

San Francisco – Los Angeles – Washington, DC

**Annual Report**  
**2012-2013**

**Consumer Action**

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## From the Executive Director

Dear Friends,

During the fiscal year ending in March 2013, Consumer Action reached new constituents, interacted with new industries and raised more than ever before in annual contributions. These accomplishments point directly to the great work our staff does. While small, our staff is mighty in its reach.

Our hotline staff each month handles more than 700 questions and requests for resources from consumers who are trying to stand up for themselves in a marketplace that is seemingly rigged against them. But far from becoming frustrated in the face of the endless tales of billing issues, product defects, collections harassment, credit report inaccuracies, auto mechanic shenanigans and more, our hotline team is energized by its job to make sure consumers get help and recourse.

Our outreach staff has deep roots in low- and moderate-income communities from the East to West coasts, appearing regularly at community presentations and in the media outlets that serve these communities. They provide training and technical advice to our large network of community-based organizations and ensure that we provide them with up-to-date information on consumer rights and resources.

Our DC-based staff keeps on top of a myriad of issues, interacting with important regulators from the Consumer Financial Protection Bureau and the Federal Trade Commission, congressional staffers and industry heavyweights. I can hardly keep track of all the events, meetings and conferences they attend and the wide-ranging list of legislation they track.

Our editorial team puts out two newsletters—the quarterly Consumer Action News and the monthly INSIDER—as well as dozens of new brochures, training guides and backgrounders, and content for our nine websites.

Our administration team handles training and meeting logistics, communications for our annual fundraiser and national conference, mailroom activities and publication orders. The admin team also ensures that our own translations and the translations we do for government agencies are on target and trustworthy.

Our diverse and multicultural staff is the “secret sauce” that keeps Consumer Action a viable and growing organization, year after year. Join me in a round of applause for these talented and committed individuals.

Cheers,



Ken McEldowney



## The year in review

### Advocacy

Consumer Action's advocacy agenda for FY2013 included work on debt settlement, education lending, payday loans, free credit scores, ending the use of credit reports for employment purposes, forced mandatory arbitration, GMO food labeling, used car sales, privacy and more.

#### *The Consumer Financial Protection Bureau (CFPB)*

As part of a broad effort to thwart attempts to oust the Bureau's director, Richard Cordray, and hobble the new consumer watchdog, Consumer Action launched a steady stream of advocacy alerts encouraging consumers to urge their elected officials to support the Bureau and its leadership. Success came during the summer of 2013, when the Senate confirmed Cordray for a full five-year term.

Consumer Action remained committed to ensuring that the CFPB's consumer complaint database be developed into a strong tool for resolving consumer issues, helping consumers make wise choices, and holding financial services companies accountable for their products and services. Consumer Action chairs a committee within the umbrella advocacy group Americans for Financial Reform (AFR) that meets regularly with top CFPB officials to encourage this effort.

We also participated in regular, ongoing meetings with Director Cordray and top CFPB assistant directors to raise specific concerns on behalf of consumers on a variety of issues. Consumer Action submitted comments to the CFPB in response to the agency's request for information on effective consumer financial education. In January, Consumer Action conducted an online poll in response to the CFPB's request for feedback on the CARD Act's impact. Respondents overall reported that credit card companies are treating them the same as, or better than, before the law was implemented.

#### *Federal legislation and regulation*

At the start of the new fiscal year, Consumer Action lent its support to S. 2296, the Protecting Financial Aid for Students and Taxpayers Act, by Senators Kay Hagan (D-NC) and Tom Harkin (D-Iowa), that would have prevented postsecondary educational institutions from using revenues derived from federal educational assistance funds for advertising, marketing and recruiting. This bill was re-introduced as S. 528 in early 2013.

Consumer Action also:

- Worked with the Greeting Card Association to push back at Senate postal legislation that would have increased stamp prices by 12 percent or more.
- Signed onto efforts to end government price fixing on milk via amendments to the Farm Bill.
- Opposed HR 4101, the Fair Debt Collection Practices (FDCP) Clarification Act, which would have lessened liability for collectors who violate the FDCP.
- Opposed HR 4367, which proposed to eliminate the requirement to provide a written notice of ATM fees on cash machines.
- Urged the Securities and Exchange Commission (SEC) to require companies to divulge specific



practices they follow to ensure they sell securities only to those who have a net worth of at least \$1 million, exclusive of the value of their primary residence (“accredited investors”).

