

LOUISVILLE METRO OFFICE OF SOCIAL SERVICES



 Louisville, KY

 louisvilleky.gov/government/office-social-services

Agency Context

Organizational Capacity

Louisville Metro Government's Office of Social Services is a public Community Action Agency in Louisville, Kentucky that serves all the Louisville-Jefferson County Metro area. The agency's annual budget is approximately \$46.1 million with primary funding sources including Housing and Urban Development (HUD), Metro Government Fund, Low-Income Home Energy Assistance Program (LIHEAP), Capital Project Fund, AmeriCorps, and the Emergency Rental Assistance Program (ERAP). Additional grants and donations are provided by financial support institutes such as banks and credit union partners. The agency has approximately 150 staff and 200 volunteers. It is structured into eight branches which include:

Advocacy and Outreach, Administration, Homeless Services, Neighborhood Places, Financial Empowerment, Housing and Support, Senior Nutrition, and Planning and Compliance.

This case study will focus on the Office of Financial Empowerment, a branch of the Office of Social Services, which is led by a team of six including a Social Service Policy and Advocacy Manager, a Policy and Advocacy Supervisor, a Social Service Supervisor, and three Financial Counselors. The Social Service Policy and Advocacy Manager and the Policy and Advocacy Supervisor are both Certified Community Action Professionals (CCAP) with additional training and certifications in Financial Counseling, Financial Social Work, and Economic Mobility Coaching. The Social Service Supervisor and all three Financial Counselors are certified through the National Association of Certified Credit Counselors.



Service Delivery

There are approximately 600,000 residents in the Louisville-Metro service area, and the Office of Social Services serves over 16,000 households each year, which are comprised of over 32,000 individuals. Programs and services within the Office of Social Services are planned and implemented because of the community needs assessment, client demographics, data analysis, and trend tracking. There are seven main programs that make up the Office of Social Services: Neighborhood Place, LIHEAP, Economic Mobility, Household Stability, Homeless Prevention, Community Engagement, and the Homeless Engagement and Assessment Response Team (H.E.A.R.T). Neighborhood Place is how most families access services through the Office of Social Services. There are eight Neighborhood Place community centers located across the Louisville-Metro area. They are a collaboration of local, state, and public-school resources and house a variety of services such as rental assistance, housing stabilization, and LIHEAP. All financial empowerment services are also embedded into the Neighborhood Place

locations. For example, all clients receiving rental assistance and LIHEAP services can identify “income and asset building” support as a need, and it will result in an immediate referral to the Financial Empowerment Center as part of their case plan.

The Office of Financial Empowerment was formalized in 2018, and the Financial Empowerment Center was launched in 2022. In the agency’s strategic plan, financial empowerment services are identified as a key prevention strategy. Services include financial education and counseling, tax filing, benefits assistance, safe and affordable banking access, savings and asset-building opportunities, and consumer protection to help reduce financial risks. Financial empowerment services equip residents with the knowledge, skills, and access they need to improve credit scores, reduce debt levels, and increase savings. This results in more opportunities to achieve financial security and improve financial outcomes.

Most recently, the Office of Financial Empowerment has adopted another innovative approach by implementing a new Legacy Planning service as part of the Financial Empowerment Center. This service promotes intergenerational economic mobility by helping residents protect and preserve their assets for future generations. The program provides information and resources, and offers services to help residents organize their assets, review insurance and titles, update account beneficiaries, and prepare estate planning documents like wills, guardianship plans, and powers of attorney.

The Office of Financial Empowerment supports

the work of the Office of Social Services by strategically integrating into other branches that provide financial assistance. For example, in the Homeless Services Division, financial empowerment training is provided for Homeless Resource Outreach Specialists. In the Housing and Support Division, which manages long-term housing clients who receive vouchers for subsidized housing, financial empowerment is integrated through a collaborative case management approach which helps clients explore banking access. In the Senior Nutrition Division, congregate meal sites receive placemats with information and resources such as how to avoid consumer scams. For homebound clients receiving services through Meals on Wheels, postcards are provided with meal deliveries to promote financial empowerment services, such as legacy planning.

