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From the Executive Director

Dear Friends,

Even after leading Consumer Action for more than three decades, I am in awe of the breadth and scope of the work that our relatively small staff is able to accomplish each year.

Take for instance our National Consumer Empowerment Conference, which as of this writing is in its fifth year. Just a few short years ago the National Conference was just an idea. But thanks to the hard work of our staff it has grown into a great event that convenes our most effective community group partners, consumer education experts and advocates, legislative, regulatory and industry representatives and other key stakeholders to address critical consumer issues and share best practices in community-based consumer education and empowerment. With sponsorships from our educational partners, we are able to pay the travel and lodging costs to attend the conference for more than 75 representatives from our national network of community-based organizations. Our National Consumer Empowerment Conference takes consumer outreach and consumer literacy training to the next level by providing community-based organizations (CBOs) in our nationwide network with the rare opportunity to learn from some of the country's top community educators and subject matter experts and to network with other adult consumer education providers.

Another highlight of the year was the creation of our Class Action Database. Consumer Action developed this listing of notable class actions and settlements so that interested consumers can learn more, join a pending action or make a claim to settlement funds. The new database allows consumers to see upcoming claims deadlines and to click through to official class action materials and settlement information. Take a look: <http://www.consumer-action.org/lawsuits>. Class actions are an important component of consumer protection because they root out corporate misconduct. A single class action complainant can have a big impact on how business is done, whereas a single complaint to regulators or law enforcement might not result in individualized attention or resolution. Class actions offer a remedy for consumers without the heavy costs of individual litigation.

The year also saw a significant new addition to our family of websites, RespectMyDNT.org, aimed at giving consumers practical information on Do Not Track (DNT), the still undefined tool that would help consumers limit online tracking. The free website provides consumers with an overview of the issues around Do Not Track, such as how the online tracking ecosystem works and why advertisers and marketers have thus far refused to honor DNT signals from users. It also encourages consumers to get involved in the issue by sending messages to Congress on key bills related to online tracking and DNT and provides a blog with insight and commentary on the latest concerns.

I've only managed to highlight a few of the efforts I'm so proud of. I invite you to read on and learn much more about our work in the past year.

Cheers,



Ken McEldowney



The year in review

Advocacy

Consumer Action's advocacy staff in Washington, DC and California carried on the fight for reform in areas such as consumer privacy, binding arbitration, student loans and mortgage servicing while simultaneously helping push other issues, including Social Security benefits and debt purchasing, into the spotlight.

Consumer Action has been an advocate of the Consumer Financial Protection Bureau (CFPB) since even before it was officially established, and we have remained committed to its success. It was, therefore, a satisfying victory and a great relief when on July 16, after more than two years of political gridlock and countless hours of active support by consumer advocates, the Senate voted to confirm Richard Cordray as director of the Consumer Financial Protection Bureau. Cordray had been serving as CFPB director since his recess appointment by President Barack Obama in January 2012. As of July, he started a five-year term as head of the consumer watchdog agency. If not for the hard fight by consumer advocates and the influence of the media, the outcome might have been grim. On the day of the vote, consumer advocates sent Senate Majority Leader Harry Reid (D-NV) more than 160,000 signatures they had collected from citizens in favor of Cordray's confirmation. Consumer Action, as an active member of Americans for Financial Reform (AFR), has spent countless hours working to ensure that the agency can live up to its promise and push back against forces that would like to destroy it—so far successfully.

Early in the fiscal year, Consumer Action's Ruth Susswein, the organization's deputy director of national priorities and our CFPB liaison, traveled to Des Moines, IA to participate in a Consumer Financial Protection Bureau field hearing. At the event, Cordray announced a major expansion of the agency's public complaint database to include all financial products and services that the CFPB supervises, including mortgages, student loans, bank accounts and more. Until recently, consumers only had access to credit card complaint data. Susswein, who has led a coalition of consumer groups working to ensure that the complaint data the CFPB shares with the public is as comprehensive and useful to consumers as possible, was invited to speak on the value of the public database as part of a panel of consumer, corporate and academic experts. While pleased with the expansion of database categories, Susswein reiterated Consumer Action's and other advocates' recommendation to also include the narrative of each complaint—non-personal but specific details that would help consumers judge a complaint's validity and avoid problems themselves. As support for the argument, Consumer Action conducted an online survey to provide the Bureau with direct consumer responses regarding the CFPB complaint process. The added narrative would not only help consumers make informed choices, it would allow the public as well as the CFPB to identify harmful and/or discriminatory patterns of business practices.

Consumer Action continued to write formal comments on issues before the Bureau, as well as meet regularly with Cordray and other advocates on a host of consumer issues. We also met frequently with top CFPB staff gathering information prior to issuing rules on many financial products and services, including debt collection, mortgage servicing, credit cards, servicemember concerns, student loans and payday loan issues, among many other important financial services issues.





“CFPB Watch” was added to Consumer Action’s monthly newsletter chronicling our activities. The regular feature will provide updates of the Bureau’s key initiatives and enforcement actions as well as our activities and involvement with the agency.

Federal legislation and regulation

Throughout the fiscal year, Consumer Action lent its support to those pieces of federal legislation that promised to protect consumers’ privacy, improve their economic stability, preserve their rights in the marketplace and keep them and their families safe, and opposed attempts to make anti-consumer practices acceptable under the law.

These are just a few of Consumer Action’s legislative efforts:

- Urged legislators to pass the Raechel and Jacqueline Houck Safe Rental Car Act of 2013 to keep recalled rental cars that threaten consumers’ safety off the road
- Joined the Alliance for Justice and dozens of advocacy and legal rights organizations in support of the Arbitration Fairness Act of 2013 (S. 878), which would end the growing predatory practice of forcing non-union employees, consumers and small businesses to sign away their Constitutional rights to legal protections and access to federal and state courts
- Protested the Dairy Security Act, which would raise milk and dairy prices for consumers by imposing limits on milk production and negatively impact federal nutrition assistance programs and the millions of low-income families that depend on them
- Wrote to the leaders of the Senate Committee on Banking, Housing, and Urban Affairs in support of the Medical Debt Responsibility Act of 2013, which would require credit agencies to remove fully paid or settled medical debt from consumers’ credit reports within 45 days
- Wrote to the Office of the Comptroller of the Currency (OCC), regulator of banks that sell defaulted credit card accounts and loans to debt buyers, urging the agency to issue best practices for selling debt that include solid documentation that the consumer actually owes the money

During National Telephone Discount Lifeline Awareness Week (Sept. 9-15, 2013), Consumer Action and other prominent advocacy organizations kicked off a campaign to save the low-income phone subsidy program. The program had been under attack by conservative factions, who claimed fraud is rampant, especially for wireless Lifeline. Lifeline proponents believe that this crucial subsidy that keeps low-income families connected to government services, job opportunities and E-911 is too valuable to become a political football.