With the President’s second term and a new session of Congress underway at the start of 2013, Consumer Action joined seven other leading national consumer groups in urging the Administration and Congressional leaders to pursue a robust agenda of consumer reforms. Under the heading “An Agenda to Ensure Consumers Are Heard,” the groups called for measures to strengthen the consumer’s voice in Washington, to continue improvements in health care and financial services, and to ensure that Americans’ food and products are safe.

In March, Consumer Action joined consumer advocacy colleagues and Rep. Carolyn Maloney (D-NY) and Rep. Maxine Waters (D-CA) as they introduced the Overdraft Protection Act (HR 1261) to tighten the federal overdraft protection rule.

Our staff also met regularly with the Federal Trade Commission (FTC) and other federal agencies and regulators, such as the Office of the Comptroller of the Currency, the Department of Justice and the Federal Reserve Board, to exchange information about consumer protection priorities and to weigh in on issues of the moment. This included mobile advertising disclosures, used car disclosures, telephone billing protections, cable retransmission fee reform and restrictions on private student loans and for-profit colleges.

## *Coalitions*

During the year, Consumer Action was a member of more than 40 coalitions, including Americans for Financial Reform, the Fair Arbitration Now Coalition, the Student Loan Reform Coalition, the Postal Consumer Council and the San Diego Veterans Coalition. (See the full list of coalitions listed in this report.)

## *Housing*

Housing continued to occupy a prominent spot in our advocacy agenda. Responsible lending, fair mortgage servicing and foreclosure prevention were the hot-button issues of the last fiscal year.

In early May, Consumer Action released the findings of its online housing discrimination survey of 549 community-based groups engaged in housing-related activities. Among the findings:

- Seven out of 10 groups say that housing discrimination is a “very serious” or “somewhat serious” problem for the people they serve.
- Roughly half of the groups (48%) agree that housing discrimination is a “very serious” problem today.
- Four times more groups have “seen housing discrimination go up in the last two years” than those reporting a drop in the same period, by a margin of 40 percent to 11 percent.
- About two-thirds of groups (65%) say the level of awareness of housing discrimination rights among the individuals they serve is “somewhat low” or “very low.”

## *Privacy*

Consumer Action started off a productive year of privacy work standing alongside other key privacy and consumer groups as the White House proposed a framework for a “Consumer Privacy Bill of Rights.” The groundbreaking proposal called for a multi-stakeholder process to be led by the Department of Commerce’s National Telecommunications and Information Administration (NTIA). The goal: to build voluntary industry codes of conduct. With colleagues from other consumer groups, we wrote and negotiated the

terms of a “short notice” that would appear on mobile devices detailing the data collection and sharing practices of each mobile application.

Our staff also met regularly with FTC commissioners and wrote comments to the agency on privacy issues such as advertising in social media and needed updates to the Children’s Online Privacy Protection Act (COPPA).

We also strongly supported key privacy bills on Do Not Track (DNT), a browser mechanism that would allow consumers to tell online advertisers not to track them as they surf the Web. In the first half of 2013, we launched a public education campaign around Do Not Track with funding from Microsoft. The campaign has included building a public education website (RespectMyDNT.org, launched in September 2013), producing three educational videos, and updating our online safety and security education materials.

Early 2013 had Consumer Action’s editorial staff researching and writing materials for a new educational module on health records privacy in California. The project was funded by a \$100,000 grant from the Rose Foundation for Communities and the Environment, an Oakland-based public charity.

## *California*

While much of Consumer Action’s advocacy work is focused on issues that affect consumers nationwide, we maintain a very active advocacy agenda in our home state of California. Among the bills we supported were those that would: mandate disclosure of “fair market value” by auto dealerships and require that dealerships repair safety defects before they sell recalled vehicles; protect consumers from debt collection harassment for debts they do not legally owe; put labels on food with genetically modified ingredients; and protect the privacy of job applicants and students by prohibiting prospective schools and employers from demanding access to their social media platforms.

We also added our name to the list of organizations endorsing the SafeMoney account, a basic bank account designed by the California Reinvestment Coalition (CRC) with the goal of enriching account options for low-income depositors.

One of the year’s most notable success stories was the passage of the California Homeowner Bill of Rights, a package of bills we strongly supported that created a fairer foreclosure process for the state’s homeowners and reshaped foreclosure practices nationwide.

Deceptive pricing in used car sales is one of the most common complaints Consumer Action receives from consumers. In April, we testified before California’s Assembly Judiciary Committee about the importance of AB 1534, which would protect car buyers by requiring the disclosure of a vehicle’s fair market value.

