress, federal regulators and Internet users. Consumer Action led efforts to hold Facebook accountable when the site changed its privacy policies, and our Privacy Information Project (www.privacy-information.org) has educated online users how to tweak the social networking giant’s settings to protect themselves. Consumer Action has advocated for pro-privacy policies before members of Congress and the Federal Trade Commission, and continues to help craft and monitor legislation targeting online marketers and the way this little-known industry secretly tracks, collects and uses information to influence and pitch consumers.

The Summer 2010 issue of Consumer Action News was devoted to privacy. Readers were provided with basic, non-technical information about behavioral advertising, data control, cloud computing, the information “generation gap” and pending and current privacy legislation. Consumer Action also conducted an online privacy survey showing that consumers overwhelmingly want companies to get permission before sharing an individual’s personal information. (Further results can be found by visiting: http://bit.ly/r4IU3o.)

In California, Consumer Action continues to closely follow legislation of interest to consumers. Among other issues, we followed bills covering debit card surcharges, gift card disclosures and efforts to ban credit checks for job seekers. These and other state-level bills are documented at Consumer Action’s California Action Center (http://capwiz.com/consumeraction/home/california). Consumer Action has also been a part of the California-based Identity Theft Council—an advocacy group including consumer
groups, banks, credit unions and law enforcement.

Following in Consumer Action’s tradition of delivering optimal training, the advocacy department presented to community-based organizations (CBOs) on the ins-and-outs of legislative advocacy. Several of our advocates attended Consumer Action’s National Financial Empowerment conference in Chicago last November to bring community educators up to speed on the changing landscape of consumer policy and regulation. The advocates also participated in American Express roundtables to train CBOs on key highlights of the CARD Act and what they mean for clients and constituents.

This year has already shaped up to be a critical year in consumer advocacy. We remain as committed as ever to staying on top of the issues that matter to consumer fairness and to our mission to provide easy-to-understand information presented in a straightforward, unbiased fashion. We hope to empower consumers to get involved in making a tangible difference for the benefit of all.

**Administration & support**

San Francisco is home to Consumer Action’s headquarters. Our main office is the workplace for our administrative team, which supports the educational efforts of the outreach and Web teams. Our contact database continues to grow in leaps and bounds as more agencies and individuals sign on to receive our newsletters, publications and survey results.

**Publications**

The demand has remained high for our free publications. Last year, we filled orders for 897,563 copies of our publications. At 99,668, our “Credit Cards: What You Need to Know” brochure (sponsored by American Express) was the most sought after.

As the country’s leading multilingual consumer advocate, we rely on our administrative team to fill publication orders, maintain our database and handle our translations to ensure that they are culturally relevant and accurate.

Several useful guides and curricula were added to Consumer Action’s library of financial materials last year on digital commerce, telecommunications, wireless services, credit scores and money management.

Last year saw the debut of Consumer Action’s monthly e-newsletter, Consumer Action INSIDER, which features news about Consumer Action’s programs, activities and staff updates.

Consumer Action’s websites, which now number eight, drew 492,036 visits, with 88% being first-time visitors.

**Hotline**

Our free national consumer advice and referral hotline also calls the San Francisco office its home. Last year alone, data from more than 5,300 complaints and communications were compiled and analyzed in monthly reports. The database of complaints also serves as a resource for the media, lawmakers and consumer attorneys.

The hotline is an easily accessible information hub where consumers can get referrals to complaint-handling agencies and request educational materials. Last year 48% of complaints were processed via the
website and 52% by telephone. Complaints were received from consumers in 48 states and the District of Columbia.

The largest categories of complaints received last year were retailers/retail products at 23% and credit/financial services at 19%.

**Financial Empowerment Conference**

Our first annual Financial Empowerment Conference in Chicago in November 2010 (and scheduled for its second year in November 2011) was held in partnership with Experian. The conference is designed to showcase top community educators and their best practices for promoting financial empowerment.

During panel discussions and interactive breakout sessions, participants learned new skills for penetrating local neighborhoods with proven strategies to promote effective and wise money management.

The panelists were selected from among the many CBOs we have trained over the years to communicate real-life techniques. Discussions centered on how to attract support for financial literacy programs, promote grassroots advocacy for better consumer conditions in the marketplace and evaluate client progress.