We also lent our voice to a campaign with the Progressive Change Campaign Committee (PCCC) to reshape the debate around Social Security. The campaign has been pushing back against proposed cuts to the crucial federal program and working to expand the benefits in coming years with efforts that include “scrapping the cap”—mandating Social Security paycheck deductions on earnings over \$113,700 in order to make everyone pay the same rate into the fund. (At the time of this report, well over a million progressives, including Consumer Action members, have signed on to the petition calling on Congress to expand Social Security benefits.)



› Coalitions

Consumer Action's advocacy staff often works in coalition with other organizations and advocates so that we can weigh in on important issues effectively and efficiently. We are grateful to our coalition partners for the work they do to concentrate the community's focus on a particular problem and create alliances among organizations that might not normally work together. During the 2013-2014 fiscal year, Consumer Action was a member of nearly 50 national and state coalitions (see full list at the end of this report).

Here are a few highlights of our coalition efforts during FY2014:

- Urged the new U.S. Securities and Exchange Commission (SEC) chairman to review and restrict pre-dispute binding mandatory arbitration in securities contracts—a system of questionable neutrality that also harms investors by forcing them to pay high filing and hourly fees
- Joined in asking the Federal Deposit Insurance Corporation (FDIC) and the OCC to create urgently needed provisions to address bank payday lending and signed on to a letter to federal bank regulators, the U.S. Department of Justice and the Federal Trade Commission (FTC) spearheaded by the National Consumer Law Center. It urged federal regulators to stop banks and payment processors from helping Internet and tribal payday lenders collect illegal payments by debiting consumer accounts
- Pressed the Federal Communications Commission (FCC) to: protect telecom customers' private information by requiring telecom carriers to adopt more stringent security measures; ensure that third-party television and media devices are as compatible with technology as devices supplied by cable companies; and take regulatory action to protect consumers from wireless cramming (the addition of unauthorized charges on a mobile phone bill)
- Joined Public Knowledge and the Writer's Guild of America-West in opposing the proposed acquisition by AT&T of prepaid mobile carrier Leap Wireless, a provider of low-cost and prepaid wireless service options to millions of wireless subscribers including low-income, immigrant and minority consumers
- United with a number of leading consumer groups in a "friend of the court" (amicus) brief in support of a legal challenge by several businesses to a New York state law that prohibits retailers from imposing credit card surcharges but allows them to offer discounts to customers paying cash, which has the effect of hiding the cost to merchants when customers pay with credit cards

Housing

Consumer Action was involved in frequent conversations and meetings with the CFPB to share homeowners' experiences and suggest strategies to communicate and educate them on the new mortgage servicing rules that require servicers to intervene early to help struggling homeowners avoid foreclosure and to evaluate all applicants for loan modifications.

At the same time, we raised the issue of language access for limited-English-speaking homeowners seeking mortgage modifications and a better understanding of their new mortgage servicing rights. At the CFPB's request, Consumer Action proofread and edited the Korean and Tagalog translations of related consumer education materials.



➤ In coalition with other advocates, we met with officials from key government agencies and members of Congress to push for accountability of mortgage lenders and servicers, and fought for billions of dollars in settlement funds to go to those homeowners most in need of assistance. We also signed on to a Freedom of Information Act (FOIA) request to compel disclosure of the settlement details and make public the breakdown of which homeowners in which communities were getting relief from foreclosure.

Consumer Action continued to push for mortgage principal reduction as the primary solution for those in need of loan modification. We advocated for leftover settlement funds that were unable to reach deserving homeowners to go toward HUD-approved housing counseling efforts (we had been urging Congress to increase 2015 federal funding for counseling programs), and urged further outreach efforts to find borrowers eligible for compensatory mortgage funds. We also examined creative ways for communities to prevent mass foreclosures and neighborhood decline, such as through eminent domain, and joined the Housing and Economic Rights Advocates (HERA) to demand “immediate federal intervention” to rebalance the housing market in favor of qualified borrowers who can’t get affordable mortgage loans because of tightened lending standards and the activities of “flipper” investors in low-cost neighborhoods.

Along with other advocates, Consumer Action called for the speedy confirmation of Rep. Mel Watt (D-NC) as the head of the Federal Housing Finance Agency (FHFA), which oversees Fannie Mae and Freddie Mac, citing Watt’s extensive qualifications and the critical need for housing finance reform. (Watt was confirmed in December 2013.) As the CFPB and FHFA work to create a national mortgage database, we are watching to ensure that the data they collect is publicly available and understandable.

With the government’s Home Affordable Modification Program (HAMP) extended through 2016, Consumer Action staff met with federal housing officials to address safety nets for families whose HAMP-modified mortgage rates were set to rise, putting them once again at risk of foreclosure. To provide relief to consumers who were forced to short sale their homes as a result of the housing bubble, we supported calls to Congress to pass several pending bills to postpone the expiration of the Mortgage Forgiveness Debt Relief Act and extend tax breaks for homeowners with loan modifications.

Student loans

As outstanding student loan debt in the U.S. approached \$1 trillion in the first half of 2013 and many feared that the enormous outstanding student debt could trigger the next big U.S. economic fiasco, Consumer Action continued its support for increased higher education lending regulation, especially in the for-profit college sector. (Students at for-profit colleges represent only about 13 percent of the total higher education population, yet account for nearly half of all federal loan defaults.)

In late February 2014, Linda Sherry, Consumer Action’s director of national priorities, visited the Office of Budget & Management to urge the release of a strong draft rule by the Obama Administration’s Department of Education, including the establishment of “gainful employment” rules for vocational and educational programs that claim to prepare students for jobs. This provision would ensure that for-profit career education colleges deliver on their promise that students can find employment in the fields they are studying for. Private student loans, in particular, can leave struggling borrowers with few options for relief if they find themselves unemployed. As part of a collaborative effort spearheaded by the National Consumer Law Center, Consumer Action collected stories from student loan borrowers burdened by



› unaffordable debt as proof of the need for improved borrower protections. (The final rule, issued in November 2014, was not as strong as advocates would have liked.)

Consumer Action supported the following student loan legislation:

Fairness for Struggling Students Act of 2013. S. 114 revises federal bankruptcy law with respect to private student loans to incorporate the language that was in place before 2005. Before 2005, private student loans were dischargeable in bankruptcy like most other forms of private debt. The law was changed to give private student loans the same privileged bankruptcy treatment as government loans, even though private student loans often have double-digit interest rates and have no income-based repayment options. (Currently in committee.)

Know Before You Owe Private Student Loan Act of 2013. H.R. 3612 and S.113 seek to amend the Truth in Lending Act and the Higher Education Act of 1965 to require schools to counsel students before they sign on to expensive, even unnecessary, private student loan debt and inform them if they have any untapped federal loan eligibility. (Currently both bills are in committee.)

Student Loan Borrower Bill of Rights. As a growing number of students look to finance education through private loans, it has become increasingly clear that private loan servicing standards are in need of reform to ensure borrowers are informed and can access basic information about their loans. S. 1803 would ensure that students are provided clear and honest information about how much they owe and what their repayment options are. (Currently in committee.)

We also responded to a Consumer Financial Protection Bureau request for input regarding an initiative to promote student loan affordability with the recommendation that the CFPB meet five essential criteria when considering a modification program: affordability, preservation of borrower protections, enforceability, efficiency and scale, and fairness.

