

MEMORANDUM OF UNDERSTANDING

Between The

**U. S. DEPARTMENT OF JUSTICE,
OFFICE OF JUSTICE PROGRAMS,
COMMUNITY CAPACITY DEVELOPMENT OFFICE**

AND

FEDERAL DEPOSIT INSURANCE CORPORATION

This Memorandum of Understanding (MOU) is entered into between the U. S. Department of Justice's Office of Justice Programs' Community Capacity Development Office (CCDO) and the Community Affairs Program of the Federal Deposit Insurance Corporation (FDIC).

I. Purpose of this Memorandum of Understanding

This MOU is entered into for the purpose of establishing a partnership between the United States Department of Justice's Community Capacity Development Office (CCDO) and the Federal Deposit Insurance Corporation (FDIC) to implement the Money Smart Program in Weed and Seed sites.

CCDO and the FDIC are entering into this MOU to leverage their individual and combined resources and undertake the actions necessary to meet common goals. This MOU establishes the critical framework essential to meeting the challenges of today's low- to moderate-income populace who reside in Weed and Seed program areas. The partnership will emphasize greater coordination, leveraging of existing services and encourage community collaboration and outreach to assist low-income families. CCDO and the FDIC, therefore, will continue to strengthen the quality of life for low-income families and contribute to the quality of life of shared constituents.

This partnership promotes financial education as a fundamental strategy for the neighborhood restoration component of individual Weed and Seed sites. The purpose of this partnership is to:

- Establish financial education as a fundamental core activity for Weed and Seed sites;
- provide Money Smart training, curriculum, and materials to Weed and Seed sites;

- expand access for Weed and Seed residents to financial education and appropriate financial services;
- increase the capacity of Weed and Seed residents to improve their financial health, increase savings, and build assets for home ownership and small business development; and
- decrease the number of “unbanked” residents residing in Weed and Seed sites with no banking history or relationship with a financial institution.

The CCDO and FDIC partnership will link low-income individuals and families to free financial education.

II. Authority

This MOU is authorized in accordance with the general cooperative authority provided under the following Federal provisions: section 807 of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, 42 U.S.C. § 3788; the Intergovernmental Cooperation Act, 31 U.S.C. § 6505; and the FDIC’s authority under the Federal Deposit Insurance Act, as amended, 12 U.S.C. §§ 1819 and 1820, and any other applicable statutory or regulatory authority. Each of these Federal provisions provide for the relevant Federal agency to utilize other Federal, state and local agencies in providing goods or services when the requests are in the best interest of the government, and for authorizing the obligation and expenditure of program funds for programs and projects which are within the program authority of both the requesting and performing components, offices or bureaus of each participating Federal agency.

III. Description of the Partners

A. Community Capacity Development Office

The Community Capacity Development Office oversees Operation Weed and Seed, an Office of Justice Programs initiative which aims to prevent, control, and reduce violent crime, drug abuse, and gang activity in more than 300 targeted high-crime neighborhoods across the country. The strategy involves a two-pronged approach: law enforcement agencies and prosecutors cooperate in “weeding out” violent crime, while other partners focus on “seeding in” social services and neighborhood revitalization efforts. This comprehensive, holistic approach to community building combines the best of law enforcement and community policing with prevention, intervention, treatment, and neighborhood restoration.

B. Federal Deposit Insurance Corporation

The FDIC is an independent Federal agency created by Congress in 1933 to insure bank deposits and maintain stability and public confidence in the nation’s banking system.

A five-member Board of Directors appointed by the President and confirmed by the Senate manages the FDIC. The FDIC receives no congressional appropriations to carry out its mission as deposit insurer and banking regulator. The money for these purposes comes from the deposit insurance premiums paid by banks and savings associations and from earnings on investments in U.S. Treasury securities.

Recognizing the importance of financial education, particularly for persons with little or no banking experience, the FDIC created Money Smart, a training program to help adults outside the financial mainstream enhance their money skills and create positive banking relationships. Financial education fosters financial stability for both individuals and entire communities. The more people know about credit and banking services, the more likely they are to increase savings, buy homes, and improve their financial well-being. The Money Smart curriculum helps people build financial knowledge, develop financial confidence, and understand banking services. The FDIC's Money Smart program is a set of 10 instructor-led training modules covering the following basic financial topics:

1. **Bank On It** – an introduction to bank services
2. **Borrowing Basics** – an introduction to credit
3. **Check It Out** – how to choose and keep a checking account
4. **Money Matters** – how to keep track of your money
5. **Pay Yourself First** – why you should save
6. **Keep It Safe** – your rights as a consumer
7. **To Your Credit** – how your credit history will affect your credit future
8. **Charge It Right** – how you make a credit card work for you
9. **Loan to Own** – know what you're borrowing before you buy
10. **Your Own Home** – what homeownership is all about.