## **Consumer training and outreach**

Consumer Action provides the materials and support to enable a grassroots network of more than 7,000 community-based organizations (CBOs) to deliver in-language consumer and personal finance education to low-income and underserved individuals and families across the country. In addition to training CBO staff, our trainers give presentations, participate in conferences and fairs, grant in-

› interviews, and work directly with community groups and government agencies to disseminate critical consumer information as widely and effectively as possible.

During the last fiscal year, Consumer Action's outreach team traveled to 15 cities to train more than 600 CBO staff members. Trainings in seven of the cities were conducted as part of our Capital One-sponsored MoneyWi\$e program, through which we were also able to award \$67,500 in small grants to those organizations that most successfully use the program's financial empowerment educational tools and materials in their work. Each of nine deserving agencies received \$7,500 to use to improve the financial literacy of their clients, who include immigrants, families with children, disaster victims, veterans, students, seniors, and re-entry and workforce development clients. Agencies used part of their grants to track individual success stories.

Increased usage of smartphones by low-income consumers and a steady migration to mobile transactions raised concerns about an increased risk of identity theft, potential data breaches and fraud. In response, Consumer Action provided relevant training on our Empower U telecommunications module, funded by the California Consumer Protection Foundation; our California LifeLine module, funded by AT&T California; our WirelessED module, also funded by AT&T; and our Digital Dollars module, funded by Visa Inc.

Helping servicemembers, veterans and their families overcome unique financial challenges remained a focus. Outreach and training manager Linda Williams served as the keynote speaker at a Military Saves event at Camp Pendleton in early 2013 and staffed a resource table with co-trainer Nelson Santiago to provide servicemembers with the information they need to strengthen their money management skills. Williams and Santiago are active members of the San Diego Veterans Coalition.

Audrey Perrott, our associate director of outreach and training, and community outreach manager Jamie Woo trained approximately 120 seniors and 25 senior service case managers about senior scams and identity theft in 2012. They reached a thousand seniors while staffing a booth at the 2012 Yerba Buena Ball in San Francisco.

In November, Consumer Action held its third annual National Financial Empowerment Conference. The event brought more than 50 trainers, counselors and advocates from 19 states to Chicago to address critical consumer issues and share best practices in financial education. Capital One, Visa, AT&T, Bank of America, VantageScore Solutions and Consumer Action's "Managing Money" and "Housing Information" projects underwrote the conference, with additional funding provided by Citi and Rush-Card. This support enabled us to again avoid charging any fee to participants.

## Publications and websites

Over the course of the year, Consumer Action filled orders for more than a million (1,060,000) free, printed copies of our multilingual publications. Half of the publications were part of the MoneyWi\$e library, created and distributed through our partnership with Capital One. Another 200,000 copies were for our Digital Dollars module, created with funding from Visa. Our "Know the Signs of Housing Discrimination" and "Filing a Housing Discrimination Complaint" brochures, first published early last year under a grant from the Department of Housing and Urban Development, remained in demand, with requests totaling 170,000 copies over the fiscal year. All orders—both bulk and individual—are filled from our central mailroom in San Francisco at no charge to community groups. ›

➤ We continued to expand our educational offerings throughout the year. Among these:

■ A 15-page Servicemembers and Veterans Financial Empowerment Resource Sheet, a companion to our 2011 resource sheet for the general public, details government and non-profit programs that provide financial aid, housing assistance, discounts on essential living expenses, financial counseling, legal advice, job training and more to help current and former members of the military make ends meet and weather a financial crisis. Both resources were created in partnership with Bank of America, and both are available in Spanish.

■ In partnership with AT&T, we published two rounds of tips to help consumers make the best use of their smartphones in an emergency and to stay connected in a power outage. Our first release, in early July 2012, was “11 great ways your smartphone can work smarter in an emergency.” In mid-August, we published “Stay connected during a power outage.”

■ To help consumers get a handle on new laws and other changes regarding plastic payments (credit, debit, prepaid and gift cards), Consumer Action unveiled a new member of its website family, KnowYourCard.org.

During the year, we began development of an online “Class action lawsuits” database and webpage ([bit.ly/class\\_action\\_database](http://bit.ly/class_action_database)) to inform consumers about pending and settled class actions under which they might qualify for redress.