At the conference, Experian and Consumer Action introduced a new training module centering on credit reports, credit scores and specialty credit reports.

**Outreach and training**

Last year, Consumer Action’s outreach team delivered free training workshops to CBOs around the country under six projects. Our evaluation and follow-up surveys show that our trainings are highly valued.

In one example, Consumer Action visited the Louisiana State University Agricultural Center, known as the LSU AgCenter, in April 2010 to give a money management workshop using our MoneyWi$e materials. The workshop, co-sponsored with the LSU AgCenter and Capital One, centered on building personal credit and avoiding identity theft.

Robin Betts, manager of the Home Ownership Center for Mid-City Redevelopment Alliance in Baton Rouge, said, “We’re involved in credit counseling, and we also provide information to clients involved in foreclosures. Even though the foreclosure problem is just really picking up here, we want to be prepared. So this training has been very helpful.”

Similar sentiments are repeated time and time again as we work to train CBOs in underrepresented communities on our materials and best practices for teaching financial and consumer empowerment topics to adults. In the last fiscal year, our outreach team traveled to 27 cities and trained more than 900 CBO staff members as part of six project initiatives.

Last year, our outreach team created a working group focusing on formerly incarcerated individuals and began a financial empowerment program for servicemen and women.

Early this year, with the sponsorship of AT&T, we established our new Wireless Education Project—known as WirelessED—with a new educational website (www.wirelessed.org), a training module on wireless data services and a series of workshops throughout the country.
Fundraising and development

Our fundraising and development team examined strategies to gain support from foundations, corporations and individuals, and to plan a celebration of our 40th anniversary. Our annual fundraiser, traditionally held in San Francisco each June, was moved to Washington, DC and will take place in October 2011. The target goal of $90,000 already had been surpassed at this writing.

A major federal government grant came at the end of 2010, when Consumer Action received $1 million from the U.S. Department of Housing and Urban Development (HUD) to create a national media campaign to educate consumers, including limited-English speaking consumers, about their fair housing rights. The project also features a training component for CBOs using our multilingual, multicultural outreach model.

In the last fiscal year, we successfully completed a “brand messaging” grant valued at $55,000 through the generosity of the Taproot Foundation (“Do It Pro Bono”). The grant brought together a team of professionals in the fields of marketing, promotion and writing to help Consumer Action define itself in a way that the public can understand.

Late last year Consumer Action received a second Taproot service grant valued at $70,000 for strategic planning preparation. The second grant is helping us to prepare for an update to our strategic plan to support our mission to empower low- to moderate-income and limited-English speaking consumers nationwide to financially prosper through education and advocacy.
Did you know?

That in the year ending March 31, 2011, Consumer Action . . .

- Boasted a diverse workforce of 27: 65% are female; 35% are male. In terms of ethnicity, our office includes: 57% Asian, 27% white, 8% African American and 8% Latino. Half were born abroad and speak their native languages or dialects, including Arabic, Cantonese, English, Gujarati, Hakka, Hindi, Indonesian, Japanese, Malay, Mandarin, Shanghainese, Tainwanese, Tagalog, Toisan, Urdu and Vietnamese.

- Filled 2,569 bulk orders from 1,200 community-based organizations across the country for 897,563 copies of our publications.

- Traveled to 27 cities and trained 906 community group representatives across six project initiatives.

- Granted $89,000 in mini-grants to community-based organizations support their financial literacy programs.

- Assisted more than 5,300 individuals from 49 states on a variety of issues including retailers/products, 23%; credit and financial services, 19%; phone and utilities, 15%; automotive, 12% as well as a variety of miscellaneous concerns including scams, identity theft, medical billing, household moving and storage and home construction and repair.

- Enabled 1445 subscribers to send more than 4,300 messages to their elected officials on a variety of topics, from financial reform to privacy issues. This includes 299 people who composed their own messages and sent more than 1,100 messages to their elected officials.

- Received support from 20 corporations, one-fourth of which were Fortune 500 companies.

- Enjoyed the support of 48 educational partners ranging from financial institutions to universities and law firms.

- Received funds from 10 court awards (cy pres) and settlements in class action cases.
Spotlight on . . .

