



September 20, 2011

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Rebecca Ewing
Acting Executive Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

RE: Comment Request on President's Advisory Council on Financial Capability Proposed Themes and Principles

Dear Ms. Ewing:

The Financial Services Roundtable (Roundtable) appreciates this opportunity to comment on the President's Advisory Council on Financial Capability Proposed Themes and Principles. The Roundtable and its member companies have a year-round commitment to American communities and have a particular focus on presenting financial education programs. The Roundtable collaborates with 16 national non-profit partners. Eight of these partners specialize in financial education, including Jump\$Start Coalition for Personal Financial Literacy, Junior Achievement, Operation HOPE, SER Jobs for Progress National, Inc., Society for Financial Education and Professional Development, Women in Housing & Finance Foundation, Women's Institute for a Secure Retirement and Working in Support of Education.

I. RESPONSE TO KEY THEMES

Theme I. Financial education should take its rightful place in American schools.

The Roundtable heartily endorses providing financial literacy programs for students in grades K-12 and college. The Roundtable, in partnership with Operation HOPE, launched the Financial Education Resource Roadmap (Roadmap). The Roadmap demonstrates that every K-12 school throughout the U.S. can have access to free financial education curricula. The Roadmap consists of 36 comprehensive curricula, of which 22 can be completed online and six provide free volunteer tutors. The Roadmap can be accessed at <http://www.fsround.org/hyperlink/Spreadsheet.pdf>.

Theme II. We should build a financially capable workforce and retiree community, which is necessary for a stable and globally competitive economy.

The Roundtable agrees that a financially capable workforce and retiree community is necessary for a stable and globally competitive economy. As such, the Roundtable advocates the following efforts:

- Financial literacy curricula that covers the life cycle, including topics such as checking, saving, investing, credit, insurance, homeownership, retirement, disability insurance, life insurance, and annuities.
- Financial literacy, advice, and meaningful disclosures to employees to help them gain a better understanding of their retirement options.
- Financial literacy for employee-based benefits such as life insurance, disability insurance, long-term care insurance, and healthcare insurance.

The Roundtable believes that too many people fail to protect their assets, overlooking the role that disability insurance, life insurance, annuities, and the like can play in preserving assets and lifestyles in the face of devastating events. Therefore, we recommend strongly that financial education and access in the workforce be

expanded to include knowledge of employee-based benefits such as life insurance; short-term disability insurance; long-term disability insurance; long-term care insurance; and healthcare insurance.

Charles Schwab employees have access to an online Charles Schwab web portal for education and services to help maintain financial fitness. Schwab has identified five dimensions essential to financial health: budgeting; borrowing; investing; insuring; and estate planning. This website contains information and resources on each dimension to help employees reach their financial goals, whether just starting out, an experienced investor or looking for additional help and guidance. Charles Schwab also offers in-person workshops, online webcasts, and self-guided materials for each dimension.

Theme III. Americans should also learn the core concepts of personal finance at the heart of their lives— in their families and in their communities.

The Roundtable's support for this theme is nicely illustrated by BancWest Corporation's sponsorship of the production of *Three Cups*—a storybook about a five-year-old boy and how he learns about saving, spending, and charity with his allowance and three cups from the cupboard. BancWest uses this book as a financial education lesson at schools, libraries, and other community organizations throughout the bank's footprint. *Three Cups* is part of a larger BancWest effort, Raising A Reader, an early education literacy program that helps create stronger bonds between children and their parents and better prepares them for school.

II. RESPONSE TO PRINCIPLES FOR RECOMMENDATION

Below are approaches by the Roundtable and its member companies that have proven effective to advance these themes.

Be focused, impactful, executable and have measureable outcomes. The PNC Financial Services Group, Inc. periodically performs some *ad hoc* analysis using pre-and post-tests or questionnaires. PNC is currently instituting program and process changes to its second chance account program called Foundation Checking. This account provides a second chance for consumers who have minor ChexSystems hits and difficulty opening a bank account. As part of the account program, all customers are required to take two hours of financial education. Enhancements to the Foundation program will include greater focus on the education component and greater tracking of customers as they maintain their accounts. Also, if customers continue to encounter challenges managing their bank account, they may be offered a pre-paid card product as opposed to a traditional account. The greater emphasis on education and PNC's enhanced tracking capabilities are expected to yield better data on customers' ability to grow their money management skills. If customers are graduating out of the second chance account, PNC will consider that the customer have improved their skills. PNC expects to have enhancements in place during the first quarter of 2012 and should be able to start performing the analysis by the third quarter of 2012 (after it has six to nine months of tracked data).