Financial empowerment services are also integrated into other departments across the larger Louisville Metro Government, including Public Health and Wellness, Human Resources, Animal Services, Parks and Recreation, Office for Immigrant Affairs, Free Public Library, Human Relations Commission, Economic Development, Office of Housing and Community Development, Police Department, Corrections, and Fire Department. The partnership with Animal Services is one of the more unique and innovative approaches, where families who surrender a pet for financial reasons are referred to the Financial Empowerment Center to help them be able to keep or eventually be reunited with their pet. Financial counseling is also provided to families considering adopting a pet to help ensure it does not become a financial strain. A family



being able to get or keep a pet helps with mental health, well-being, and social connection which all contribute to economic mobility. This service is also mutually beneficial to Animal Services, because it helps lower the number pets in the shelter. The integration of financial empowerment services across other departments helps boost client outcomes in other programs by improving financial knowledge and helping provide access to education, employment, entrepreneurship, asset-building, and other key drivers of economic mobility.



Innovation & Learning

The foundation for the Office of Financial Empowerment started in 2010 when Louisville Metro launched a [Bank On](#) coalition with the help of the [National League of Cities](#) and subsequently the [Cities for Financial Empowerment \(CFE\) Fund](#). Bank On coalitions bring together financial institutions, non-profits, and government stakeholders to improve access to financial institutions, and to help connect residents to safe and affordable banking services. These services are especially beneficial for residents at risk for overdraft, low balance fees, or account closure due to inactivity. The three main approaches to this work include: access to accounts for the unbanked and underbanked, providing consumer financial education to residents, and training social service providers. To date, Louisville Metro is one of the longest

continuously operating Bank On coalitions in the country.

As a member of the CFE coalition, Louisville Metro is one of 19 cities who are considered groundbreakers in the work of financial empowerment at the city government level. Through this coalition, they are consistently in connection with and able to learn from other cities who may be facing similar challenges. They meet twice per year to discuss what's new, what's working, and what's not working. Participation in this coalition is also how Louisville-Metro first learned about the Financial Empowerment Center model, which they launched in 2022.

When Louisville-Metro made the decision to move forward with the Financial Empowerment Center, they were the 30th locality to adopt the national model. There are now over 50 cities engaged with Financial Empowerment Centers who receive funding, technical assistance, and database support from the Cities for Financial Empowerment Fund. As part of the implementation of this model, it required the transition from financial coaching to financial counseling. Over a year long process, direct staff members and program supervisors were trained and received certification through the [National Association of Certified Credit Counselors \(NACCC\)](#). With this training, re-certification is required every two years. Staff also receive additional training and certifications through the [National Disability Institute](#) to increase knowledge and skills in disability benefits and financial counseling for people with disabilities, as well as training through the [Center for Financial Social Work](#).



Community Engagement

As a Community Action Agency, the Louisville Metro Office of Social Services has community representation on the Board of Directors. The community is also involved in the Community Needs Assessment. During the launch of the Financial Empowerment Center, an advisory council, which included representatives from the community, was established to help support the planning and implementation. This planning process started 18 months before the Financial Empowerment Center officially launched.

For ongoing evaluation, Customer Satisfaction surveys are completed to help gather insight and determine what changes may be needed. These surveys are completed both for the full agency, as well as for the Financial Empowerment Center. The agency's leadership team also maintains regular communication with the Financial Counselors to learn about



their experiences and what they see and hear from customers. The feedback received from counselors is then used to help inform and guide future decision-making.

Louisville Metro also utilizes a Financial Health Assessment to gather information from community members when initiating conversations at outreach events, client interest meetings, and financial education classes. This brief assessment allows them to quickly assess needs, guide the direction of services, and ensure appropriate referrals are provided as needed. It asks questions such as: What are your primary sources of income? Do you have a bank account? Are you satisfied with your current money management system? Do you file taxes? Do you know your credit score? Do you have money for your monthly expenses without stress or borrowing? Do you have any money saved for an emergency? The assessment is intentionally designed to be brief in an effort to not cause any unnecessary barriers, and to help support the relationship building process.

