



## **Ontario Financial Empowerment Champions (Ontario FECs)**

### **- Frequently asked questions -**

#### **What is an Ontario Financial Empowerment Champion (Ontario FEC)?**

Ontario FECs are organizations that are currently delivering one or more financial empowerment (FE) intervention(s) to help Ontarians living in or at risk of poverty achieve financial well-being and intend to expand the impact of their initiative(s). Ontario FECs will work with Prosper Canada, receiving funding of up to \$150,000/year for 4.5 years as well as technical assistance (e.g. training, access to resources, tools and curriculum, and access to the wider FE community including the five Ontario FECs and the five National FECs.

Ontario FECs will be selected on the strength of their applications and our goal of achieving fair representation across Ontario.

#### **What is Financial Empowerment (FE)?**

FE is an approach to poverty reduction that focuses on improving the financial security of people living on low incomes. It does this by introducing a set of interventions that together help individuals to grow their incomes, improve their credit scores, savings and debt levels, and build wealth through education, employment, entrepreneurship and improved housing.

FE focuses on helping people living on low incomes participate and feel included in our financial system. It increases their opportunities and knowledge, and fosters behaviours that are critical to their economic security and their ability to invest in their future.

#### **What is an FE intervention?**

These are activities that have been proven to increase financial security for people living on low incomes. This project will focus on the following five interventions:

- Financial literacy education (Delivered directly to individuals living on low incomes or through training other frontline staff to deliver)
- One-on-one financial coaching and problem solving services
- Support to open Registered Education Savings Plans (RESPs) and access the Canada Learning Bond (CLB) and Canada Education Savings Grant (CESG)
- Assistance with tax filing and accessing government benefits
- Support to access basic banking.

To learn more about Financial Empowerment please read Prosper Canada’s [Financial Empowerment Brief](#)

**What are some examples of projects that would fit into the different FE interventions?**

There are many different activities that could fit under each intervention. Some activities would also fit under several interventions. See *Table 1: Financial empowerment interventions* for a description of each intervention and some examples.

**Table 1: Financial empowerment interventions**

	Intervention description	Project examples
<b>Financial literacy education</b>	Improve financial knowledge, skills and confidence of individuals by increasing access to quality financial education	<ul style="list-style-type: none"> <li>• Delivery of financial literacy workshops</li> <li>• Training of front line staff</li> <li>• Development of curriculum for specific groups (newcomers, youth, Aboriginal groups)</li> </ul>
<b>Financial coaching</b>	Trained coaches meet with individuals to identify and work towards personal financial goals.	<ul style="list-style-type: none"> <li>• One-on-one financial coaching</li> <li>• Matched savings programs</li> <li>• Financial case management and problem solving</li> </ul>
<b>Support to open RESPs, access CLB and CESG</b>	Support individuals to open the federal Registered Education Savings Plan and access the CLB and CESG.	<ul style="list-style-type: none"> <li>• RESP, CLB and CESG promotion</li> <li>• Supports to open RESPs, in person or online (using SmartSaver tool)</li> <li>• RESP, CLB and CESG enrollment events</li> </ul>
<b>Assistance with tax filing and accessing government benefits</b>	Boost incomes by helping individuals to file their taxes and access government benefits.	<ul style="list-style-type: none"> <li>• Promotion of government benefits</li> <li>• Online benefit calculators</li> <li>• Host volunteer tax filing clinics</li> </ul>

		<ul style="list-style-type: none"> <li>• Help to apply for government benefits</li> </ul>
<b>Support to access basic banking</b>	Connect individuals to safe and affordable banking services, reducing reliance on predatory lenders.	<ul style="list-style-type: none"> <li>• Supports to obtain government identification</li> <li>• Supports to open basic bank services (Chequing/savings accounts)</li> <li>• Help to set up direct deposit</li> </ul>

**What does it mean to have a “population focus”?**

An organization with a *Population Focus* is one that places emphasis on increasing the well-being of a specific group of people rather than a geographical area. For example, an agency that helps newcomers to Canada would qualify as a population focused organization. Some organizations may serve more than one population.

A *population focused* organization may be providing services to one or more of the populations examples listed here:

- Women
- Seniors
- Newcomers
- Aboriginal people
- Individuals living with disabilities
- Children and families living on low incomes
- Youth
- Homeless.

**This project focuses on delivering services to low-income Ontarians. How do you define “low-income”?**

Generally, any person who lacks the financial resources and essentials to enjoy a minimum standard of life and well-being considered acceptable in the society they live in.

(Adapted from Investopedia <http://www.investopedia.com/terms/p/poverty.asp>)

Certain FE interventions offered through the federal government have specific income cut-off thresholds to determine participant eligibility. An example of this is the Canada Revenue Agency’s free Community

Volunteer Income Tax Program (CVITP) that provides suggested income levels for determining participant eligibility as follows:

<b>Family Size</b>	<b>Total family income</b>
One person	\$30,000
One person with dependent	\$35,000 (add \$2,500 for each additional dependent)
Couple	\$40,000 (add \$2,500 for each dependent)

For FE interventions where a specific income cut-off does not exist, using a more generalized definition of low-income would be deemed acceptable for the purposes of the Ontario FEC project.

For example, Statistics Canada produces an annual [Low Income Cut Off](#) (LICO) and [Low Income Measure](#) (LIM). The LICO approach is an attempt to estimate an income threshold at which families are expected to spend more than the average on certain products. Any individual who has an income at or below the LICO would be considered as living on a low income. The LIM approach defines a family as being in low income if its income falls below the population median income.