Issues of Consumer Action News for the 2012-2013 period focused on: prepaid cards (survey, April 2012), P2P lending (survey, June 2012), credit card comparison websites (survey, October 2012), frugality and the simple living movement (December 2012) and mobile privacy (February 2013).

Our monthly INSIDER newsletter, now in its third year, continued to provide subscribers and supporters with an email update of Consumer Action’s activities.

In FY2013, Consumer Action’s family of websites drew more than 1.1 million page views. Our main website ([www.consumer-action.org](http://www.consumer-action.org)) had 882,215 page views by 520,185 visitors. The most popular section of the site was our Helpdesk, accounting for 91,235 unique page views.

## Administration and hotline

Our administrative staff performs a range of functions in our San Francisco headquarters, from managing the mailroom to ensuring the organization’s multiple websites are never down. Last fiscal year, our mailroom processed close to 3,000 requests for our free educational materials.

The hotline staff, working out of our San Francisco and Los Angeles offices, respond to consumer questions and complaints with referrals, non-legal advice and, when appropriate, educational materials. Last year we received just slightly under 9,000 complaints and communications, with a little over 60 percent arriving via our website and the rest coming in by phone. Complaints came in from virtually every state—the top five were, again, California, New York, Florida, Texas and New Jersey. In terms of language, English continues to be the most prevalent, followed by Chinese and Spanish. The types of complaints varied widely, with the top five categories being wireless phone plans, defective goods, customer service, deceptive ads/offers and tenant/landlord issues. An additional part-time administrative support employee hired last year has helped us keep up with hotline-related data entry. Do-it-yourselfers can find answers to general questions in our searchable library of FAQs, which we expanded last year, particularly in the area of cards (credit, debit, prepaid and gift).



## ➤ Consumer Action's 41st anniversary

Consumer Action staff welcomed guests, including members of Congress, government officials, community partners, consumer advocates and industry representatives, to the Hyatt Regency on Capitol Hill in Washington, DC

on October 2, 2012, to celebrate the organization's 41st anniversary and honor recipients of the organization's Consumer Excellence Awards.

The FY2013 event surpassed previous fundraisers, taking in a record \$180,000 in support of our free, multilingual consumer assistance and referral hotline and our Consumer Action News and INSIDER newsletters. The annual awards, which recognize individuals and groups for their

outstanding contributions to the education and welfare of consumers nationwide, went to Postal Regulatory Chairman Ruth Y. Goldway, reporter and author Bob Sullivan and the American Library Association's Office for Intellectual Freedom.



*Consumer Action Executive Director Ken McEldowney (center) is seen with the recipient of the 2012 Consumer Excellence Award, Postal Regulatory Commission Chairman Ruth Y. Goldway, and Don Soifer of the Consumer Postal Council, who presented the award.*

## Did you know?

### *That in the year ending March 31, 2013, Consumer Action . . .*

- Maintained a diverse staff of 28 in San Francisco, Los Angeles and Washington, DC that collectively speaks 15 languages and/or dialects
- Filled 2,867 bulk orders from 1,237 community-based organizations across the country for 1,060,000 copies of our free, multilingual publications
- Traveled to 15 cities and trained 639 community group representatives across seven project initiatives
- Granted \$67,500 in mini-grants to community-based organizations to support their financial literacy programs
- Assisted nearly 9,000 individuals from all 50 states on a variety of issues, with the top five areas of complaint being wireless phone plans, defective goods, customer service, deceptive ads/offers and tenant/landlord issues
- Had 1,135,854 page views on the nine websites we have developed and maintain
- Passed the 1,000 mark for number of Facebook fans
- Enabled 4,456 subscribers to compose their own email messages to their elected officials on topics of their own choosing
- Participated as a member of more than 40 national and state coalitions
- Enjoyed the support of 25 educational partners, ranging from private foundations and financial institutions to law firms and government agencies
- Gave more than 100 in-language interviews to Chinese and Spanish television, radio and print news outlets on topics ranging from Lifeline telephone service and prepaid cards to housing discrimination and consumer privacy
- Generated 7,981 emails and letters to policymakers on a variety of topics, from foreclosure protection to privacy rights, from our subscriber list of 24,735 people
- Presented at or participated in more than a dozen conferences and panels, discussing topics including the electronic payment of government benefits, personal financial management tools and online privacy

## Staff profile

### Audrey Perrott

**Audrey Perrott** has been a member of Consumer Action's staff since December 2007.

As associate director of outreach and training, Perrott, based in the San Francisco office, coordinates Consumer Action's educational events around the country, manages the participant evaluations process, runs the mini-grant program and conducts trainings in the community. She is also a regular contributor to the INSIDER newsletter.