Privacy

“Do not track!” was the loud and clear message heard in a May 2013 survey of 1,000 U.S. consumers that Consumer Action conducted as part of a larger Do Not Track public education campaign. Do Not Track (DNT) is a browser signal that consumers can turn on or off that tells online advertisers and marketers not to track them as they surf the Internet. The results of the survey, which sought to examine consumer attitudes about behavioral tracking online by advertisers, indicated that there is widespread confusion as to the extent of online tracking and the existence of consumer privacy protections, and that most consumers want browsers to be set to Do Not Track by default. (Read the press release and link to a PDF summary of the poll findings: www.consumer-action.org/press/articles/no_tracking_for_any_reason.)

Consumer Action followed up the survey by convening a late-June Do Not Track forum at the National Press Club in Washington, DC. The DNT conference featured technology experts, academics, industry representatives and privacy advocates. Community-based organizations in Consumer Action’s national network participated in the daylong event, which included an advocates-only meeting to brainstorm about next steps for the future of online consumer controls and privacy.

As part of the campaign, Consumer Action in September added a new educational website, RespectMyDNT.org, to its suite of topic-specific sites. RespectMyDNT.org informs consumers about the ways they are tracked online and gives them the opportunity to have an active voice on this issue by sending emails to elected officials and policymakers and signing onto petitions and other grassroots actions. A blog

➤ offers insight and commentary on the latest concerns. Three short videos on DNT, produced by Consumer Action with Knowlera/MonkeySee, can be viewed on the site or on Consumer Action's YouTube Channel. The three "shorts" are: "What's Online Tracking?," "Online Tracking Protections" and "Practical Online Privacy Tips." The RespectMyDNT project is a joint consumer education project funded by Microsoft.

In late October 2013, Consumer Action crossed the pond when we again sent Michelle De Mooy to attend the annual meeting of the Transatlantic Consumer Dialogue (TACD), held in Brussels. The TACD, a consortium of consumer groups from the EU and the United States, meets annually in person and regularly by phone to monitor global policy affecting consumers. Consumer Action has been a member for more than a decade, attending meetings on both sides of the Atlantic and actively participating in drafting resolutions on consumer financial and privacy matters. The 2013 meeting focused on the Transatlantic Trade and Investment Partnership (TTIP), a proposed trade agreement that seeks to remove regulatory differences between the U.S. and European nations. TACD members have been monitoring the progress of the trade agreement because of concerns that anti-consumer policies will be added to the agreement, weakening consumer, health, safety, privacy, environmental and other public interest policies.

We also added our voice to the call for President Barack Obama to finish the job of creating a consumer privacy bill of rights, which he promised two years ago, in early 2012. And we joined consumer and privacy groups asking the Office of Science and Technology Policy (OSTP) to establish an open comment period during which consumers could provide feedback on policies that fail to protect their privacy (in response to a January speech by President Obama during which he announced that his administration would conduct a comprehensive review of "big data" collection and its implications for privacy, the economy and public policy).

California

In our home state, Consumer Action continued its collaboration with groups such as the Consumer Federation of California, the California Reinvestment Coalition and the East Bay Community Law Center to support pro-consumer legislation and oppose bills harmful to California consumers. Among the bills we supported were those that would: rein in fees on campus debit cards, require auto dealerships to repair safety defects before they sell vehicles under recall, and label food with genetically modified ingredients.

Another bill Consumer Action strongly supported was SB 962, known as the "kill switch" bill. The legislation requires the inclusion of a mechanism for consumers to remotely disable a stolen smartphone. The impetus for the legislation was the alarming increase in cell phone thefts, many of which had resulted in injury to the victim. By rendering stolen phones useless, the built-in "kill switch" would presumably serve as a deterrent to thieves. (Despite opposition from industry groups, California Governor Jerry Brown signed the bill in August 2014. The new requirements will apply to smartphones manufactured after July 1, 2015, and sold in California.)

We worked hard to help pass the Fair Debt Buyers Practices Act (SB 233), which as of 2014 guarantees new rights for consumers dealing with debt buyers. Signed in July 2013, the new law requires debt buyers to prove that they own the debt in question, forces them to provide consumers who request it with a copy of the original contract or other documentary evidence, and prohibits a debt buyer from bringing a lawsuit for debts when the statute of limitations has expired.



➤ Consumer Action's consumer services manager and legislative liaison Joe Ridout was honored at the Consumer Federation of California's annual Legislative Reception for his work to help stop the anti-consumer Proposition 33, which would have allowed auto insurers to raise insurance rates whenever consumers let their policies lapse. Although Mercury Insurance billionaire George Joseph spent 65 times more to back the proposition than pro-consumer forces did to fight it, the measure failed 55 percent to 45 percent. Refreshingly, the fight over Prop 33 shows that money does not always triumph over the public interest.

Consumer training and outreach

Consumer Action provides the materials and support to enable a grassroots network of more than 7,500 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 coalitions, conferences and fairs; grant interviews in English, Chinese and Spanish; and work directly with community groups and government agencies to ensure that critical consumer information reaches people who need it.

During the last fiscal year, Consumer Action's outreach team traveled to 11 cities to train more than 650 CBO staff members. Trainings in six of the cities were conducted as part of our Capital One-sponsored MoneyWi\$e program. The CBOs that were trained serve immigrants, families with children, the disabled, veterans, students, seniors, refugees, and re-entry and workforce development clients.

Consumer Action was on hand at the start of the fiscal year (April 2013) to help the U.S. Small Business Administration (SBA) and AARP kick off National Mentor Month in our own hometown. The "Encore Entrepreneurship" event, which addressed starting and financing a business in San Francisco, was part of a larger effort by the SBA and AARP to promote entrepreneurship among those age 50 and over.

For the third year, the Outreach team helped State Controller John Chiang's office kick off National Financial Literacy Month at the California State Capitol. The Financial Literacy Fair ushers in a month-long effort to highlight the importance of financial literacy and teach Americans how to establish and maintain healthy financial habits. Consumer Action staffers distributed publications and answered consumer questions. San Francisco-based Community Outreach Manager Jamie Woo was present to assist Chinese-speaking attendees. Woo was featured in the December 2013 issue of Money magazine as a Local Hero for California for her outstanding work providing financial education to immigrants in the San Francisco Bay Area. When not out in the field, Woo does most of the translations of Consumer Action publications and consumer alerts into Chinese and gives dozens of interviews to in-language media over the course of the year.

Consumer Action continued its support of the nation's servicemembers and veterans through efforts aimed at helping them make the best consumer choices and improve their financial stability. In November, we participated in a workshop sponsored by the California Consumer Affairs Association that focused on consumer protection for military servicemembers. Hosted by the California Endowment at its downtown Los Angeles office, the conference brought together the military's Judge Advocate General's Corps (JAG), law enforcement officials and consumer advocates to identify and prevent fraud and predatory practices affecting servicemembers and their families. A key topic of discussion was the Servicemembers Civil Relief Act (SCRA), the most important consumer protection available to active duty military. Also on the agenda were the Military Lending Act, and the alarming explosion of for-profit colleges inducing servicemembers and veterans to take on hefty student loans for, in many cases, virtually worthless educational programs.