Decision-Making

Louisville Metro's Financial Empowerment Center is the replica of a national model, which they learned about through their consistent work with the CFE Fund. When the CFE Fund built and tested the Financial Empowerment Center as a national model for cities, they already had an established relationship with Louisville-Metro. At the time, Louisville Metro was working with the CFE Fund on a COVID-19 response project, the [Financial Navigators](#)

program, which was designed to help triage needs and connect families with resources to navigate the financial impacts of the pandemic. With this foundation, Louisville-Metro was positioned and ready to start a Financial Empowerment Center. When they were approached with the idea from the CFE Fund, it was taken to leadership and to the mayor's office, where they received full approval and support to apply. The decision to move forward was made because they were able to demonstrate how the work aligned with their other priorities and strategic focus areas. At a time when they were planning and preparing for long-term COVID-19 recovery efforts, this was the right next step.

Implementation Context

Organizational Change

The implementation process was supported by the fact that the Financial Empowerment Center was a national model. This provided an example for the staff and leadership to follow. They also received support, guidance, and training through the CFE Fund. One of the first steps in this process was the transition of direct services staff from a coaching role to a financial counseling role, which required additional training and certification. After a one-year training process, they received certification through the [National Association of Certified Counselors \(NACCC\)](#). Program supervisors also received the certification training in order to help understand and support the Financial Counselors.

The training requirement, specifically the testing component, was an initial concern for staff. As experienced financial coaches, they understood the uniqueness of each individual client's experience, and they were concerned about formal and technical rules being applied to nuanced situations. However, despite the initial concerns, the process went better than expected. The staff received ongoing support throughout the training and certification process and passed their tests without any issues. During this time, the staff also benefited from an existing partnership, with the Louisville Urban League who already had established Financial Empowerment Center Certified Counselors. Through this partnership, staff were able to shadow the Financial Counselors, ask questions, and learn from their peers throughout the implementation process.

In addition to the training requirement, another key aspect of implementation was the transition to a new technology platform. The implementation of the Financial Empowerment Center required the transition to a new database system with increased capacity to track outcomes. Throughout the process, staff had access to a library of resources, including training videos, to help guide and support their learning. They also had support from the leadership team, and the CFE Fund. Staff have since come to appreciate the new system's capability to track more outcomes and run a variety of different types of reports.

Funding

As a public Community Action Agency, funding for the Office of Financial Empowerment comes from a general fund of taxpayer dollars, as well as Community Service Block Grant (CSBG) funding, private foundation funding, national non-profit funding, and support from financial institution partners such as banks and credit unions. The benefit of leveraging multiple funding sources is there are no income eligibility requirements. The only eligibility requirement for Financial Empowerment services is the individual applying for the service must be 18 years or older. This allows the program to be more flexible in providing preventative services to individuals who may have a higher income, but who are at risk of losing their income, or may be facing an unexpected financial challenge. Even with the ability to serve a wide range of client income levels, the average client income remains low, at approximately \$13,000 per year.

Partnerships

As a large public Community Action Agency, Louisville Metro's financial empowerment services are integrated into other departments across the organization. These internal partnerships are integral to the success of the Financial Empowerment Center. Staff in the Financial Empowerment Center collaborate with other internal programs through recurring quarterly meetings. In these meetings, Child Protective Services may share about a family who needs help with a security deposit to obtain housing, and the Rental Assistance team can





help make sure the family qualifies for assistance with the deposit. Once the assistance with the deposit is provided, the family can be connected to the Financial Empowerment Center for help with managing expenses moving forward. This same process can apply for LIHEAP with families needing utility assistance, Food Stamps for nutrition assistance, and Medicaid for healthcare. These collaborative partnerships not only help with finding solutions and coordinating services for families, but they also improve the referral process and help reduce barriers for families. The meetings also help make sure all staff are aware of the services that are available to them as well. For example, as a result of these internal collaborations, a strategic partnership has emerged with the Police Department where financial education classes are provided to uniformed police officers, civil staff members, and their families through a “Lunch and Learn” series. The topics of the classes include Emergency Savings, Retirement, Investing, and Homeownership. Staff within the Office of Financial Empowerment also attend each Metro Academy class to inform new recruits about the programs and services available, including how they can access services themselves, and how they can refer residents they encounter in the field to services.

