

## Emergency Savings Pilot Request for Proposals

Prosperity Now, with generous support from the Wells Fargo Foundation, is soliciting applications from organizations interested in participating in a 12-month pilot to test the impact of matches to help families establish emergency savings accounts. Prosperity Now will also explore platforms and technology solutions to attract more matching funds to emergency savings accounts.

**Completed applications are due to Laura Yopez at [LYopez@prosperitynow.org](mailto:LYopez@prosperitynow.org) on November 11, 2019 by 5:00 pm EST. Please include "Emergency Savings Pilot RFP" in the subject line.**

Having an emergency savings cushion can help families weather emergencies and unexpected expenses, and even a small amount of savings can help households manage stress and get ahead. However, data from the 2019 Prosperity Now Scorecard shows that 40% of U.S. families are liquid asset poor—meaning they do not have enough in savings to make ends meet at the poverty level for three months (\$6,275 for a family of four in 2018) if their income gets interrupted. Moreover, one-third of U.S. families have no savings at all,<sup>1</sup> and four in ten adults would either not be able to cover an unexpected expense of \$400 or would cover it by selling something or borrowing money.<sup>2</sup>

This situation is not the result of poor choices or behavior, but of a flawed savings ecosystem in the United States. Prosperity Now and our partners have seen that low-income, low-wealth people have the desire to save, and they save in many ways, when possible. However, low-income families face a system that puts them at risk of losing the public benefits on which they rely if they save, even for their child's college education. Many also live in banking deserts where access to the internet, and therefore online savings tools and brick-and-mortar banks, is scarce. Having emergency savings enables savers to weather financial shocks and temporary shortages in income or spikes in expenses. Emergency savings is the first step toward wealth creation and is essential for economic mobility.

Prosperity Now believes everyone should have a savings cushion for the short-term *and* a springboard for long-term savings. Both are necessary in order to achieve our mission and create pathways for low-income families to achieve financial stability, wealth, and prosperity.

### About the Opportunity

We hope to explore how matched emergency savings accounts affect families' futures. Over the coming 12 months, we will work with partners in the field that have operated matched savings account programs to determine how we can best direct matching funds to savers, how to build on and catalyze more fundraising to match families' savings, and the best terms and conditions for matching families' savings. Specifically, we will:

- Pilot matching funds to support the growth of emergency savings accounts.
- Support organizations with fundraising for matched savings accounts.

- Assess the best terms and conditions for matching emergency savings, i.e., the match rate, the threshold for receiving a match, and eligibility criteria.
- Support ongoing efforts to assess the impact of matched savings accounts on families.
- Assess the infrastructure of the field to support savers, such as technology and fundraising platforms.

Prosperity Now will work with four selected organizations for up to 12 months. Selected organizations will launch or expand an existing emergency savings program. Each selected organization will receive \$20,000 to match the savings of at least 60 participants in their emergency matched savings program, and an additional grant of \$20,000 to support operations, travel to a Prosperity Now convening, tracking efforts, and additional administrative expenses. Support from Prosperity Now will include:

- Facilitated peer learning among pilot members
- One-on-one capacity building support as needed
- Tracking support
- Funding

We expect this pilot to be exploratory in many ways. With our partner organizations, we will learn about the types of support organizations need to operate matched savings programs, the challenges and successes we can expect with more partners, and the perceptions of matching funds in communities. Pilot partners will be highlighted in reports and posts for the broader savings field.

## Timeline and Expectations

Proposals are due by November 11<sup>th</sup>. Prosperity Now will conduct interviews, if necessary, with applicants the week of November 18<sup>th</sup>.

The Emergency Savings Pilot will start with a kick-off call in the second week of December and will run from December 2019 - December 2020. During this period, selected organizations will be required to participate in a series of activities, including, but not limited to:

- Virtual technical assistance calls
- Virtual peer learning activities
- An in-person convening at Prosperity Now headquarters in Washington, DC

Each organization will be expected to sign a Memorandum of Understanding with Prosperity Now and will receive grant and matching funds in two installments of \$20,000—the first in December 2019 and the second in May 2019.

Selected organizations will be asked to begin enrolling participants by March 2020. Selected organizations will be expected to track and report on the number of participants enrolled, the number of matches made, amount saved by participants, changes in financial well-being and additional funds raised to support future efforts.

## Selection Criteria<sup>1</sup>

Prosperity Now will select pilot partners based on the following criteria:

- Previous experience operating an individual development account (IDA) or other matched savings program
- Provision of services to low- to-moderate-income individuals and families
- Currently offering, or planning to offer, support with establishing an emergency savings account to low- and moderate-income individuals and families
- Capacity to develop and launch an emergency savings program by the end of March 2020 and to track participant outputs and outcomes
- Offering wraparound services, either in-house or through partnerships, that meet the financial needs of community members. Such services may include: workforce development, financial coaching, financial counseling, credit counseling, credit building, access to safe and affordable financial products, free tax preparation, access to federal and state benefits, incentivized savings programs, and asset ownership programs.