Each training module includes a comprehensive guide for instructors and a take-home booklet containing highlights and resource material for class participants. The instructor guides have everything necessary to teach the program – easy to follow cues and script, overheads, and interactive class exercises. Each Money Smart module can be taught in 60-90 minute sessions.

FDIC provides the Money Smart student self-paced CD-ROM and instructor CD-ROM versions of the curriculum to interested parties free of charge. The materials are easily reproduced and have no copyright restrictions.

C. Partnership Activities

This partnership will help ensure that neighborhood residents in Weed and Seed sites, many of whom are low-income, benefit from the financial literacy education offered through the Money Smart Program.

IV. Duties and Responsibilities of CCDO

In the spirit of partnership, the following responsibilities of CCDO are delineated below. In furtherance of this partnership, CCDO agrees to participate directly in the following activities over the next year. While certain responsibilities are shared by both parties, other responsibilities are carried out individually, as follows:

A. CCDO will inform all applicable CCDO program managers, staff, U.S. Attorney's Offices, and Weed and Seed site coordinators, on the purpose and intent of this MOU.

B. CCDO will provide training sessions on the FDIC Money Smart Partnership at its 2005 conferences for grantees to promote implementation of the partnership goals.

C. CCDO will provide the FDIC Community Affairs Program with a list of all U.S. Attorney's Office liaisons, Weed and Seed Site Coordinators, and CCDO Program Manager contact information to receive the Money Smart Curriculum.

D. CCDO will work with the FDIC contacts to facilitate introductory and planning meetings between FDIC Regional Offices and their CCDO counterparts. The purpose of these meetings will be to identify and establish collaborative endeavors to meet the objectives of this MOU.

E. CCDO will seek to establish a minimum of 75 new financial education programs in Weed and Seed sites by 2006 and offer Money Smart train-the-trainings to sites at CCDO conferences.

F. CCDO will recommend that Weed and Seed sites provide a financial literacy program to residents through a partnership or as part of their strategy.

G. CCDO will promote the Money Smart partnership through articles in the Weed and Seed e-magazine, *In-site*, and information on the CCDO Web site.

H. CCDO will work with the Weed and Seed sites to promote the following to establish or partner with Money Smart programs:

1. Establish financial literacy as part of the site's neighborhood restoration strategy.
2. Identify a site liaison to coordinate with CCDO and FDIC to implement the Money Smart curriculum.
3. Recruit trainer(s).
4. Provide a location for the trainings, preferably the Safe Haven.
5. Conduct outreach to residents to utilize the service.

6. Participate in FDIC surveys and research to assess the effectiveness and impact of the curriculum for Weed and Seed sites and their clientele enrolling in Money Smart classes.

I. CCDO will work with Weed and Seed sites to leverage financial education with other financial services such as VITA Centers or IDA's to increase the asset building capacity for Weed and Seed residents.

J. CCDO will promote this partnership, where possible and appropriate, to its other partners.

K. CCDO will meet with the FDIC Community Affairs Program semi-annually to assess progress in meeting partnership goals.

L. CCDO will provide a relationship manager (liaison) and a second point-of-contact for the FDIC Community Affairs Program staff to coordinate activities under this MOU.

M. CCDO will send Weed and Seed information to the contacts provided by the FDIC Community Affairs Program.

N. CCDO will help facilitate communications with community organizations, partners, and residents by providing, when feasible: alternative formats for persons with disabilities, or translations of Money Smart in languages other than English.

V. Duties and Responsibilities of the FDIC Community Affairs Program

In the spirit of partnership, the following responsibilities of the FDIC are delineated below. In furtherance of this partnership, the FDIC agrees to participate directly in the following activities over the next year. While certain responsibilities are shared by both parties, other responsibilities are carried out individually, as follows:

A. The FDIC will inform all applicable FDIC regional offices of the purpose and intent of this MOU.

B. The FDIC will provide CCDO with a list of contact information for the regional offices.

C. The FDIC will provide, at no cost, copies of the Money Smart curriculum to all CCDO Weed and Seed Sites upon receipt of a listing of proposed recipients from CCDO in a format to be designated by FDIC.

D. The FDIC will work with the CCDO contacts to facilitate introductory and planning meetings between the FDIC regional offices and their CCDO counterparts. The purpose of these meetings will be to identify and establish collaborative endeavors to meet the objectives of this MOU.