In addition to internal partnerships, the Office of Financial Empowerment also provides services through over 150 external partnerships across multiple sectors. For example, financial and administrative support is provided to the [Louisville Asset Building Coalition](#), the local non-profit organization that operates the Volunteer Income Tax Assistance (VITA) program. The Office of Financial Empowerment

also has an extension office through a contract with the [Louisville Urban League](#). This office also operates a Financial Empowerment Center and has four additional staff members. The partnership was established through a Request for Proposal (RFP) process and has proved helpful in connecting community members to the services available because of the organization’s longstanding and trusted reputation in the community. Louisville-Metro also regularly convenes community partners for full and half-day financial empowerment training events that include topics of understanding financial trauma and behavioral economics. This helps with bringing awareness of the services to the community and helps to improve the referral process. To date, they have trained over 1,000 front line social service staff.

Louisville Metro has also established partnerships with local banks and financial institutions. Expectations for these partnerships are agreed upon during a bi-annual recommitment process. These expectations are intended to help ensure training events remain educational and are not treated as a sales pitch for clients. These partners are also often willing to provide funding to help support programs and services. For example, one local bank recently provided a grant to help build a computer lab and purchase computers to increase digital access in the community.

Several new programs have been established through Louisville Metro’s strategic alignment

with community partners. For example, the Day 1 program was established through a Bezos Day 1 Families Fund grant through the Coalition for the Homeless. Louisville Metro provides financial counseling to shelter residents who qualify, and the program then helps pay their rent for one year. The full rent is covered for the first six months, and half the rent is covered for the last six months. The role of the financial counselors in this case is to help them save, and secure employment with a livable wage so they can continue maintaining their rent once the year of assistance ends. Another program, Delta Home, was established through a partnership with Healthy Start and graciously funded by Delta Dental of Kentucky. In this program, eligible individuals can receive financial counseling to help improve their credit score and build their savings to qualify for homeownership. The program then provides \$25,000 towards a down payment to purchase a home.

counted as increased if it increases by at least 35 points.

In the previous fiscal year, 80 individuals increased their credit score by over 35 points, and in one case an individual who entered the program with no credit at all, worked their way to a 650-credit score. Furthermore, 71 individuals reduced their non-mortgage debt by 10% or more, and some clients have even had their student loans completely forgiven. During this time, nine individuals purchased a home, and nearly 40 individuals purchased an asset such as a car or another investment. The Bank On program, which has been in continuous operation for over 15 years, has also experienced significant success. Through this program, residents have been connected to over 175,000 safe and affordable checking accounts, and financial education has been provided to over 36,000 residents and over 1,000 front line social services staff.

Successes

Since launching in 2022, the Financial Empowerment Center has served over 2,000 residents and completed over 9,000 counseling sessions. The outcomes achieved include over \$3.3 million in non-mortgage debt reduced, nearly one million dollars saved, and many increased credit scores. It is also important to take into consideration the dynamics of the new database system regarding successful outcomes, because a client can only be reported as having an outcome if they have met with a Financial Counselor for at least two sessions, and sessions must be at least 30 minutes. A credit score can also only be

The numbers tell the story of success, but the actual stories of clients speak even more to the impact of this work. In one example, a client had been with the program for one year. She started with a referral from a rental assistance program. At the time, she had a 400-credit score and was battling with mental health challenges. Not only was she able to get caught up with her rent payments, but she was also able to accomplish a personal goal of self-publishing a book of prayers. She was able to pay off her credit cards and increased her credit score to nearly 800. Her friends and family now express how proud they are of her accomplishments, and she often tells people at her church about the Financial Empowerment Center and how it helped her.