Before joining Consumer Action, Perrott worked for a non-profit fair housing counseling agency as a compliance and outreach coordinator and grant developer. Perrott also worked for a number of years as both a housing specialist and eligibility/Section 8 supervisor for Alameda County and the city of Benicia. Early in her career, Perrott was a research assistant with the University of California at Berkeley, working in both the campus planning and housing development services departments.

Perrott holds a B.A. in history from U.C. Berkeley and certificates in Section 8 rent calculation and eligibility.

#### **In her own words:**

I was exposed to social justice at an early age. My parents were community servants and political activists. Their work moved the citizens of our Southern California community to elect my father to political office. I watched my father and mother work tirelessly to promote good will and social change in our community as well as abroad. As a teen, I canvassed door-to-door alongside my parents to educate residents about political issues. Their work sparked my interest in serving the community. In college, I continued to follow my passion of serving the community by working as the student government's Municipal Lobby director. In that position, I worked on various student initiatives, including affordable housing, transportation coordination and recycling.

I was drawn to Consumer Action by the agency's commitment to educate community groups, eliminate barriers that prevent community groups from receiving training, offer free multilingual publications and serve as a conduit for change through advocacy. I know firsthand how budgetary constraints limit the number of staff that can receive specialized training and how groups are unable to distribute quality publications when they have a limited printing budget. I valued the free publications and training that staff and I received from Consumer Action to support our work at a San Francisco Bay Area housing counseling agency.



➤ I have learned about a plethora of topics, including identity theft, Internet safety, consumer privacy and medical privacy, that I would not have otherwise learned about had I not worked at Consumer Action. As we go into the community to train groups, we learn from them as well, and are able to share best practices and connect groups with others working on similar issues.

In the next year, we will continue to work on educating community groups on topics such as how to select appropriate mainstream financial products, medical privacy, financial empowerment and the transition to Internet-based phone service.

Many individuals were hit hard by the economic crisis. As we continue to move beyond that difficult period, we must continue to educate community groups as well as individual consumers and empower them to make informed decisions about saving, selecting financial products and how to avoid being victims of scams.

## Staff profile

### *Monica Steinisch*

**Monica Steinisch** joined Consumer Action as a full-time employee in mid-2011.

As Consumer Action's senior editorial associate, Steinisch shares responsibility for writing, editing and updating the organization's free educational publications, producing website content and articles for the Consumer Action News and INSIDER newsletters, drafting media releases, collaborating on special educational projects and events, and proofreading and editing communications, collateral and content to ensure accuracy and consistency.

From 1995-1999, Steinisch was a credit and housing counselor and then the director of communications for Consumer Credit Counseling Service of San Francisco. In 1999, she joined Providian Financial as a writer in the company's corporate communications department. In 2001, she became the staff editor for Financial Finesse, a start-up employee financial education company. As a freelance writer and editor from 2003-2011, Steinisch's clients, in addition to Consumer Action, included Nolo, the Credit Union National Association (CUNA), DollarCamp, the National Endowment for Financial Education (NEFE) and Suze Orman.

Steinisch holds a B.A. in international relations from U.C. Davis.

#### **In her own words:**

I was aware of Consumer Action long before I joined the organization—all of us at the credit counseling agency where I used to work relied on Consumer Action materials to better serve our clients, including those that didn't speak English. Pre-Internet, Consumer Action's credit card surveys were particularly useful in helping our new "Debt Management Plan" graduates find a card that would help them rebuild their credit. ➤



➤ Most people who go to work for a non-profit do so because of some connection to the organization's mission—a passion for the cause. Although I was aware of Consumer Action and its publications long ago, it wasn't until much later that I grasped the extent of the organization's advocacy work and its commitment to protecting the very types of programs that were crucial to my immigrant parents and my family while I was growing up. After my mother became a single parent, she managed with the help of programs such as food stamps and Lifeline phone service until she could get back on her feet. I was able to pay off my low-cost student loans within two years of graduation with no difficulty, which enabled me to get an early start on saving and buying a home.

The environment is entirely different today—funding for food stamps has recently been cut, Lifeline is under fire, and college graduates are hobbled by student loan debt. But I'm glad to say Consumer Action is actively involved in every one of these issues, plus dozens of others that have a significant impact on the "average Joe's" day-to-day life and long-term wellbeing.