For the second year in a row, Linda Williams, Consumer Action's community outreach and training manager, was invited to present at the Department of Defense's Financial Readiness Campaign at the Camp Pendleton Marine Corps Base in San Diego. The event kicked off Military Saves Week, an annual campaign to encourage military families to save money, reduce debt and build wealth by offering them relevant and timely financial education.

During the summer of 2013, Outreach team members crisscrossed California, landing in Rialto, Fresno and Oakland, to train community groups on Consumer Action's new Health Records Privacy in California educational module. The project was made possible by a grant from the Rose Foundation for Communities and the Environment. The new module presents the benefits and risks associated with electronic health records, explains how the information in health records can and can't be used and disclosed to third parties, and informs patients about their rights and the steps they can take to protect their privacy.

Also during the summer, a couple of Digital Dollars regional meetings prepared nearly 100 staff members of Washington, DC- and Oakland-area community-based organizations to teach members of their communities how to navigate the new online economy. (Visa Inc. funded the Digital Dollars project.) The Outreach team was on the road again the following spring (2014) to introduce Consumer Action's new Checking and Savings Accounts: A Wise Choice module, which encourages unbanked and underbanked consumers to get mainstream accounts and guides them through selecting, opening, using and managing the accounts. The module was created with a grant from the Rose Foundation Financial Literacy Fund.

After a 2013 study from the University of Illinois revealed that offering comprehensive financial literacy skills training to individuals re-entering society from incarceration can provide them with new life skills that help reduce repeated jail time, Consumer Action provided in-depth training to 30 participants in the City of Fontana's (California) re-entry program. All participants at the January training were re-entering on parole or probation.

For two days in January, Consumer Action joined Congressman Raul Ruiz (D-CA), a former emergency room physician, to educate seniors in his Southern California district about health care fraud. Dr. Ruiz introduced a bill in 2013 that would task the U.S. Department of Health and Human Services to work with the Department of Justice to generate a report with policy recommendations to combat the most prevalent health care schemes. The findings would be used to educate and inform senior citizens.

The fiscal year wound down with Audrey Perrott, Consumer Action's associate director of outreach and training, participating in Young Women CAN!, an event hosted by Congresswoman Jackie Speier (D-CA) at Facebook's Menlo Park corporate campus to encourage and empower high school girls ages 14-18 to pursue careers in science, technology, engineering and math (STEM). More than 150 students and parents attended, with many participating in the Teens and Money workshop presented by Perrott.

Around the same time, Consumer Action's Alegra Howard, national priorities associate in our DC office, joined more than a dozen consumer protection organizations and the Federal Trade Commission for the 2014 National Consumer Protection Week Fair at the U.S. Capitol. Local consumers and staffers from more than 50 congressional offices came through the fair, stopping to peruse our literature and learn more about the pressing consumer issues. Hill staffers reported that the issue their constituents were most concerned about is identity theft. All copies of Consumer Action's MoneyWi\$e ID Theft &



Account Fraud brochure in five languages were snatched up early in the day. Other popular Consumer Action resources pertained to children's use of cell phones and building and protecting kids' credit.

In late 2013, Consumer Action began providing guidance for a regular consumer protection feature on Spanish-language Univision 14 KDTV. The station reached out to Consumer Action and other San Francisco Bay Area groups to help identify pressing consumer issues of interest to the Latino community. The station's new live news segment "Consumidor al Día (Consumer Daily)" calls on leading experts to discuss personal finance topics and help answer questions submitted by viewers regarding consumer rights, financial challenges and possible scams. Joe Ridout, Consumer Action's consumer services manager, contributed to a segment on debt collection (<http://univision14.univision.com/videos/video/2013-12-12/deudas-y-la-cuenta-de-coleccion>).

Consumer Action's fourth annual National Consumer Empowerment Conference, held in Chicago in November 2013, brought more than 70 trainers, counselors and advocates from 22 states together to address critical consumer issues and share best practices in financial education. Capital One, Visa and Google underwrote the conference, with AT&T, Bank of America, Citi, Microsoft, TracFone, MyWireless.org and RushCard providing additional funding. This support enabled us to again pay travel and lodging costs for representatives of the community-based organizations that attended.

Publications and websites

Over the course of the year, Consumer Action filled CBO orders for 526,216 free, printed multilingual publications. Of these, 358,983 publications were part of the MoneyWi\$e library, created and distributed through our partnership with Capital One. Another 41,073 copies were for our Digital Dollars module, created with funding from Visa.

We distributed 26,820 copies of our new "Health Records Privacy in California," which included a wallet card that consumers can carry with them to medical appointments to be reminded of their privacy rights and important questions to ask providers about how their medical records are being protected.

All orders—both bulk and individual—are filled from our central mailroom in San Francisco at no charge to community groups.

Other educational offerings we developed during the year:

In October, we debuted three short videos to provide advice for consumers on how to protect their privacy online by enabling Do Not Track settings and/or using free DNT tools. The videos, "What's Online Tracking?," "Online Tracking Protections" and "Practical Online Privacy Tips," can be viewed on Consumer Action's RespectMyDNT.org website or on our YouTube channel.

In February, Consumer Action announced the availability of a new payroll card toolkit. With more and more employers adopting payroll cards (a form of prepaid card onto which the employer deposits the worker's wages), it became increasingly important to educate workers and employers on this new wage payment option. Produced in collaboration with the Network Branded Prepaid Card Association (NB-PCA), the toolkit includes separate guides for employees and employers.

Another new module—also produced with support from the Rose Foundation—went into development toward the end of the fiscal year. Checking and Savings Accounts: A Wise Choice (www.consumer-action.org/modules/module_checking_savings_accounts) promotes banking inclusion.





In partnership with Chase Blueprint, Consumer Action hosted a live online discussion of the results of a survey commissioned by Chase and conducted by the Aite Group entitled “How Have Americans’ Financial Lives Rebounded from the Recession?” As part of the September event, we published a tip sheet, “On the Rebound: Post-recession Tips for Fostering Your Personal Economic Recovery,” providing actionable tips and links to resources that consumers can begin using right away to maintain or improve their financial situation.

The two-volume *Consumer Survival: An Encyclopedia of Consumer Rights, Safety, and Protection*, to which we contributed four entries (complaint filing, telephone assistance programs, affinity fraud and telemarketing laws) hit bookstores in November. The book can be purchased on Amazon.com.

In addition to expanding our educational resources, we also updated many key components of our library including our California LifeLine guide, “How to Send Money Home: Tips for Transferring Money Abroad,” “Internet Safety: A Computer User’s Guide to Privacy and Security,” “Get Credit for Your Hard Work” (earned income tax credit) and our directory of credit-building loan programs.

We also completed the update of all 12 MoneyWi\$e brochures and leader’s guides started in the previous fiscal year. CBOs nationwide rely on these materials, produced and maintained through our partnership with Capital One, to educate their clients on a wide range of consumer and personal finance topics.