Challenges

Implementing the Financial Empowerment Center was a challenge, because it was something the city had never done before. A case needed to be made, and funds needed to be raised. There was a matching grant, but a portion of the funds still had to be raised. The leadership team was tasked with convincing people, partners, and investors that this was a project that could make a difference in the community and was worth the investment. The partners saw the vision, and were excited about the opportunity to refer clients, but could not contribute financially. For those able to contribute financially, having a national model to demonstrate the potential impact was helpful in generating support and buy-in. The leadership team was able to show what other cities had done, and the results they were seeing. The pilot cities may not have been exactly comparable to the Louisville Metro area, but it was still helpful to show what type of outcomes could be expected. It was also helpful to cite relevant and pressing statistics regarding the financial health of the community, and the needs this approach would help to meet. Once the Financial Empowerment Center was established, the message was able to transition to the local impact, and how Louisville residents were being directly impacted by the services, which further helped to generate ongoing support.

Within the agency, communication has been a significant challenge at times. As a large department, it is often challenging for staff to stay up to date with all the different divisions, especially as new programs come and go with funding changes. To address this challenge, the leadership team holds regular all-staff meetings which provide the opportunity for teams to come together, highlight programs and services, and provide updates as needed. It has also been challenging, at times, to keep clients engaged. For example, some clients may only come as a requirement for another program and only stay as long as that program requires. Financial Counselors have worked to address this challenge by strategically working with clients in a way that will keep them engaged as long as is needed to accomplish their financial goals. This often means that each session will end with action step, and something to look forward to at the next session. For example, during the intake process the Financial Counselor may pull the client's credit report and highlight something in the report they may be able to dispute. At the next session, they will work on sending out letters to dispute the items. Financial Counselors also strive to be relational and not look down on or talk over their clients. They work together to create budget that is realistic and relevant for their needs. For example, if a client does not currently have income, they can start with budgeting their food stamp benefits. They will work together to create meal plans and grocery lists to start saving wherever and however they can.

Lessons Learned

For Louisville Metro, understanding and prioritizing financial empowerment as a prevention strategy has been an important lesson learned. Through the Financial Empowerment Center, they are going upstream to help families plan, prepare, and guard against financial crises. This strategic approach has helped with elevating, funding, and bringing attention to the work. Their advice for other Community Action Agencies who may be considering implementing a new or innovative approach to financial empowerment is to first take inventory of what is already happening in the community. Look around at what other community partners, including the local city and county government, may already be doing. Take into consideration the needs of the community, how residents are being impacted, what is being done to address the challenges, and how does that fit within the strategic priorities of the organization. It may be easier to build on existing effort, and leverage existing resources, than to start over. It is also important to be willing and flexible to make changes as needed. Over time, Louisville Metro learned they often needed to change the message about their services and benefits depending on who they may have been speaking with at a particular time. Different messages resonated with different groups of people. The services and benefits may be the same, but there may not be one blanket statement or flyer, because key words and messages may need to be communicated differently in different contexts.

Another important lesson learned during the



implementation process was the importance of being intentional, both with the recruitment of clients and with the location of services. When recruiting clients, it is important to recognize that clients who may be referred to the Financial Empowerment Center from emergency assistance programs, such as those facing an eviction or utility disconnection, are in survival mode. Their motivation will be different, and their likelihood of achieving long-term outcomes will be different. Alternatively, if someone is referred to the program because they are planning and preparing to purchase a home, then they are likely more prepared and ready to save. In the same way, someone who may have recently lost hours at work may be in a better position to achieve long-term outcomes, because they already have established employment and simply need to take steps to learn how to budget with less, increase their income, or save for emergencies. When identifying the location for a Financial Empowerment Center, it is important to take into consideration if it is a high traffic area. If the location is near other social service programs, schools, or doctor offices, then it may be easier and more convenient for families to stay engaged and actively attend counseling

sessions or educational classes. This intentionality can also be applied to community events. When selecting sites for events with partners, make sure it is a location that the community is aware of and can easily access.

The final lesson learned during this process was the importance of treating people with dignity. As one Financial Counselor reflected, “People are coming to you in their most vulnerable moments, and it is important to be considerate of that.” Each counseling session is customized to what the client wants to work towards. For example, if a client is unbanked and does not want to engage with a bank, they will work with them on cash-based budgeting. Financial Counselors recognize and acknowledge the topic of finances is emotional and often attached to traumatic events. As a result, Financial Counselors strive to build trusted working relationships with clients and build positive financial experiences that will carry over into future generations.





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