Our community-based partners

Consumer Action has built a national network of more than 8,000 community-based organizations (CBOs) that help us disseminate our financial education publications throughout the country. The groups, which range from local faith-based groups to national affiliate organizations, have one thing in common—they want to improve financial literacy in their communities. Here we present two of these groups who have used our materials and trainings to make a difference in their communities.

Philadelphia Chinatown Development Corporation

The history of the Philadelphia Chinatown Development Corporation (PCDC) is deeply rooted in the history of Philly's Chinatown. In 1966, the proposed Vine Street Expressway threatened to demolish the Holy Redeemer Church and School, a cherished religious, education and recreation center in Chinatown. An informal group came together to oppose the destruction of the community center, and was later incorporated in 1969 as PCDC to represent the community in matters of urban renewal and community development.

Today PCDC is an integral part of the community, providing representation of the Chinatown community in state and local affairs and to media outlets. It helps maintain the safety of its neighborhoods and to educate residents of their political and civic rights. PCDC has advocated for decent and affordable housing for the area's rapidly growing population. The organization has worked with the University of Pennsylvania to survey residents and create a report outlining the social and housing needs of the community.

Beyond its role as a civic leader, PCDC also serves as a comprehensive social service agency for local Cantonese and Mandarin speaking constituents. The agency provides translation, counseling, employment preparation and youth initiatives—activities reported regularly in the agency's bilingual newsletters.

As part of their financial education curriculum, PCDC offers an average of three workshops per month for residents. The organization reports success using Consumer Action's Elder Fraud and ID Theft modules to supplement their workshops. The organization also uses resources from our housing collection to help residents stave off foreclosure. The resources proved useful to the PCDC's Homeownership Initiative, a project launched in 2005 to provide bilingual housing counseling.

PCDC, which attended Consumer Action's MoneyWi$e regional meetings in New York City in 2009, was a recipient of a Consumer Action mini-grant in 2010. As part of its project, the organization distributed MoneyWi$e brochures to participants at a “Quality of Life” community fair and conducted three workshops for clients.

Texas RioGrande Legal Aid

Texas RioGrande Legal Aid (TRLA) serves parts of the great Lone Star state with advocacy and financial empowerment programs. The organization, awarded a Consumer Action mini-grant in 2004, uses Consumer Action's brochures and training materials to promote financial literacy among the Latino communities it serves.

As a legal aid organization, TRLA's overall mission is to provide free legal services to low-income residents of the state's Southwest region. TRLA is the largest legal aid provider in Texas, serving eligible clients through-
out Austin, San Antonio, Corpus Christi, El Paso, the entire Rio Grande Valley and the entire Texas-Mexico border area. TRLA’s service area covers 68 counties and encompasses 1,171,000 income-eligible Texas residents.

In eight of the Texas counties the organization serves, TRLA also provides representation in criminal cases through its Public Defender Division. The agency also serves migrant and seasonal farm workers throughout Texas, Louisiana, Arkansas, Mississippi, Alabama, Tennessee and Kentucky.

One of the unique features of TRLA is its capacity to serve colonias under its Colonias Outreach Program. (Colonias are low-income, unincorporated areas of Texas with poor infrastructure, including lack of running water, sewers, etc.) These communities are distinguished by the fact that, on average, half of their families live at or below the national poverty level and close to 90% of the residents are minorities.

The organization says that it has to make a real effort to establish rapport in the colonias. It first forges a connection to the colonia leader to build trust and discuss the possibility of offering financial literacy workshops in the leader’s home. Workshops have been held in mobile homes just large enough to hold 10 people, or even under a tree in a leader’s yard.

“Most of our financial education material that we rely on comes from Consumer Action,” says Marlene Chavez, Colonias Outreach Coordinator. “The training modules on credit, banking, money management, ID theft and predatory lending have helped us create a Spanish and English financial literacy curriculum that targets colonia residents.”

Chavez notes that the organization also orders brochures from Consumer Action for use at community and health fairs. “This year we attended 15 fairs, where we had a total of 1,175 participants,” she said.

TRLA workshops are scheduled according to the availability of participants. Generally the classes meet in the mornings once a week over a six-week period. Most of the colonia residents that Chavez educates are Spanish speakers, and the group is able to train up to 900 individuals per year.