Early 2014 had many of our staff laying the groundwork for projects slated for completion in the following fiscal year. This included drafting two publications educating consumers about the impending transition away from copper-based landline telephone service to Internet-based service (known as the IP transition) or cell phones, and beginning the development of a Visa-funded module to educate service-members and veterans about alternatives to fringe and predatory financial services, how to spot and avoid scams, what special consumer rights they have under the law, and what services and resources exist to help them achieve and maintain financial security.

Consumer Action again hosted a Columbia University “virtual” intern, Krishna Hegde, who helped us create a 29-page guide to tools and information that help consumers make informed purchasing decisions. The September 2013 issue of *Consumer Action News* was devoted to the directory and related stories. Other issues of *Consumer Action News* for the 2013-2014 period focused on: peer-to-peer payments (survey, May 2013), pre-purchase resources (survey, September 2013), the Affordable Care Act (November 2013) and home-based business insurance (March 2014).

Our monthly INSIDER newsletter, in its fourth year, continued to provide subscribers and supporters with an update of Consumer Action’s activities. One regular feature provides a sampling of recent class action settlements along with a link to our Class Action Database (<http://www.consumer-action.org/lawsuits/>). Interested consumers can join the action, make a claim or just learn more about a certain lawsuit.

For FY2014, Consumer Action’s family of websites drew more than three-quarters of a million (776,234) page views. Our main website, www.consumer-action.org, had 659,865 page views by 313,714 visitors. The most popular section of the site was our Helpdesk, accounting for 71,205 unique page views. Throughout the year, we used our Consumer-Action.org home page to promote national public-interest campaigns by rotating event banners—for example, National Lifeline Awareness Week in September, Tax ID Theft Awareness Week in January and National Consumer Protection Week in March.





We ended the fiscal year with more than a thousand followers on Twitter. Combined with our nearly 1,500 Facebook fans, Consumer Action's significant and growing audience has made social media an important component of our "Take Action" advocacy efforts and an opportunity to get real-time information to consumers. News and action items we posted and tweeted about during the 2013-2014 fiscal year include class action settlements and the due dates for claims applications, efforts to pass legislation that would give consumers more control over their television channel options and monthly cable bill, and a letter-writing campaign asking Congress to outlaw forced arbitration.

Administration

San Francisco-based administration team handles many behind-the-scenes activities for Consumer Action's programs.

Over the course of last year, it maintained multiple databases to keep track of a network of 7,500 CBOs, hundreds of donors, 683 training participants and 1,387 requests for over half a million publications. These databases compile information that is crucial for our outreach and advocacy mailing lists, project reports, fundraising and foundation grant proposals.

The admin team oversaw the translation of three dozen alerts for federal agencies and 60 brochures, printed over 200,000 publications for Consumer Action's MoneyWi\$e, Digital Dollars and Health Records Privacy projects and updated hundreds of online publications.

The department made thousands of calls and sent dozens of mailings to recruit attendees for 17 community train-the-trainer events and conferences, and compiled more than 700 packets of training materials for these events.

In addition, this team is charged with our technology needs for 12 websites, several dozen computers and servers, and multiple network, backup and email systems.

Hotline

The hotline team, based in our San Francisco and Los Angeles offices, responded to 6,650 complaints and communications via phone and email. We provided referrals, advice and, when appropriate, educational materials to consumers from all 50 states and the District of Columbia. The top five states with consumer complaints were California, New York, Florida, Texas and New Jersey. The top five complaint categories were defective goods, customer service, refund/overcharges, deceptive ads/offers and tenant/landlord issues. Our multilingual hotline counselors served mostly English-speaking consumers, followed in number by Chinese- and Spanish-speaking consumers.

The Hotline team is also responsible for the ongoing maintenance of our Class Action Database (<http://www.consumer-action.org/lawsuits/>), unveiled in February 2014 to help consumers learn about class actions they can join and settlements for which they can submit claims.

Also during the fiscal year, Consumer Action's hotline staff consulted with the CFPB about providing multilingual complaint-handling services and shared wisdom from our decades-long experience operating an English-, Spanish- and Chinese-language consumer assistance help-desk. ■

2013 Consumer Excellence Awards

Consumer Action's 2013 Consumer Excellence Awards, held at the Microsoft Innovation and Policy Center in Washington, DC in late October, raised \$215,000, topping the previous year's total by \$35,000.

Money raised for the event supports our free, multilingual consumer assistance and referral hotline and our Consumer Action News and INSIDER newsletters.

The cocktail reception, attended by our staff, government officials, community partners, fellow advocates and industry representatives, celebrated Consumer Action's four decades of innovative multilingual consumer education and outreach. We also honored the recipients of our Consumer Excellence Awards. The annual awards, which recognize individuals and groups for their outstanding contributions to the education and welfare of consumers nationwide, went to:



Kathy Li of Consumer Action (left) speaks with Mee Moua of Asian Americans Advancing Justice, a 2013 Consumer Excellence Award recipient, at the organization's 42nd anniversary reception. (Photo by Stephen Baranovics)

- Luis Megid, national correspondent for Noticiero Univision, in recognition of a Spanish-language journalism career that has spanned more than three decades and earned the journalist, who informs Spanish-speakers with “news they can use,” numerous peer recognition awards and three Emmy nominations;
- U.S. Department of Justice Language Access Team, for its daily work to prevent and address discrimination in federal programs and those that receive federal funds and foster government-wide collaboration to better serve LEP (limited English proficiency) communities, including guaranteeing that language does not prevent an individual from accessing the U.S. court system; and
- Asian Americans Advancing Justice, an affiliation of four leading civil rights groups, for its effective collaboration to address the civil rights issues faced by AAPI (Asian American and Pacific Islander) and other underserved LEP communities and achieve such victories as getting counties to require voting materials in Asian languages. ■

Did you know?

That in the year ending March 31, 2014, Consumer Action . . .

- Maintained a diverse staff of 26 in San Francisco, Los Angeles and Washington, DC that collectively speaks 15 languages and/or dialects
- Filled 1,387 bulk orders from 590 community-based organizations across the country for 526,216 copies of our free, multilingual publications
- Traveled to 11 cities and trained 509 community group representatives across six project initiatives
- Responded to 6,650 complaints and communications (61 percent arriving via our website and the remainder by phone) on a variety of issues, with the top five areas of complaint being defective goods, customer service, refunds/overcharges, deceptive ads/offers and tenant/landlord issues
- Had 776,234 page views on the 10 websites we have developed and maintain
- Passed the 1,000 mark for number of Twitter followers
- Enabled 2,177 subscribers to compose their own email messages to their elected officials on topics of their own choosing
- Participated as a member of nearly 50 national and state coalitions that amplified the voice of consumers on issues ranging from bank payday lending and for-profit schools that indebt and mislead students to unfair medical debt reporting and a proposed telecom merger that would harm low-income consumers
- Enjoyed the support of 20 educational partners ranging from private foundations and financial institutions to law firms and government agencies
- Gave dozens of in-language interviews to Chinese and Spanish television, radio and print news outlets on topics ranging from consumer credit to the CFPB's new rules for remittances
- Generated 4,098 emails and letters to policymakers on a variety of topics, from student loan reform to regulating data brokers, from our subscriber list of 26,631 people
- Presented at or participated in a half-dozen conferences and panels, discussing topics including the IP transition, the CFPB's consumer complaint database and post-recession consumer financial health

Thanks to our volunteers

Since its founding, Consumer Action has benefited from the generosity of volunteers who contribute their time and effort to supporting our daily operations, assisting consumers and advancing our mission. Their activities range from performing data entry and fulfilling publication orders to answering hotline calls and helping with desktop publishing. As vital as this work is, our volunteers play an important role in the organization beyond the tasks they perform. Individually, each contributes his or her unique experience, insights and perspective. As a group, they bring the enthusiasm and initiative that volunteers bestow on the causes they choose to support.