E. The FDIC will promote this partnership, where possible and appropriate, to its other partners.

F. FDIC will work with the Weed and Seed sites to provide the following to establish Money Smart Programs:

1. Provide Money Smart curriculum.
2. Provide training and technical assistance for trainers, as resources permit.
3. Provide Money Smart train-the-trainer materials for the trainers and participants.
4. Provide ongoing support for program implementation and documentation
5. Disseminate a survey and track the number of Money Smart participants trained and the number of Weed and Seed sites actively delivering the training.

G. The FDIC will meet with CCDO Headquarters semi-annually to assess progress in meeting partnership goals.

H. The FDIC will provide a relationship manager (liaison) for CCDO staff to coordinate activities under this MOU.

I. The FDIC will provide CCDO with the Money Smart Web site link.

J. The FDIC will help facilitate communications with community organizations, partners, and residents by providing, when feasible: alternative formats for persons with disabilities, or translations of Money Smart in languages other than English.

VI. Partner Agreements

This MOU does not constitute a financial obligation or serve as a basis for any expenditure. To implement this MOU, each agency will utilize its own resources and expend its own funds pursuant to its own statutory authority. Any obligation of funds will be accomplished through other appropriate documents.

The parties identified in this MOU will meet as necessary in order to accomplish the purposes of this MOU. The Director of CCDO and the National Coordinator of FDIC Community Affairs Program each will keep the other informed, either directly or through designees, of any new program, activity, or project that may be initiated, or of any augmentation or revision of an existing program, activity, or project.

VII. Public Information Coordination

Public disclosure of information regarding activities conducted under this MOU will be subject to the Freedom of Information Act (5 U.S.C. § 552), as well as the Privacy Act of 1974 (5U.S.C. § 552a, as amended). Prior to disclosure of requested information, the parties shall consult regarding any such proposed disclosure. Releases (other than FOIA releases) to outside parties including the press, public announcements, and communication with the Congress concerning joint programs conducted under this MOU may be made jointly or by either agency following coordination with the other agency.

VIII. Period of the MOU

This MOU shall be effective as described from the last date of all signatures contained in this MOU and shall remain in effect indefinitely. It may be terminated by either party upon 30-day written notice to the other agency, pursuant to rules established below.

IX. Right to Terminate, Modify and Extend MOU Terms

Any of the participating agencies may, by written notice with at least 30 calendar days notification to each of the other agencies, terminate, modify, and/or extend this MOU, in whole or in part, when it is in the interest of that agency. Notices given under the MOU shall be in writing and may be transmitted by facsimile or electronic mail, provided the notice is also sent simultaneously by U.S. mail addressed to the specific points of contact established in this MOU.

X. Points of Contact

Each party shall have a point of contact to address programmatic aspects and issues of the Money Smart program. The points of contact are as follows:

For the Department of Justice, Community Capacity Development Office (CCDO):

Nelson Hernandez, Director
Community Capacity Development Office
Office of Justice Programs
U.S. Department of Justice
810 7th Street, NW, 6th floor
Washington, DC 20531

With copies to:
Sonia Klukas, Community Partnerships Officer
Community Capacity Development Office
Office of Justice Programs
U.S. Department of Justice
810 7th Street, NW, 6th floor
Washington, DC 20531

For the Federal Deposit Insurance Corporation (FDIC):

Penny King, Community Affairs Specialist
Community Affairs Program
Federal Deposit Insurance Corporation (FDIC)
Division of Supervision and Consumer Protection (DSC)
550 17th Street NW, 5th Floor
Washington, DC 20429

XI. Effect

This MOU is an internal governmental agreement designed to improve the efficiency of government and does not confer any rights on any other party. Nothing in this MOU shall be interpreted as limiting, superseding, or otherwise affecting either agency's normal operations in carrying out its statutory or regulatory duties. This MOU does not limit or restrict either agency from participating in similar activities or arrangements with other entities.

Except as otherwise expressly provided herein, this MOU constitutes the entire agreement between the FDIC Community Affairs Program and CCDO with respect to the matters set forth herein and supersedes any documents prepared before this MOU to the extent those documents may be inconsistent with this MOU. Nothing in this MOU precludes CCDO and the FDIC Community Affairs Program from agreeing to amendments to this MOU.

XII. Signatures

OFFICE OF JUSTICE PROGRAMS

By: _____

Tracy A. Henke, Acting Assistant Attorney General

Date: _____

By: _____

Nelson Hernandez, Director
Community Capacity Development Office (CCDO)

Date: _____

FEDERAL DEPOSIT INSURANCE CORPORATION

By: _____

Donna J. Gambrell, Deputy Director
Division of Supervision and Consumer Protection (DSC)

Date: _____

By: _____

Lee Bowman, National Coordinator
Division of Supervision and Consumer Protection (DSC)

Date: _____