

# Community Financial Resources

*Providing tools for economic empowerment*

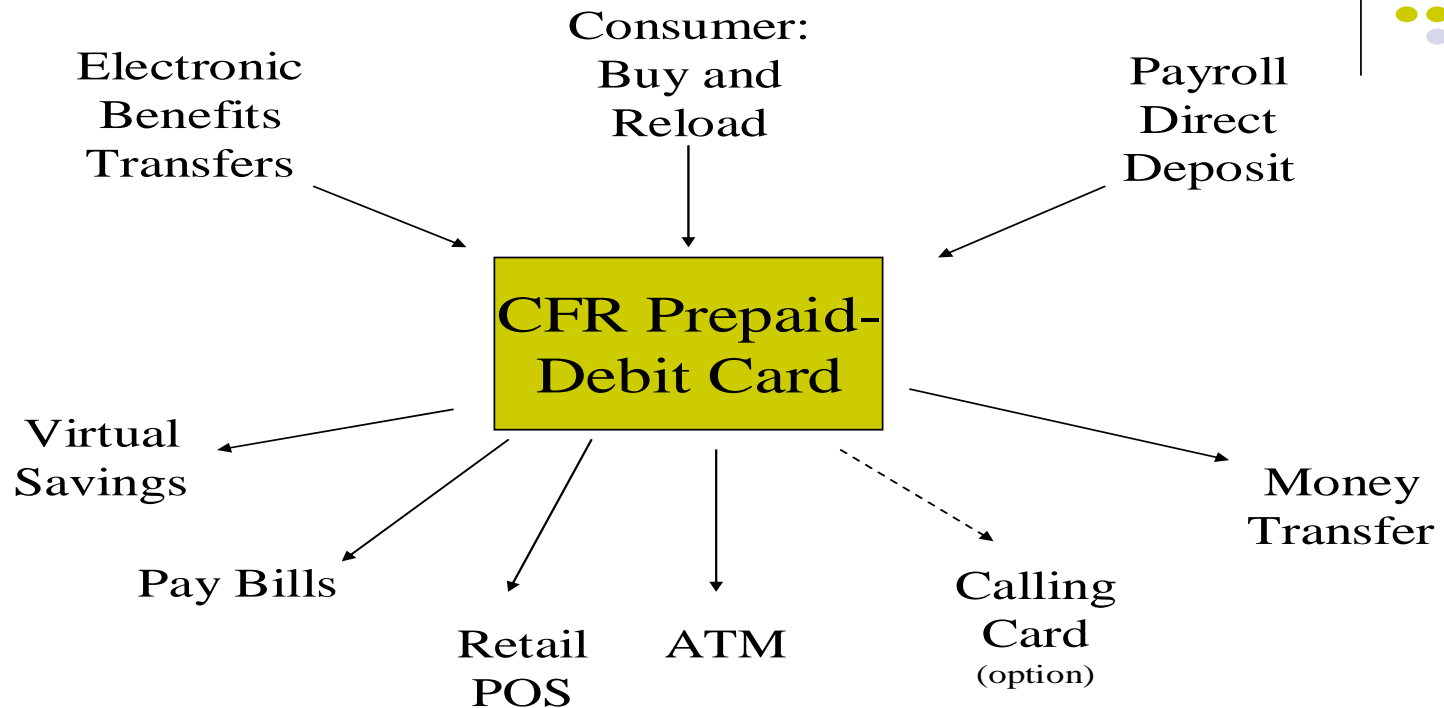
## Distributing Prepaid Debit Cards through Worker Centers

Presented by:  
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# Worker Center Card Program

- Partnership between CFR, Center for Community Change, NDLON, Enlace, and Interfaith Worker Justice
- 140 Worker Centers reaching 3 million households
- Test the feasibility of using prepaid debit cards to meet the financial services needs of the Worker Centers constituencies.

# Prepaid Debit Card Capabilities



# Program Phases

- R&D phase: 481 surveys, 4 focus groups, geo-market assessment, vendor due diligence
- Product and pricing negotiations
- Pilot phase: 8 sites testing marketing strategies, product functionality & support requirements, and consumer education
- Expansion

# Research Goals

- Identify current financial needs, practices, and aspirations
- Measure current consumer costs and test price sensitivities
- Gauge consumer acceptance of prepaid debit cards
- Develop card program requirements

# Worker Center Constituents

- 95% immigrants—mostly Latino
- 81% send money home

Median annual income = \$15,600

Median annual remittances = \$ 3,516

Median annual savings = \$ 3,468

- Avg. cost for financial services = \$12 - \$39/mo.

# What is Underbanked?

Survey group ~50% banked

Of the banked workers:

- Only 12% used their bank to send money
- Over 1/3 still used check-cashers
- Over 1/4 still bought money orders

Major issue: resolving service problems

# Worker Financial Needs

- A place to store money
- A way to conduct transactions
- A way to transfer money
- Portability

Qualifications: Low-cost, easy to understand,  
no minimum balance

# Financial Aspirations

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- Investments— a way to “make my money grow”
- Access to credit—small business loans
- Consumer education and advocacy

# Overcoming Obstacles

- Language
- Cultural experience
- Location
- Hours
- ID Flexibility

# Delivery Implications

- Worker Centers will use community outreach and organizing techniques to market the card
- Consumer education is an organizing tool
- Providing first-line customer service and access to the Internet
- Worker Centers earn a share of the card revenue to defray distribution expenses

# CFR's Long Term Goals

- Leveraging the collective consumer power of community-based organizations' constituencies to design appropriate financial service programs.
- Product/ service enhancements: secured line of credit, IDA program, unsecured micro-credit, emergency loans.
- Helping CDFIs to offer new products and partner with community organizations.

# Contact Information

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## Community Financial Resources

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