To all our past and current volunteers, we thank you for your immeasurable contribution to our success. We couldn't have done it without you!

Hotline volunteer *Schelly Gartner*



Schelly Gartner has been a volunteer member of Consumer Action's staff for eight years. As a consumer counselor, Gartner, based in the San Francisco office, helps resolve complaints and issues for consumers from all parts of the country. She has over 11 years of experience working as a consumer advocate.

Before joining the team at Consumer Action in August 2006, she served for three years as a volunteer consumer counselor at San Francisco's KRON-TV and currently also investigates consumer complaints at KPIX-TV's ConsumerWatch. Her work resolving consumer problems has been featured in many newscasts.

In her own words:

I was born in Romania and as a child I experienced living under the threat of being deported to a camp by the Nazis, but my family was one of the lucky ones. Although always ready to leave and required to wear the star of David on our clothes, we were allowed to stay in our home, survived and later came to Los Angeles via Israel.

After attending UCLA, I followed the path of many women of my generation. I got married, had two beautiful sons, and was a homemaker. After my sons grew up and went off to college, I went to work for the California Department of Social Services, Disability Evaluation Division, for 17 years.

I was always interested in consumer stories and, being the chief purchaser for our household, I learned a lot about how to shop and choose the best products at the best price. Our family subscribed to Consumer Reports, which I still receive today. In fact, when I had to do some budget cutting, that was the only magazine subscription I kept. This was my starting point and my education in consumer rights.

Upon retirement from the State, I decided that the best way for me to volunteer and help others was to be



come a consumer advocate/counselor. In 2006, when I stepped into Joe Ridout's office at Consumer Action, I knew immediately that I wanted to dedicate my efforts at Consumer Action. It's been a joy working with the entire team in the San Francisco office. The work ethic and dedication of the Consumer Action staff is a really good fit for me.

Every week, I look forward to the challenge of helping a very diverse population solve their consumer problems. I have become an "expert" on many different subjects posed by our callers. I learn something new each and every time. What a great way to keep engaged in stimulating work while helping others.

Before I come in to the San Francisco office each week, I spend a considerable amount of time at my home computer reading the many emails in my Consumer Action account—and there are many! I've learned that this is the best way to keep up with breaking news, trends and information about what is happening in the consumer advocacy world. This has come in handy for me, because after reading an email from United Policy Holders I learned how to do a home inventory with my iPhone, and now I have documentation in case of loss.

My job is never dull, responding to consumer complaints left on our hotline. I find that callers want more than advice: They want to be heard...they want to tell their stories. So I put my listening hat on. A recent caller told me of the scam of controversial televangelist Peter Popoff and his "miracle holy spring water." The caller believed the claim that "it will wipe away all your debts" and bought the water. We have an uphill battle educating consumers that if it sounds too good to be true, it's probably a scam.

Youth staff program

Since the mid-1990s, Consumer Action has consistently participated in government, school and non-profit community programs that bring young part-time workers into our San Francisco office to support our operations. Some of these workers have come to us through newcomer programs, which eagerly send us recent immigrants because we are one of the few employers with a multicultural staff that can provide supervision in other languages and teach English office vocabulary.

The goal of these various programs is to prepare the city's youth for future employment by giving them the opportunity to develop basic but necessary job skills—from showing up on time and working well with others to using common office software and operating office equipment. To keep pace with the times, today's workers also learn how to do relevant online research and desktop publishing.

Though the major city government-sponsored youth employment programs ended some years ago, Consumer Action's headquarters is still filled with young, enthusiastic faces: A number of high schools and leadership programs require their students' to complete an internship before they can graduate, San Francisco City College's adult disability program relies on local employers



Cui Yan Xie (center) works with Consumer Action's youth staff.



to provide temporary work opportunities for their clients, and some of our young workers come to us through our own alumni, who refer siblings, cousins and friends. In recent years, we have averaged four or five young workers per week, each working an average of 15 hours. They typically stay for at least a year; many have stayed for several years. And some—Cui Yan Xie, Tasneem Pitalwala, Kinny Li, Vickie Tse and Danny Yang—have become “permanent” Consumer Action staff. (In a case of “coming full circle,” Xie, who came to us through the Mayor’s Youth Employment and Education Program, now *manages* our youth employment program.) Those who don’t stay on typically come back to visit. Many continue their friendships with each other long after moving on.

While the youth training program provides invaluable, steady office support to Consumer Action, it also provides us with an opportunity to nurture local youth and cultivate their interest in non-profit work—and hopefully bring up the next generation of consumer advocates. ■

Staff profile Angela Kwan

Angela Kwan joined Consumer Action as a part-time employee in November 2005.

As the organization’s Web manager, Kwan is responsible for posting, updating and maintaining content across Consumer Action’s suite of 10 websites. This includes conducting quality assurance tests on new site features, reviewing the HTML coding before online publications “go live,” developing guidelines for staff postings and providing related website training for staff members. Kwan also works closely with other departments within the organization, such as Outreach and the DC advocacy team, to ensure that content related to their special projects is posted on our website.

Before joining Consumer Action, Kwan worked at Adobe Systems as QA (quality assurance) engineer in Web applications, at eTrade as a project manager, and at Franklin Templeton Investments as a systems analyst/programmer.

In her own words:

Growing up in Asia, there was no agency like Consumer Action for people to learn about consumer protection or obtain good consumer resource materials so easily. Thinking back on those years in Asia, I can imagine a lot of people must have felt helpless or stuck when they were faced with certain crises in life.

I find myself very fortunate now to be working at Consumer Action—to be able to see how well our staff have developed good, clear educational materials to help people in the community to enrich their knowledge in various aspects of their lives, such as making wiser decisions in managing their money, improving their



credit, avoiding housing problems and protecting their privacy.

Not only those who speak English benefit from our materials and outreach events, but others do as well. Our multilingual publications reach a wide audience, and the value they bring to other people is immeasurable.

Though my education is in computer science, I find myself gaining a different world of knowledge in reading the consumer materials that I post on Consumer Action's websites, and am fortunate to be able to make use of my technical skills to promote the cause.

Staff profile

Michael Heffer

Michael Heffer will celebrate 40 years at Consumer Action in January 2015, and he can tell stories of the group's exploits and adventures that took place before many of the current staff were born. Heffer served for many years as editor of Consumer Action News, the organization's consumer newsletter, but he also was membership director, organization spokesperson, staff proposal writer, bookkeeper and even Consumer Action's executive director; his current position is business manager. He has seen the organization through many highs and lows.