## Application Instructions & Selection Process

Organizations that are eligible for this opportunity should complete the application detailed in the following pages. Application narratives should be no longer than six (6) pages in length, not including attachments (additional pages will not be reviewed by the selection committee). **Applications must be submitted by email to [lyopez@prosperitynow.org](mailto:lyopez@prosperitynow.org) by 5:00pm ET on November 11<sup>th</sup> to be considered.**

Prosperity Now will make selections and notifications by November 22nd. Please keep the following dates in mind.

Date	Activity
November 11, 2019	Organizations submit application
November 18-21, 2019	Prosperity Now conducts interviews, if necessary, with some applicants to gather additional information. Please hold a few times on your calendars the week of November 18 for a call with Prosperity Now.
November 22, 2019	Prosperity Now notifies selected organizations

<sup>1</sup> Note: Submission of a proposal does not constitute a guarantee of award.

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If you have any questions about the proposal and/or the application process, you may contact Laura Yopez at [lyopez@prosperitynow.org](mailto:lyopez@prosperitynow.org).

## Proposal: Cover Page

Please supply the following information in the grey portion of the table:

<b>Organization name:</b>	
<b>Address:</b>	
<b>Business Phone:</b>	
<b>Website:</b>	
<b>Executive Director name:</b>	
<b>Executive Director email:</b>	
<b>Point of contact name:</b>	
<b>Point of contact title:</b>	
<b>Point of contact email:</b>	

**Preliminary Criteria: Please confirm you meet the following criteria by checking all that apply.**

- My organization has IRS 501c3 status and a Federal Employer Identification Number.
- My organization has previously operated or is currently operating a matched savings program.
- My organization is available to engage with Prosperity Now between December 2019 and December 2020 and will be able to launch a pilot by March 2020.

**Attachments: Please attach the following items.<sup>2</sup>**

- Completed application narrative
- Proof of IRS 501c3 status

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<sup>2</sup> The cover page will not count toward the application page limit.

## Proposal: Narrative Response

The narrative should be no more than **six (6) pages** in length (single-spaced, standard 11- or 12-point font with 1" margins) and include responses to the following:

### Organizational Profile

1. Please briefly describe your organization's mission, geographic service area, programs and services.
2. Please share your vision for supporting savings in your community and how this opportunity will advance your organization's mission.

### Community Profile

3. How many people are served per year by your organization and what is their demographic profile (including race, ethnicity, gender and economic status)?
4. Please share what you know about your community's financial goals and barriers around savings.

### Savings Program Implementation

5. Describe the matched savings program(s) your organization is implementing or has implemented to boost the savings of community members. Please include the number of savers supported annually and program outcomes.
6. Please share 1-2 challenges and 1-2 successes you faced in operating the matched savings program.
7. Explain how access to matching funds for emergency savings will support community members and what changes will you see in your community members' lives 12 months from now.
8. Discuss how many community members you typically support between December and August and how many you think would be interested in establishing an emergency savings account in this period.
9. Please describe the tracking and/or evaluation and monitoring system your organization currently uses to manage participant outcomes. What metrics do you track around savings?
10. Describe how you currently raise funds or have raised funds to support your matched savings program(s).

## **About Prosperity Now**

Prosperity Now believes that everyone deserves a chance to prosper. Since 1979, we have helped make it possible for millions of people, especially people of color and those of limited incomes, to achieve financial security, stability and, ultimately, prosperity. We offer a unique combination of scalable practical solutions, in-depth research and proven policy solutions, all aimed at building wealth for those who need it most.

Information about Prosperity Now is available at <http://www.prosperitynow.org>.

## **About Wells Fargo**

Founded in 1852 and headquartered in San Francisco, Wells Fargo & Company (NYSE:WFC) provides banking, investment and mortgage products and services, as well as consumer and commercial finance, through 7,500 locations, more than 13,000 ATMs, and the internet (wellsfargo.com). With approximately 261,000 team members, Wells Fargo serves one in three households in the United States. With its corporate philanthropy, Wells Fargo aims to pave a path to stability and financial success for underserved communities by focusing on housing affordability, small business growth, and financial health, among other local community needs. In 2018, Wells Fargo donated \$444 million to nearly 11,000 nonprofits. For 10 consecutive years, Wells Fargo has held the honor of No. 1 in workplace giving by United Way Worldwide. Wells Fargo team members also actively support communities by donating more than 2 million hours of volunteer time in the last year. News, insights and more information on the company's overall corporate responsibility are available at [Wells Fargo Stories](#) and [www.wellsfargo.com/impact](http://www.wellsfargo.com/impact).