Align with, consolidate and boost, rather than supplant, existing efforts of the private, for-profit, non-profit, and governmental sectors. The Roundtable and Operation HOPE entered into a partnership called the Joint Framework for Financial Literacy. This Framework is a landmark industry agreement designed to demonstrate the financial services industry's commitment to financial education through highly visible principles and the efforts of one of the Roundtable's non-profit partners, Operation HOPE. Through this partnership, the following Roundtable member companies provided funding for the development and operation of the "Ebenezer HOPE Center" at the MLK Sr., Community Resource Complex in Atlanta, GA: LPL Financial, MasterCard Worldwide, State Farm Insurance Companies, SunTrust Banks, Inc. and Wells Fargo & Company. These member companies serve as the Founding Sponsors Advisory Board members for the Ebenezer HOPE Center. The center will offer financial case management, homeownership programs, small business banking services, and financial literacy programs.

The Roundtable and Junior Achievement USA (JA) entered into a new collaboration in 2010 to promote financial education in schools throughout the U.S. This partnership will leverage the strengths and expertise of each organization to empower young people in the U.S. with the tools and knowledge to be financially responsible. This initiative aims to impact more than a half million students through the efforts of 25,000 volunteers from Roundtable member companies by the year 2013. During the 2009-2010 school year, Roundtable member companies provided over 22,000 classroom volunteers to deliver JA programs in the classroom. Throughout the country, over 443,000 students received JA's financial education programs. Ninety-three Roundtable member companies volunteered with JA during the 2009-2010 school year.

Address issues related to the entire population, and where appropriate, take into account the particular needs of traditionally underserved populations (e.g., women, minorities, low and moderate income consumers, and the elderly). The Roundtable hosted a symposium on October 14, 2010, *Protecting and Rebuilding Seniors' Assets through Financial Education* where leaders from the public and private sectors discussed current and ongoing efforts to increase financial literacy among senior citizens. In addition to protecting seniors through financial education, member company programs also focus on financial education for servicemembers, women, and the unbanked/underbanked.

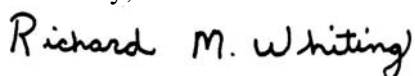
- Bank of Americas [Savvy Saving Seniors](#) program provides older Americans with money management tips & tricks.
- [Citi and NeighborWorks America](#) collaborated to expand and strengthen financial capability programs for thousands of low- and moderate-income Americans. These programs help consumers establish positive behaviors to achieve immediate and long-term financial goals through financial education and access to appropriate financial products. As many as 65,000 people may benefit from the new \$5 million, two-year demonstration project.
- [First Commonwealth Financial Corporation](#) provides servicemembers information on topics such as saving for a large investment, emergency funds, and retirement; how to be an informed credit card user; monitoring credit and protecting against identity theft; and managing finances online to remain financially fit while being deployed.

A comprehensive list of Roundtable member companies' financial education programs for servicemembers, women and the unbanked/underbanked can found on the Roundtable's [Financial Literacy Corner](#).

Leverage the use of technology to engage, inform, and impact behavior. Fifth Third Bank developed Fifth Third Bank Financial Empowerment Mobiles (eBus I and eBus II) mobile financial education classrooms on wheels to help meet the financial challenges facing low- and moderate-income communities and minority neighborhoods. The eBuses are retrofitted city buses equipped with computer workstations with Internet connectivity. The eBuses are mobile classrooms that offer credit counseling, homeownership education, foreclosure prevention, financial education, and products to people where they live, work and worship. eBus I and II are staffed with local Fifth Third Bank community development managers, mortgage professionals, and retail bankers. They also are staffed by community influencer organizations and tours are arranged with partner community organizations to encourage an informal and relaxed environment for bus guests.

Thank you again for the opportunity to share our views with you on this important initiative. If you have any questions, please feel free to contact me at Rich@fsround.org or (202) 589-2413; or Judy Chapa at Judy@fsround.org or (202) 589-2419.

Sincerely,



Richard Whiting
Executive Director and General Counsel