Heffer received training to take on his first Consumer Action responsibility—editor—at the Michigan Daily of the University of Michigan, and he modeled a revised and expanded Consumer Action News on that publication. He graduated from Michigan in 1968.

In his own words:

When I joined Consumer Action in 1975 to edit the newsletter, I barely knew what a non-profit was. The 70s were tumultuous years throughout the nation, and that especially applied to consumer issues. Consumer Action, inspired by Ralph Nader and others, was staffed in part by veterans of the anti-war movement—that's the Vietnam War—and they had great confidence in the ability of everyday people to move the country forward by exposing corrupt business practices, advocating progressive laws and teaching the world about consumer rights. And what made it so rewarding for us was that we could often see tangible

results for our efforts: a progressive bill passed, a "lemon" of a used car fully refunded, an unwarranted fee returned, a hideous toupee replaced.

From its earliest days, Consumer Action had a clear identity and sense of direction that made it stand out from many short-lived contemporaries and enabled it to survive. At its base, throughout its history, Consumer Action has focused on three core complementary foundations: research, publication and education; consumer complaint resolution; and consumer advocacy before government and businesses. The early Consumer Action was best known for publishing original consumer pricing surveys, very publicly picketing businesses that refused to settle consumer complaints, and fighting for progressive legislation in Sacramento and Washington, DC.



➤ Sometimes complaints led to results through research and publishing, or even street action. In a classic case, a major San Francisco bank advertised “low bank rates” on used car loans, but a Consumer Action survey found that the bank actually had the *highest* used car loan rates. Our resulting street demonstration helped prompt an investigation by the local district attorney into potential false advertising by the bank, but more importantly, the next time we surveyed loan rates, that bank’s loans had become more competitive.

Today’s Consumer Action has built on its foundation by expanding educational efforts, working with community-based organizations to reach new immigrants, seniors and limited-English-speaking consumers with basic information on how to protect themselves and save money, and maintaining a permanent Washington, DC presence. The difference in today’s Consumer Action is that we publish our materials for free in several languages, display them on the Internet, and reach targeted consumers through a national network of partner agencies.

As an employee, I always found Consumer Action to be a great place to work. Employees had a great deal of freedom to tackle the issues staff wanted to work on, and the atmosphere was always conducive to starting up a grand old fight with any company that published false ads, failed to live up to its promises or otherwise ripped off the public. We also knew how to take our messages to the streets. Even today we hear from people who remember our classic San Francisco parade of lemon vehicles—the Lemonstration—from way back in '75. The street demonstrations may be over, but in their place is a more sophisticated sense of how to get things done and how to encourage real changes in the marketplace. And it’s still a great place to work. ■



Michael Heffer is seen at a Consumer Action anniversary event in 2003 reminiscing with a former colleague.

Feedback from CBOs

[Your event] was one of the most informative trainings I have been to since I've been here at VCE. Thanks again.

— **Katrina Kirby, Family & Consumer Sciences Extension Agent,
Virginia Cooperative Extension, Petersburg, VA**

This training is wonderful and helpful for protecting our community members.

— **Insabella Lo, Case Manager,
Bernal Heights Neighborhood Center, San Francisco, CA**

The women at the shelter were so grateful for the information that was presented...they now have knowledge on identity theft and so much more. We all appreciate your time and effort in making this happen for the women at the shelter.

— **Brenda Landeros, Bilingual Case Manager,
Ruby's Place, Inc., Hayward, CA**

I just received the MoneyWi\$e Training Materials CD. This is a wonderful tool! Your curriculum is a practical real world solution to my clients' financial needs. Thank you for all the work you do to support CBOs and the people we serve.

— **Veronica Lopez, Senior Program Officer, Asset Development,
RISE Financial Pathways, Los Angeles, CA**

Thank you so much for allowing me to attend the conference in Chicago recently. I really enjoyed meeting everyone from Consumer Action and all the attendees from the other organizations. It was a wonderful conference and I gained valuable information to utilize here at Family Service Agency. I have given a copy of all the conference material I received to each of my coworkers. We will be able to use this information to assist many of the clients we serve.

— **Ruth Holloway, Customer Service Director, Consumer Credit
Counseling Service Family Service Agency, Little Rock, AR**

Cooperative Extension Program and Holding Institute Community Center in Laredo are collaborating with a wonderful contact from your MoneyWi\$e conference last year, the Goodwill Good Choices Portal of San Antonio, TX. YEAH!

— **Crisanta Mussett, Extension Agent, Family and Consumer Sciences
Cooperative Extension Program, Prairie View A&M University, TX**

Spotlight on...

Our community-based partners

Haven Neighborhood Services

Haven Neighborhood Services of Los Angeles (Haven) provides comprehensive financial and housing counseling. Since Haven became an independent counseling agency in 2010, the four-person staff and three volunteers have relied completely on Consumer Action publications because the organization does not have a large budget for printing. The agency can be found on the Web at www.havenservices.org.

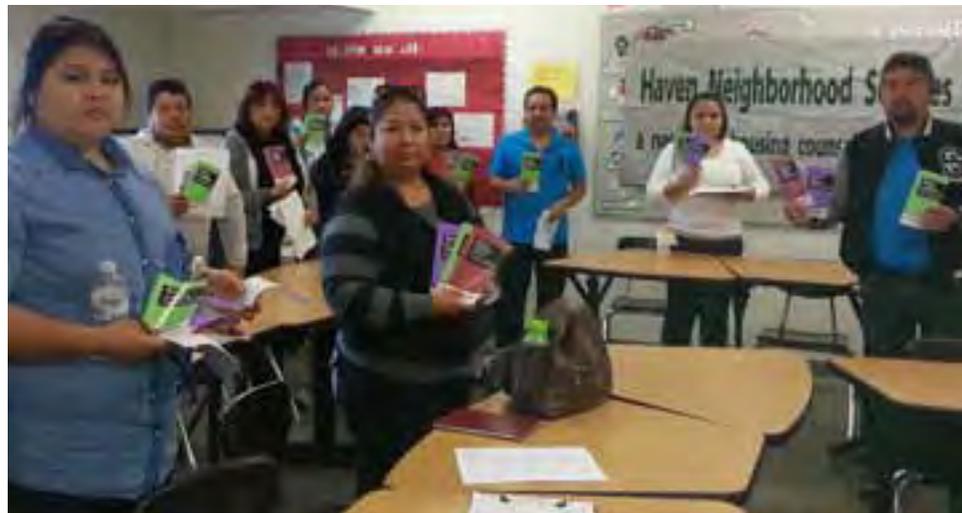
Haven's mission is to prevent homelessness by helping distressed homeowners keep their homes, assisting home buyers with affordable purchases and educating first-time buyers and potential homeowners about credit and budgeting. Counselors serve families, single moms and dads, working parents who support college students, parolees and incarcerated individuals who attend pre-release sessions to prepare for re-entry.