Living in San Francisco, with tech superstars Twitter, Apple and Google in my backyard, I'm sometimes asked why I didn't go to work for someone who could reward me in stock options. But I appreciate working for an organization that is helping to preserve the very programs and protections that I've benefitted from. And although my position with Consumer Action is mostly behind the scenes, researching and writing, I love being able to answer family and friends' questions about the latest consumer and personal finance issues and help them get involved in advocacy efforts that speak to them personally.

Regardless what new consumer challenges arise—as recently as a few years ago, nobody expected businesses to track our movements through a mall!—I know that we'll continue to keep decision-makers and businesses accountable.

## Feedback from CBOs

I attended the Consumer Action and Visa Regional Meeting on Online Banking and found the training to be very informative and beneficial. The course was well presented by an enthusiastic trainer with outstanding knowledge of the topics. The workshop well exceeded my expectations and I hope to participate in future trainings sponsored by Consumer Action.

**—Tess Harris, Housing Counselor, Quin Rivers, Inc.**

The training that I received from Consumer Action was invaluable. I consider myself technologically savvy, but even I learned something new about online banking and keeping my information secure while using my cell phone.

**—Gretchen Spell, Deputy Director,  
Coppin Heights Community Development Corporation**

It was a pleasure attending the roundtable. Our team made some valuable connections in addition to hearing some unique approaches to the MoneyWi\$e program. We look forward to expanding use of the program to more community centers in the near future.

**—Jana Houston, Director of Operations, Portfolio Resident Services, Inc.**

I would like to also let you know that the training was excellent. I got good information that I will use with my clients, I love the activities for ice breaking as well as the presenter.”

**—Cristina Peralta, Financial Services Representative,  
Collaborative Support Programs of New Jersey**

Thank you and your team for a job well done (3rd Annual Consumer Empowerment Conference). Give your sponsors a very special thank you from the Iowa team. OUTSTANDING.

**—Claudia L. Hawkins, MPA, CCC,  
CEPF Financial Education Program Director, ISED Ventures**

I really enjoyed the conference as well as meeting your team and the other practitioners. I learned a lot about best practices that I plan to incorporate. I am also grateful for the opportunity to take some time away from operational issues to focus on our broader mission and on advocacy.

**—Amelia Lobo, MBA, Women’s Business Center Director, ISED Ventures**

Words can’t express my gratefulness. I learnt a lot and brought back a wealth of useful information for my clients and other office staff. Please extend my sincere thanks to everyone.

**—Alfred C. Thompson, Psy.D., Community Services Referral Coordinator,  
Recreation & Parks Department, City of Rockville**

I just wanted to say thanks for sending me out to the [National Consumer Empowerment] conference. It was really one of the best conferences I’ve been to (and I’ve been to a few). Great work!

**—Cindy Santiago, Literacy Manager, Cleveland Housing Network**

## Spotlight on...

### Our community-based partners

#### Goodwill Industries of Central East Texas

Despite upbeat reports of economic recovery, there are still millions of unemployed and underemployed workers and families struggling to make ends meet long after the recession supposedly ended. Many of them won't get back on their feet until they develop new job and money management skills. Goodwill Industries of Central East Texas (GWICET), which serves a six-county region in rural Deep East Texas surrounding the city of Lufkin, gives community members a leg up in both areas. Computer and basic skills classes, a GED preparation and adult basic education program, job placement services, financial coaching and money management classes are just some of the ways GWICET helps clients overcome barriers to employment and self-sufficiency.

To meet the various financial information needs of the agency's clients, GWICET uses Consumer Action's MoneyWi\$e library of materials, which covers topics ranging from banking, budgeting and building credit to saving money and avoiding identity theft and fraud. The materials are used in both classroom and one-on-one settings. Participants who successfully complete the financial literacy training are offered individualized financial coaching, help opening a savings account and encouragement to achieve realistic savings goals.

In 2012, GWICET used a mini-grant from Consumer Action to promote personal savings through the organization's Good Sense Family Financial Stability Program, a comprehensive initiative directed at increasing low- and moderate-income families' financial capability. Using funds from the mini-grant, GWICET provided a \$100 savings incentive payment—the initial deposit needed to establish a savings account—to 30 program participants. Recipients of the incentive worked with their financial coach for a six-month period, creating and implementing a realistic budget, addressing credit and debt issues, evaluating banking options and financial products, and developing and meeting individual financial goals. At the end of the program, all savings account contributions up to \$300 qualified for a 50 percent match. Ultimately, successful participants were able to build a balance of up to \$550 over a six-month period, \$250 of which came from Consumer Action grant funds.