The training sessions have drawn the attention of other local community groups. Chavez explained that some organizations that hire “promotores” (community educators) enlist TRLA to train-the-trainer on financial literacy topics. Many of the promotores are AmeriCorps VISTA placements who make one-year commitments to their host agencies in return for a stipend of $16,000 plus $4,000 for college. TRLA has trained promotores who are working with Texas A&M University Extension and with Migrant Health Promotion, and estimates it trains approximately 100 promotores a year.

“Last year, I attended the Consumer Action Conference in Chicago and a regional training in McAllen, Texas,” Chavez said. “The Consumer Action staff did a fantastic job in their presentations. Not only did I learn something new, but was provided with new teaching skills to better my teaching as a financial literacy educator.”
Feedback from CBOs

You all are to be commended for the conference you put on in Chicago. I attended and speak at multiple conferences each year and this one was by far the best I have attended. The educational information, networking, and problem solving opportunities were outstanding! The conference was extremely beneficial and I have taught the updated ‘Adult Learning’ presentation multiple times since returning. I returned home with a wealth of tools that I use on a daily basis. I conducted an in-session with my staff immediately upon returning. My staff has in turn provided outreach to hundreds of additional clientele. Thanks again for your continued support and amazing opportunities that you provide to educators.

— Valerie Vincent, Louisiana State University AgCenter

I use Consumer Action brochures in one-on-one credit counseling appointments, branch fairs and hand outs, networking events with business owners, and in financial literacy seminars that I present on various topics including improving and understanding credit, budgeting and teens and credit. Everyone takes them at the fairs. They really love the content and the worthwhile suggestions in each brochure. I love your materials and have been using them since 1997. Thank you so much for being a valuable resource for my organization.

— Donna Christian, Affinity Federal Credit Union

I have had the opportunity to utilize your MoneyWi$e financial education while giving financial literacy workshops required for participants in the matched-savings programs known as Individual Development Accounts (IDAs). Along with the IDA workshops, Consumer Action’s training and presentations have been invaluable as many of the participants have adopted the MoneyWi$e debt and money management strategies and in doing so become much wiser consumers. Many have reported that their improved money management skills have directly contributed to an increase in their FICO scores and overall credit worthiness.

— Charles E. James, Asset Development Program, Community Action Partnership of San Bernardino County (California)

We have been using Consumer Action brochures for more than five years now in several capacities—classes, one-on-one financial health counseling, and at fairs and events. I believe that the Consumer Action brochures are superior to those offered by other agencies such as the FTC because the information is more relevant and up to date.

— Chad Rieflin, Credit Education Bureau, Rochester, NY

It was great participating in the Birmingham MoneyWi$e program with Consumer Action in October. I got so many ideas that I plan to use with my families and agencies and personally. I plan to conduct monthly financial educational brown bag lunch series. I believe so many people in my community will benefit greatly from the series and will want to learn new and/or better ways to handle their financial situations.

— Katanga Mants, County Extension Coordinator, Alabama Cooperative Extension System (Lowndes County Office)
Linda Williams, a community outreach manager based in Los Angeles, joined Consumer Action in September 2006. In her prior employment, Williams was a front-line advocate with the Legal Aid Foundation of Los Angeles (LAFLA) for 16 years. In that position, she provided direct service to individual consumers, worked one-on-one with community-based organizations, and helped form coalitions to protect the rights of low-income and hard-to-reach consumers in Los Angeles County. Williams holds a Juris Doctor degree and a Bachelor of Science degree in Management and Organizational Behavior.

**In her own words:**

While working at Legal Aid, I enjoyed helping individuals resolve a wide range of issues. The trouble is that by the time they came to me, they were in crisis mode and needed immediate action to have the situation fixed. In many cases the individuals did not know their rights and would not have known how to assert them even if they did. As a result, many of them were susceptible to scams. I enjoyed working with my clients, but I wished there was something I could do to get at the root of their problems instead of always working to react to the problems. Consumer Action afforded me the opportunity to do this on a full-time basis.

I enjoy the reach of what we do at Consumer Action. When we train a group of community organizations, there’s no telling how far the information will travel. Participants go back and train people in their offices and in their own local networks. Those people train their partners, and they all help to educate families, who also help spread the information. It’s also about training techniques. The feedback we receive after the workshops tells us the way we train is as good as the information we are training about. It’s not just about financial education. It’s about the logistics of knowing what to specifically do.