"I want to express our gratitude to Consumer Action for the support we have received. With the multilingual financial education materials and curriculum and teaching aids, Haven

Neighborhood Services staff has been able to bring financial education into our multilingual communities," said Erika Toriz, founder and executive director of Haven Neighborhood Services.

The agency has fully integrated all 12 MoneyWi\$e financial literacy modules and the WirelessED phone education module into its financial education and housing counseling programs. The staff has found that the Consumer Action publications are easy to understand and easily adapted to the needs of their clients. Haven staff members meet with clients in workshop settings, and they take each module and break it down into shorter workshops. After the workshops, the staff schedule one-on-one counseling sessions with clients to go over the materials and give personalized attention. The agency tracks its clients' progress on their journey to financial stability.

Partnering with two local programs (First 5 LA and STAR Education) to reach families with young and/or school-aged children, Haven also has implemented an educational program using Consumer Action's MoneyWi\$e "Teens and Money" module in the Los Angeles Unified School District and in charter schools in the cities of Los Angeles and Maywood. ■



A MoneyWi\$e class at Haven Neighborhood Services in Los Angeles



➤ Easter Seals Central Texas

In 2010, the U.S. Census Bureau estimated that over 57 million Americans have a disability. People with disabilities are the nation's largest minority group, and the only group that any person can join at any time. To meet the needs of children and adults with disabilities, Easter Seals Central Texas (ESCT) provides critical, patient-centered services to 21 counties in Central Texas. The agency can be found on the Web at www.easterseals.com/centraltx/.



Using Consumer Action's MoneyWi\$e program at Easter Seals Central Texas

ESCT provides these services through the following four program areas: Community and Housing Services, Comprehensive Outpatient Rehabilitation, Early Childhood Intervention and Workforce Development. Serving more than 8,500 people with disabilities and their families each year, ESCT is focused on every person having equal access and opportunities in their community. ESCT has served the community for more than 77 years and continues to promote independence and create opportunities for people with disabilities to pursue their hopes and dreams.

As an integral component of the Community and Housing Services department, Easter Seals Central Texas' Home of Your Own program (HOYO) provides financial support to people with disabilities and their families to help cover the initial costs of homeownership. In order to initiate the home buying process with financial support from HOYO, individuals must attend a monthly orientation, which incorporates Consumer Action's financial literacy modules. ESCT utilizes these modules in HOYO classes, which cover topics includ-

ing repairing credit, paying down debt and saving money. Successful performance in the HOYO program is measured in several ways, including individuals adding money to a savings account to increase their financial stability, initiating a plan to pay down debt and establishing a budget/spending plan. Through these classes, with the added value of Consumer Action's financial literacy modules, program participants learn valuable financial strategies and are on their way to completing the homeownership process.

Another ESCT program that benefits from the use of Consumer Action's materials is Paid Job Training. Over the past 25 years, ESCT has employed thousands of adults with disabilities and other barriers to employment in the Paid Job Training program. Participants in the program also benefit from the financial literacy modules, which complement their newly acquired job skills with tools to manage the funds they work hard to earn. Individuals attend training classes and are offered one-on-one counseling to enhance their newly acquired financial management knowledge. All participants receive follow-up phone calls to measure how the training has impacted their lives.

Through the use of Consumer Action's MoneyWi\$e modules, ESCT programs have become more effective and valuable to the program participants, who have benefited greatly. The modules proved to be an added component that provided much needed knowledge and skills for the individuals attending trainings in both HOYO and Paid Job Training. The new financial management skills provided program participants the confidence to navigate through the homeownership process, achieve financial stability and greater independence in their lives. ■

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42nd anniversary sponsors (2013)

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Cy pres awards

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



Coalitions

Alliance for Justice (AFJ) | Americans for Financial Reform (AFR) | Auto Insurance LMI Working Group (CFA) | California Latinos for Economic Justice | California Reinvestment Coalition (CRC) | CFPB Consumer Complaint Process Committee (AFR) | California Consumer Affairs Association (CCAA) | Coalition for Patient Privacy | Coalition for Quality Credit Counseling (CQCC) | Consumer Federation of California (CFC) | Consumer Financial Protection Bureau Task Force (AFR) | Consumer Labor Coalition (National Consumers League) | Consumer Policy Solutions Roundtable | Consumer Relations Consortium | Digital Due Process Coalition | Digital Privacy and Security Working Group | EPIC Privacy Coalition | Fair Arbitration Now (FAN) Coalition | Fan Freedom Project | For-profit College Loans Reform Working Group | Foreclosure Prevention Task Force (AFR) | Fraud Alliance | Get Older Adults onLine (GOAL) | High Cost Credit/Payday Loan Coalition (CFA) | Identity Theft Prevention Coalition | Independent Foreclosure Review Committee (AFR) | Inland Empire Disabilities Collaborative | Internet Privacy Working Group | Lifeline Coalition | Mortgage Reform Task Force (AFR) | National Coalition for Asian Pacific American Community Development | National Community Reinvestment Coalition (NCRC) | National Consumer Protection Week Partners | National Cyber Security Alliance | National Partnership for Women and Families Consumer Privacy eHealth Working Group | Postal Consumer Council | Privacy Group (Center for Digital Democracy) | 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 (TACD) | Univision Consumer Protection Committee | Veterans Financial Coalition | We Need to Know

Statement of activities

Year ended March 31, 2014

| | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>Total 2014</u> |
|---|---------------------|-----------------------------------|-----------------------|
| <i>Support and revenue</i> | | | |
| Grants and contributions | \$ 2,045 | \$ 2,673,369 | \$ 2,675,414 |
| Fundraising event income, net | 225,925 | - | 225,925 |
| Interest and other income | 41,552 | - | 41,552 |
| Net assets released from restriction: | | | |
| Purpose or time restrictions met | <u>2,571,582</u> | <u>(2,571,582)</u> | <u>-</u> |
| Total support and revenue | <u>2,841,104</u> | <u>101,787</u> | <u>2,942,891</u> |
| <i>Expenses</i> | | | |
| Program services | 2,317,489 | - | 2,317,489 |
| Supporting services: | | | |
| Administration | 560,886 | - | 560,886 |
| Fundraising | <u>145,053</u> | <u>-</u> | <u>145,053</u> |
| Total expenses | <u>3,023,428</u> | <u>-</u> | <u>3,023,428</u> |
| Change in net assets | (182,324) | 101,787 | (80,537) |
| Beginning net assets, as originally reported | 1,017,581 | 6,348,305 | 7,365,886 |
| Restatement* | <u>-</u> | <u>100,000</u> | <u>100,000</u> |
| Beginning net assets, as restated | <u>1,017,581</u> | <u>6,448,305</u> | <u>7,465,886</u> |
| Ending net assets | <u>\$ 835,257</u> | <u>\$ 6,550,092</u> | <u>\$ 7,385,349</u> |

*As the result of recording an unconditional grant commitment in the incorrect period.

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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) and annual surveys of financial and consumer services, Consumer Action helps consumers assert their rights in the marketplace and make financially savvy choices. Just over 7,500 community and grassroots organizations benefit annually from its extensive outreach programs, training materials and support.

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