**How much funding is available?**

The Ontario FEC project is funded by the Government of Ontario. Each organization may apply for up to \$150,000 annually for a 4.5 year term. Funding timelines and arrangements will align with Prosper Canada’s fiscal year which runs from April 1 to March 31. Please note that annual funding available for each Ontario FEC in Year 1 will be reduced given the shortened fiscal period.

**Ontario FEC outcome/output targets**

The following table shows the overall Ontario FEC project outcome/output targets that will be reached by the end of the project on **March 31<sup>st</sup>, 2021**. Annual outcome/output targets that each Ontario FEC will meet have also been included below. For the purpose of evaluating progress towards each target, the organizations’ current client reach for April 1, 2016 to March 31, 2017 can be included for Year 1.

	Target activity description	The Ontario FEC project as a whole will meet these targets	Each Ontario FEC (or partnership or collaborative) will meet these targets per year from Years 2 through 5
Targets	<b>Financial literacy</b> education delivered to individuals	Approximate reach of <b>14,000</b> individuals	Approximate reach of <b>700</b> individuals
	Individuals supported to meet with a <b>financial coach</b> and create a financial action plan	<b>7,000</b> individuals	<b>350</b> individuals
	Children enrolled in <b>RESPs and CLB programs</b>	<b>6,000</b> children	<b>300</b> children
	Individuals supported to <b>file taxes</b>	<b>20,000</b> individuals	<b>1,000</b> individuals
	Applications submitted for <b>government benefits</b>	<b>3,600</b> applications	<b>180</b> applications
	Previously unbanked individuals supported to <b>open a bank account</b>	<b>400</b> individuals	<b>20</b> individuals
	Individuals helped to <b>set up direct deposit</b> to their bank account to improve financial management and reduce banking costs	<b>5,000</b> individuals	<b>250</b> individuals

### With whom can we partner with during this project?

We encourage organizations to partner with stakeholders from diverse sectors. Partners could be other non-profit organizations, private businesses, funders, different levels of government, etc.

For the purposes of this project, a lead applicant needs to be identified and this organization must be either a non-profit or charity. Ontario FECs are permitted to transfer funds to other organizations that they are partnering/collaborating with in the delivery of their work plan as long as the organization is not a for-profit (i.e. private business, funders, government) organization.

### What is a “service system”?

A service system is any public, private or non-profit organization that has the following characteristics:

- Is stably resourced
- Has the necessary infrastructure to deliver FE interventions/activities
- Has broad reach into low-income populations (10,000 individuals or more)

- Aims to tangibly improve the financial outcomes of their participants.

An example: Prosper Canada is working with St. Michael's Hospital in Toronto to develop an online tool to help doctors connect patients to financial benefits for which they are eligible.

**My organization is located in Ontario and we applied for the National FEC project launched by Prosper Canada in May 2016. Can we apply for the Ontario FEC call for applications as well?**

Ontario organizations that were not selected in the national call are still eligible to apply to the Ontario FEC call for applications.

**Can my organization apply if we are already receiving funding from Prosper Canada?**

Yes. We welcome submissions from partner organizations that are currently receiving funding from Prosper Canada under an existing contract.

**When is the application deadline?**

Friday, November 4th, 2016 at 5:00 p.m. (EDT).

**How long is the project?**

The project officially began on September 20, 2016 and will end March 31, 2021. Partnership with Ontario FEC organizations will run for 4.5 years.

**What happens after the program ends in 2021?**

The funding for this project ends in 2021. Our goal is to have FE interventions sustainably financed and embedded in the Ontario FEC's programming so that this work will continue long after this project ends. Prosper Canada will work with the Ontario FECs over the life of the project to build sustainable funding within FE programs and identify and pursue funding opportunities if needed.

**How will the Ontario Financial Empowerment Champions be selected?**

Prosper Canada will work with a Selection Committee to select the Ontario FECs. The Committee will comprise two Prosper Canada staff members, up to four external volunteers and a Chairperson. The selection process is detailed below.

FEC SELECTION PROCESS		
Action	Responsibility of	Dates
Receive submissions	Prosper Canada	September 20 – November 4, 2016
Review and score submissions to develop short list of up to 20 eligible applicants.	Prosper Canada	November 7 – November 18
Committee reviews short list and select 7-10 applicants to be interviewed.	Selection Committee	November 21 – November 25
Interview 7-10 applicants. Score and rank applicants and provide rankings to Selection Committee.	Prosper Canada	November 28 – December 13
Committee meets to select five Ontario Financial Empowerment Champion organizations.	Selection Committee	December 20
Inform selected Ontario FECs and those who were not chosen.	Prosper Canada	December 21

### How can I get more information?

There will be two webinar information sessions for organizations to ask questions about the application process. The information provided during these sessions is beneficial for understanding our selection process, but participation in the webinars is not mandatory. Please review application materials and register for one of the following sessions:

[October 4, 2016](#) 2:00 pm – 3:00 pm (EDT)

[October 6, 2016](#) 11:00 am – 12:00 pm (EDT)

### Who do I contact for more information?

Please contact Ana Fremont at [OntarioFEC@prospercanada.org](mailto:OntarioFEC@prospercanada.org) or 416-665-2828 ext. 2237.

**How do I submit the application?**

Please submit the [online application](#) and all relevant documents by **5:00 p.m. (EDT)** on Friday **November 4th, 2016**.