My experiences as an advocate have helped me see finances in a whole new light. I learn things I can pass along to my grandchildren. For example, when my grandson used to ask for expensive toys, I would feel compelled to buy them. Now I am more likely to give him a gift certificate for a portion of that toy’s price and use the rest to invest in stocks for him. I put the money into things like Jack in the Box and other familiar establishments where he can feel like a co-owner of the business. I want him to grow up understanding that things like mortgages, vehicles and such are not assets—they are liabilities. I feel as though we’re too afraid to talk to our kids about money, and in truth, we should be teaching them early on how to build their wealth for long-term independence.

I remember the story of a friend’s daughter who wanted her money deposited into a piggy bank.
bank in her room instead of in a bank. I sat her down one day and explained the difference between a skinny pig and a fat pig and showed her how the fat pig is in the bank because by keeping her money in a savings account, she would slowly gain interest on what she had deposited.

We’re teaching people about things they would normally not get from other groups. I don’t know of other organizations, for example, that provide information on specialty reports. In general we provide materials that serve to help consumers change their behaviors. I read a Government Accountability Office (GAO) report about the shortcomings of certain financial literacy programs, and I was proud to note that our model does not apply to these failures. We’re on the cutting edge of financial education through our publications, working groups and multilingual outreach. I feel like we’re reaching specific vulnerable segments of the population: veterans, persons with disabilities, low- to moderate-income families, etc.

I believe that through our unique approach of combating financial illiteracy we are reaching the underserved and they are listening, learning and using the information we present to when making decision. I love my job!
Joe Ridout, consumer services manager, has managed Consumer Action’s growing national hotline since he joined Consumer Action in July 2004. The advice-and-referral service accepts complaints by phone and email, tracks online inquiries and gathers statistical data in a database, which in turn helps the organization’s research, media and training activities. Ridout also takes the lead on Consumer Action’s California legislative priorities and is one of the organization’s chief media spokespersons.

A former Fulbright scholar who holds bachelor degrees in history and psychology with high honors from Wesleyan University, and a master’s degree in Latin American studies from the University of Texas, Ridout has worked as a researcher at the consumer group Public Citizen, where he wrote editorial opinions and researched global warming and alternative energy sources. Bilingual in English/Spanish, he has lived in Mexico and Central America for extended periods and has delivered academic presentations in Spanish and worked as a professional translator in both Latin America and the U.S.

In his own words:

Before coming to the non-profit world, I was an academic, which can be quite fascinating and fulfilling, but which is almost totally inconsequential to people’s real lives. At the time I was in a history Ph.D. program, frustrated by the criminality and corruption of the Bush administration, and decided that it was more important to do something that would have an impact on life in the present.

I started working for the Texas office of Public Citizen, and was inspired by the work I did there on energy issues to seek something similar: work that would advance a public good rather than serve to make an extremely rich guy a tiny bit richer. So when I moved to California, Consumer Action seemed like it could be a great fit, and I’m happy to say that it has been.

Consumer advocacy sometimes can give you a distressing panorama both of how inhumane corporations can be, and of how individuals can sabotage themselves financially, but I find it very rewarding when our organization can help someone out of a precarious financial predicament. And I’m proud that Consumer Action not only offers an abundance of free materials that empower people to make better financial decisions, but also that we
make our information available in many non-English languages, where this information is often the most needed.

One of the satisfying things about Consumer Action is that I often see how our organization can help individuals resolve their financial problems, while at the same time we participate in broader efforts at reforms that can help prevent these same financial woes from befalling consumers in the future.

The CARD Act is a recent example of this. For many years, Consumer Action had conducted credit card surveys, analyzed trends in the industry and criticized the rapacity of practices like “universal default,” whereby consumers could face huge credit card interest rate hikes even when they handled their accounts responsibly. Little by little, I could see how our groundwork was contributing to the public’s understanding of unjust practices like these, and building momentum for change. I often speak with reporters about credit issues, and when I began working here in 2004 very few reporters had any understanding of terms like universal default or double-cycle billing, and it took a great deal of effort simply to explain to them the inherent unfairness of most credit card contracts.