As Tracy Shannon, manager of GWICET's financial stability program, recalled, "During the fall of 2012, I had the good fortune of attending the Consumer Action MoneyWi\$e training in Dallas and the Consumer Action National Consumer Empowerment Conference in Chicago. During these events I was energized by the level of enthusiasm and commitment of the Consumer Action staff and amazed by the caliber of presenters that they gathered. Consumer Action is clearly an advocate for people with barriers to financial stability."



*Nikki Roberts of Goodwill coaches Rodney Roebuck using Consumer Action's MoneyWi\$e financial literacy materials.*

## ➤ HOPES CAP, Inc.

In New Jersey's low-income neighborhoods, a combination of seemingly insurmountable obstacles allows a tragic cycle of intergenerational poverty to persist. For almost 50 years, HOPES Community Action Partnership Incorporated (HOPES) has been on the front lines to confront these complex challenges and assist individuals and families in achieving their goals. The agency operates with the mission to provide community services that respond to the social, educational and training needs of individuals in an effort to overcome barriers to self-sufficiency and fight the causes of poverty. Focusing on Hudson and Union counties, two of the nation's most densely populated counties, HOPES serves over 3,500 clients each year through early childhood education, youth and adult academic and professional development programs, senior services and community assistance programs, including financial literacy training.

"Our ultimate goal is to identify all the challenges our clients face and address them collectively," says HOPES President/CEO Ora Welch. "We are also proud to provide programs in response to identified community needs and do not duplicate services provided by other agencies in an effort to maximize the resources available to those with limited means in our community."



*Evelyn Mercado of HOPES CAP provides one-on-one financial counseling to a client.*

HOPES has been utilizing MoneyWi\$e materials and modules to enhance its financial education programs since 2010. The agency has reached more than 500 individuals with funding and support from Consumer Action to address common areas of need such as learning the basics of banking, establishing and using credit, managing money wisely, recognizing and avoiding elder fraud and identity theft—all of which bring families one step closer to self-sufficiency and financial independence.

"The ongoing support from Consumer Action has been essential to our continued success as a provider of financial education programming," said Evelyn Mercado, HOPES' Community Services Manager. "We have been able to significantly increase the number of clients we reach each year, develop new partnerships with agencies throughout our service area, and enhance the quality of the content we use to educate low-income families on the importance of smart money management."

Welch echoed this sentiment. "Financial literacy is something many of us take for granted, and we are so thankful to Consumer Action that we can continue providing these services to the community."



## Donors and supporters

### 41st anniversary sponsors

#### *Underwriter*

Capital One | Citi | Credit.com | Google | TracFone

#### *Leadership Circle*

Philip and Janice Levin Foundation | Microsoft | Visa

#### *Benefactor*

Allstate | American Express Company | AT&T | Bank of America | Chase Blueprint | Bill Imada | DIRECTV | Time Warner Cable | VantageScore Solutions, LLC

#### *Sponsor*

Amazon.com | Cuneo Gilbert & LaDuca, LLP | Fan Freedom Project | CTIA | The Hastings Group | Mortgage Bankers Association | Walmart

#### *Patron*

CAPA (Certified Automotive Parts Association) | eBay | Identity Theft 911 | MasterCard | Money Management International

#### *Special Friend*

Amplify | James S. Beck | Certified Financial Planner Board of Standards | Comcast | CopyCopies | DCI Group | Donovan Axler, LLC | Facebook | Neil Gendel | Greeting Card Association | In memory of Eugene Coleman, Chairman of Consumer Action | SoundBite Communications | VOX Global | Western Union Financial Services

#### *Supporter*

Paul Bland | Marsha N. Cohen | Consumers First, Inc. | Consumers Union | CUNA Mutual Group | Dr. Irene Leech | PNC Bank | United Policyholders

### Educational partners

American Express | Amplify Public Affairs | AT&T | Bank of America Charitable Foundation | California Consumer Protection Foundation | California Department of Insurance | Capital One | Chase Blueprint | Citi | Facebook | Federal Trade Commission (FTC) | Google | The Hastings Group | Microsoft | The Rose Foundation | Electronic Payments Coalition | Sage Communications | Securities Investor Protection Corporation (SIPC) | TracFone Wireless | UniRush | UPS | U.S. Department of Housing and Urban Development (HUD) | VantageScore Solutions | Verizon | Visa

### Cy pres awards

Griego v. Rent-A-Center | IB Global Settlement Fund | Gonzales v. Arrow Financial Services | Crowley v. Chase Groveunder v. Blue Cross | Molly White v. Cellco Partnership | Title and Escrow Consumer Education and Outreach Corporation | California Insurance Education Project v. Lockyer



## Coalitions

Americans for Financial Reform (AFR) | Auto Insurance LMI Working Group (CFA) | California Reinvestment Coalition (CRC) | California Consumer Affairs Association (CCAA) | Campaign to Stop Gun Violence | Coalition for Patient Privacy | Coalition for Quality Credit Counseling (CQCC) | Consumer Federation of California (CFC) | Consumer Financial Protection Bureau Complaint Process Committee | Consumer Financial Protection Bureau Task Force (AFR) | Consumer Labor Coalition (National Consumers League) | Consumer Policy Solutions Roundtable | Credit Card Working Group | Digital Due Process Coalition | Digital Privacy and Security Working Group | EPIC Privacy Coalition | Fair Arbitration Now Coalition | Fan Freedom Project | Foreclosure Prevention Task Force (AFR) | For-profit College Loans Reform Working Group | Fraud Alliance | Get Older Adults onLine (GOAL) | High Cost Credit/Payday Loan Coalition (Consumer Federation of America) | Identity Theft Prevention Coalition | Independent Foreclosure Review Committee (AFR) | Inland Empire Disabilities Collaborative | Lifeline Coalition | Medicaid Coalition | Mortgage Reform Task Force (AFR) | National CAPACD | National Partnership for Women and Families Consumer Privacy eHealth Working Group | Online Subscription Upselling Working Group | Postal Consumer Council | Privacy Working Group | Protect Your Identity Week | Safe Checking Working Group (Pew) | Safe Rental Car Coalition | San Diego Veterans Coalition | San Francisco Smart Money Network | Southeast Asia Resource Action Center (SEARAC) | Student Loan Reform Coalition | Transatlantic Consumer Dialogue | U.S. Department of the Treasury's GoDirect Campaign | We Need to Know | Working Group to End Tax Strategy Patents

## Statement of activities

**Year ended March 31, 2013** (With comparative totals for the year ending March 31, 2012)

	<i>Unrestricted</i>	<i>Temporarily Restricted</i>	<u><i>Total</i></u>	
			<i>2013</i>	<i>2012</i>
<i>Support and revenue</i>				
Support				
Individual contributions	\$ 630	\$	\$ 630	\$ 1,160
Foundation and corporate grants	469,189	3,253,994	3,723,183	1,367,993
Government grants	380,003		380,003	619,987
Special event:				
Donations	143,740			
Admission	1,860			
Special event revenue	145,600			
Less: cost of direct benefits to donors	(13,402)			
Special event, net	132,198		132,198	114,607
Total Support	982,020	3,253,994	4,236,014	2,103,747
Revenue				
Membership dues	3,873		3,873	4,770
Fee for service	9,401		9,401	-
Interest income	48,148		48,148	57,130
Miscellaneous	300		300	-
Total Revenue	61,722	-	61,722	61,900
Net assets released from restrictions	2,105,943	(2,105,943)	-	-
Total Support and Revenue	3,149,685	1,148,051	4,297,736	2,165,647
<i>Expenses</i>				
Program	2,408,321		2,408,321	2,905,292
General and administrative	530,066		530,066	601,278
Fundraising	141,639		141,639	189,791
Total Expenses	3,080,026	-	3,080,026	3,696,361
Change in Net Assets	69,659	1,148,051	1,217,710	(1,530,714)
Net assets, beginning of year	947,921	5,200,254	6,148,175	7,678,889
Net assets, end of year	\$ 1,017,580	\$ 6,348,305	\$ 7,365,885	\$ 6,148,175

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*Support*

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*Consumer Action* has been a champion of underrepresented consumers nationwide since 1971. A non-profit 501(c)(3) organization, Consumer Action focuses on consumer education that empowers low- and 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 consumer education materials in multiple languages, a free national hotline, a comprehensive website ([www.consumer-action.org](http://www.consumer-action.org)) and annual surveys of financial and consumer services, Consumer Action helps consumers assert their rights in the marketplace and make financially savvy choices. Nearly 7,500 community and grassroots organizations benefit annually from its extensive outreach programs, training materials and support.

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