Today, not only are these concepts better understood, but in the wake of the CARD Act these practices have been outlawed, to the great benefit of consumers.
Corporate and business donors

Note: All corporations, businesses and individuals listed in this annual report are donors for the 2010-2011 fiscal year ending March 31, 2011. Sponsors for our 40th Anniversary fundraising effort will be listed in next year’s annual report.

Platinum Circle

Tracfone

Gold Circle

Capital One

Silver Circle

AT&T California | The Hastings Group | Humana | Microsoft | Union Bank | Vantagescore Solutions, LLC | Verizon

Benefactors

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Friends

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Benefactors

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Arnie Berghoff | Paul Bland, Public Justice | Trish Butler, Sage Communications | Consumer Credit Counseling Service of San Francisco | Linda F. Golodner | Dain Hansen | John Jensen

Friends


Educational Partners

Cy pres awards

Consumer Action’s work was supported in part with cy pres awards from these lawsuits:


Coalitions

Consumer Action worked closely with these organizations and coalitions:


Community network

Many thanks to our educational network of more than 8,000 community-based organizations nationwide. We appreciate the work you do and respect your commitment to excellence.
Statement of activities
Year ended March 31, 2011

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**Support and Revenue**

**Support**
- Individual contributions: $2,315
- Foundation and corporate grants: 3,855,401

**Special Event**
- Donations: 74,765
- Admission: 1,400
- Special event revenue: 76,165
- Less: cost of direct benefits to donors: (6,984)
- Special event, net: 69,181

**In-kind support**: 12,700

**Total Support**: 3,939,597

**Revenue**
- Membership dues: 5,530
- Interest income: 70,065

**Total Revenue**: 75,595

**Net assets released from restrictions**: (2,064,229)

**Total Support and Revenue**: 4,015,192

**Expenses**
- Program: 2,204,154
- General and administrative: 514,619
- Fundraising: 172,798

**Total Expenses**: 2,891,571

**Change in Net Assets**: 1,123,621

**Net Assets, beginning of year prior to adjustment**: 5,713,068

**Adjustment**: 842,200

**Net Assets, beginning of year adjusted**: 6,555,268

**Net Assets, end of year**: 7,678,889
Board of directors and staff

San Francisco

Ken McEldowney
Executive Director
Michael Heffer
Business Manager
Kathy Li
Director, San Francisco Office
Nani Susanti Hansen
Associate Director, San Francisco Office
Yamin Chai
Assistant Director, San Francisco Office
Audrey Perrott
Associate Director, Training/Outreach
Monica Steinisch
Senior Associate, Editorial
Jamie Woo
Community Outreach Manager
Joseph Ridout
Consumer Services Manager
Angela Kwan
Web Manager
Hazel Kong
Office Manager
Cui Yan Xie, Kinny Li
Project Associates
Tasneem Pitalwala
Administrative Assistants
Ricardo Perez
Mail Room Operations
Charles Ballinger, Rose Chan, Schelly Gartner, Vickie Tse
Consumer Advice Counselors
Loven Ko, Robert La
Support

Los Angeles

Nelson Santiago, Linda Williams
Community Outreach Managers
Guo Guang Zhuo
Support

Washington

Linda Sherry
Director, National Priorities (DC Office Director)
Ruth Susswein
Deputy Director, National Priorities
Michelle De Mooy
Senior Associate, National Priorities
Alegra Howard
Associate, National Priorities
Joe Orozco
Development & Fundraising Coordinator

Board Members

Patricia Sturdevant
President
Jim Conran
Vice President
Sue Hestor
Treasurer
Ken McEldowney
Secretary
Chris Bjorklund
Anna Alvarez Boyd
Trish Butler
Pastor Herrera, Jr.
Dr. Irene Lee
Myriam Torrico
Kay Pachtner, Consumer Action founder Emeritus member
Consumer Action has been a champion of underrepresented consumers nationwide since 1971. A non-profit 501(c)3 organization, Consumer Action focuses on financial education that empowers low to moderate income and limited-English-speaking consumers to financially prosper. It also advocates for consumers in the media and before lawmakers to advance consumer rights and promote industry-wide change.

By providing financial education materials in multiple languages, a free national hotline, and an Annual Credit Card Survey, Consumer Action helps consumers assert their rights in the marketplace and make financially savvy choices. More than 8,000 community and grassroots organizations benefit annually from its extensive outreach programs, training materials, and support.

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